

Introduced: 5/11/81
Referred: Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 559 am

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 grants; and providing for an
7 effective date."

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

9 * Section 1. AS 37.05.315 is repealed and reenacted to read:

10 Sec. 37.05.315. GRANTS TO MUNICIPALITIES. (a) When an amount is
11 appropriated or allocated as a grant to a municipality, the Department
12 of Administration shall promptly notify the municipality of the avail-
13 ability of the grant. When the Department of Administration receives
14 an agreement executed by the municipality which provides that the
15 municipality (1) will spend the grant for the purposes specified in the
16 appropriation or allocation; (2) will allow, on request, an audit by
17 the state of the uses made of the grant; and (3) assures that, to the
18 extent consistent with the purpose of the appropriation or allocation,
19 the facilities and services provided with the grant will be available
20 for the use of the general public, the Department of Administration
21 shall pay the grant directly to the municipality. The agreement
22 executed by a municipality under this section shall be on a form
23 furnished by the Department of Administration and shall be executed
24 within 60 days after the effective date of the appropriation or alloca-
25 tion.

26 (b) An appropriation or allocation for a grant to a municipality
27 for construction of a public facility lapses if substantial, ongoing
28 work on the project has not begun within five years after the effective
29 date of the appropriation or allocation.

1 (c) In accepting a grant of money for construction of a public
2 facility, a municipality covenants with the state that it will operate
3 and maintain the facility for the practical life of the facility and
4 that the municipality will not look to the state to operate or maintain
5 the facility or pay for its operation or maintenance. This requirement
6 does not apply to a grant for money for repair or improvement of an
7 existing facility operated or maintained by the state at the time the
8 grant is accepted if the repair or improvement for which the grant is
9 made will not substantially increase the operating or maintenance costs
10 to the state.

11 (d) Not less than 20 percent of a grant shall be paid to a
12 municipality within 10 days of the effective date of the agreement
13 under (a) of this section. The remainder of the grant shall be paid
14 either in monthly installments equal to the amount of grant money the
15 municipality expended in the previous month or in a lump sum as deter-
16 mined by the Department of Administration.

17 * Sec. 2. AS 37.05 is amended by adding new sections to read:

18 Sec. 37.05.316. GRANTS TO NAMED RECIPIENTS. When an amount is
19 appropriated or allocated to a department as a grant for a named
20 recipient which is not a municipality, the department to which the
21 appropriation or allocation is made shall promptly notify the named
22 recipient of the availability of the grant and request the named
23 recipient to submit a proposal to provide the goods or services speci-
24 fied in the appropriation act, or both, for which the appropriation or
25 allocation is made. At the same time, the department may issue a
26 request for proposals from other qualified persons to provide the same
27 goods or services, or both, in the same area. The department shall
28 contract with the named recipient unless the Office of the Governor,
29 with due regard for any local expertise or experience among those

1 making proposals, determines that an award of the contract to a
2 different party would better serve the public interest. If the con-
3 tract is awarded to another party than that named by the legislature,
4 the basis of that action shall be stated in writing at the time the
5 grant is issued and a copy of the written statement shall be sent to
6 the Legislative Budget and Audit Committee. A contract shall be
7 executed within 60 days after the effective date of the appropriation
8 or allocation. The purchase of the goods or services, or both, shall
9 be in accordance with AS 37.05.230(1)(C).

10 Sec. 37.05.317. GRANTS TO UNINCORPORATED COMMUNITIES. When an
11 amount is appropriated or allocated as a grant under this section to an
12 unincorporated community, it shall be disbursed as follows:

13 (1) Within 45 days after the effective date of the appropria-
14 tion or allocation, the Department of Community and Regional Affairs
15 shall notify the governing body of the unincorporated community, if
16 any, that a grant is available.

17 (2) The Department of Community and Regional Affairs shall
18 determine if there is a qualified incorporated entity in the community
19 area which will agree to receive the grant and administer it, subject
20 to terms generally applicable to private grantees. If there is more
21 than one such entity, the Department of Community and Regional Affairs
22 shall select the most qualified and the grant shall be awarded to that
23 incorporated entity for the purposes specified in the appropriation
24 act. However, the Department of Community and Regional Affairs shall
25 give preference to a nonprofit corporation organized by a community for
26 receipt of the grant.

27 (3) If there is no incorporated entity qualified to receive
28 the grant, the Department of Community and Regional Affairs shall
29 administer the program as specified in the appropriation act directly

1 or through agents or contractors with whom it may contract in the
2 community area.

3 Sec. 37.05.318. EXEMPTION FROM REGULATIONS. Notwithstanding the
4 Administrative Procedure Act (AS 44.62), the Fiscal Procedures Act
5 (AS 37.05), and the Executive Budget Act (AS 37.07), a state agency may
6 not adopt regulations or impose additional requirements or procedures to
7 implement, interpret, make specific, or otherwise carry out the pro-
8 visions of AS 37.05.315, 37.05.316, and 37.05.317 unless required by
9 the federal government for participation in federal programs.

10 Sec. 37.05.319. DEFINITIONS. In AS 37.05.315, 37.05.316, and
11 37.05.317, "appropriation" and "allocation" have the meanings set out
12 in AS 37.07.120(4) and (5).

13 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
14 070(c).