

Original sponsors: Dankworth, Kerttula,  
Ferguson, et al

Offered: 6/18/81  
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 168 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state assistance for municipali-  
7 ties and unincorporated communities; and providing for  
8 an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. MUNICIPAL AID PROGRAM. (a) During the fiscal year ending  
11 June 30, 1982, the Department of Administration shall compute and pay an  
12 entitlement to each qualified municipality. An entitlement to a municipality  
13 with a population of at least 1,000 shall be used for social services and  
14 capital projects at the discretion of the municipality. An entitlement to a  
15 municipality with a population of less than 1,000 shall be used for social  
16 services, capital projects, or operating expenses of capital projects at the  
17 discretion of the municipality. The entitlement for each municipality shall  
18 be computed in accordance with (b) of this section, and is payable by the  
19 Department of Administration in accordance with AS 37.05.315 to the extent  
20 that the provisions of AS 37.05.315 are consistent with (c), (d), and (e) of  
21 this section.

22 (b) Within the limits of appropriations for the purpose, each munici-  
23 pality is entitled to receive \$1,000 per person residing within the bound-  
24 aries of the municipality.

25 (c) A municipality may grant money received under this section to a  
26 nonprofit corporation for

27 (1) any capital project of the nonprofit corporation that serves  
28 a public purpose;

29 (2) social services;

1 (3) the operating expenses of a capital project of the nonprofit  
2 corporation if the project serves a public purpose and the municipality has  
3 a population of less than 1,000.

4 (d) Before money received under this section may be used for a capital  
5 project with a total cost of \$1,000,000 or more, the project must be approved  
6 by the voters of the municipality at a regular state election or a general  
7 or special municipal election. However, money received under this section  
8 may be used without voter approval for improvement or rehabilitation to an  
9 existing public facility if the total cost of the improvement or rehabilita-  
10 tion is not more than \$5,000,000.

11 (e) A municipality may not receive money as an entitlement under this  
12 section until it provides the Department of Administration a copy of an  
13 ordinance or resolution adopted by it that

14 (1) authorizes the municipality to receive and spend the money to  
15 be provided by the entitlement;

16 (2) identifies the social services, capital projects, and, if the  
17 municipality has a population of less than 1,000, the operating expenses of  
18 capital projects for which the money will be spent; and

19 (3) indicates the total amount of money that the municipality may  
20 receive, the amount of money that will be used by the municipality or a  
21 nonprofit corporation for social services, the amount of money that will be  
22 used for each capital project, and, if the municipality has a population of  
23 less than 1,000, the amount of money that will be used for operating expenses  
24 of capital projects.

25 \* Sec. 2. AID TO UNINCORPORATED COMMUNITIES. (a) During the fiscal  
26 year ending June 30, 1982, the Department of Community and Regional Affairs  
27 shall compute and pay an entitlement to each unincorporated community in the  
28 unorganized borough. The entitlement for each community shall be computed  
29 in accordance with (b) of this section, and is payable by the Department of

1 Community and Regional Affairs in accordance with (c) of this section.

2 (b) Within the limits of appropriations for the purpose, each unincor-  
3 porated community in the unorganized borough is entitled to receive \$1,000  
4 per person residing within that community.

5 (c) By August 15, 1981, the Department of Community and Regional  
6 Affairs shall notify each unincorporated community that its entitlement is  
7 available. The Department of Community and Regional Affairs with advice  
8 from the Department of Law shall determine whether there is, in the unincor-  
9 porated community, an incorporated entity or a federally chartered entity  
10 that does not possess sovereign immunity and will agree to receive and spend  
11 the money received under the entitlement. If there is in the unincorporated  
12 community more than one qualified incorporated or federally chartered entity,  
13 the Department of Community and Regional Affairs shall pay the money under  
14 the entitlement to the entity that the department finds most qualified to  
15 receive and spend the money consistent with (d) and (e) of this section. In  
16 selecting the recipient entity, the Department of Community and Regional  
17 Affairs shall give preference to a nonprofit corporation organized by an  
18 unincorporated community for receipt of the entitlement.

19 (d) Money received as an entitlement under this section may be used  
20 for social services, capital projects, or operating expenses of capital  
21 projects in the unincorporated community.

22 (e) An unincorporated community may not receive money as an entitle-  
23 ment under this section until the recipient selected by the Department of  
24 Community and Regional Affairs under (c) of this section provides the Depart-  
25 ment of Community and Regional Affairs a copy of a resolution adopted by it  
26 that

27 (1) authorizes the recipient to receive and spend the money  
28 provided by the entitlement;

29 (2) identifies the social services, capital projects, and operat-

1 ing expenses of capital projects for which the money will be spent;

2 (3) indicates the total amount of money that the recipient may  
3 receive, the amount of money that will be used for social services, the  
4 amount of money that will be used for each capital project, and the amount  
5 of money that will be used for operating expenses of capital projects;

6 (4) identifies each party

7 (A) that owns or will own a capital project for which money  
8 is spent under this section; or

9 (B) that will be responsible for the maintenance and opera-  
10 tion of a capital project for which money is spent under this section;  
11 and

12 (5) agrees that each capital project for which money is spent  
13 under this section will be operated on a nondiscriminatory basis for the  
14 benefit of the public.

15 (f) If there is no qualified incorporated entity or federally chartered  
16 entity willing to receive the money in an unincorporated community, the  
17 entitlement for that unincorporated community may not be paid.

18 \* Sec. 3. DETERMINATION OF POPULATION. (a) For purposes of this Act,  
19 the population of a municipality and of an unincorporated community shall be  
20 determined from the latest figures of the United States Bureau of the Census.

21 (b) For purposes of determining the population of a home rule or  
22 general law borough, the population of each city located within the boundar-  
23 ies of the borough shall be subtracted from the population of the borough.

24 \* Sec. 4. MUNICIPAL AID ACCOUNT. The municipal aid account is estab-  
25 lished in the Department of Administration. Money to carry out the provi-  
26 sions of sec. 1 of this Act shall be appropriated to the account and dis-  
27 tributed by the Department of Administration as authorized in sec. 1 of this  
28 Act. If the amount appropriated to the account is not sufficient to finance  
29 all entitlements, the amount appropriated shall be distributed pro rata

1 among eligible municipalities.

2 \* Sec. 5. UNINCORPORATED COMMUNITY AID ACCOUNT. The unincorporated  
3 community aid account is established in the Department of Community and  
4 Regional Affairs. Money to carry out the provisions of sec. 2 of this Act  
5 shall be appropriated to the account and distributed by the Department of  
6 Community and Regional Affairs as authorized in sec. 2 of this Act. If the  
7 amount appropriated to the account is not sufficient to finance all entitle-  
8 ments, the amount appropriated shall be distributed pro rata among eligible  
9 recipients.

10 \* Sec. 6. DEFINITIONS. In this Act,

11 (1) "capital project" means

12 (A) a public facility; or

13 (B) equipment that may be necessary to construct, operate,  
14 or maintain a public facility or service;

15 (2) "municipality" means a city, borough, or unified municipality  
16 incorporated under state law and includes home rule and general law munici-  
17 palities;

18 (3) "social services" means child care services, protective  
19 services for children and adults, services for children and adults in foster  
20 care, services related to the management and maintenance of the home, day  
21 care services for adults, transportation services, training and related  
22 services, employment services, information, referral, and counseling  
23 services, the preparation and delivery of meals, health support services,  
24 full range of legal services, and appropriate combinations of services  
25 designed to meet the special needs of children, the aged, the develop-  
26 mentally disabled, the blind, the mentally ill, the physically handicapped,  
27 and alcoholics and drug addicts;

28 (4) "unincorporated community" means a place in the unorganized  
29 borough not incorporated as a municipality and in which 25 or more persons

1 reside as a social unit.

2 \* Sec. 7. This Act takes effect July 1, 1981.

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