

Introduced: 2/2/83
Referred: Community and Regional
Affairs and Finance

1 IN THE SENATE

BY BENNETT

2

SENATE BILL NO. 103

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to state aid for municipalities and
7 unincorporated communities; and providing for an
8 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, 1984, the Department of Administration shall compute and pay an
12 entitlement to each qualified municipality. An entitlement to a munici-
13 pality with a population of 1,000 or more shall be used for social services
14 and capital projects at the discretion of the municipality. An entitlement
15 to a municipality with a population of less than 1,000 shall be used for
16 social services, capital projects, or operating expenses of capital proj-
17 ects at the discretion of the municipality. The entitlement for each
18 municipality shall be computed in accordance with (b) of this section, and
19 is payable by the Department of Administration in accordance with AS 37.-
20 05.315 - 37.05.319 to the extent that the provisions of AS 37.05.315 -
21 37.05.319 are consistent with (c), (d), and (e) of this section.

22 (b) Within the limits of appropriations for the purpose, each munici-
23 pality is entitled to receive \$1,500 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 capi-
5 tal project with a total cost of \$1,000,000 or more, the project must be
6 approved by the voters of the municipality at a regular state election or a
7 general or special municipal election. However, money received under this
8 section may be used without voter approval for improvement or rehabilita-
9 tion to an existing public facility if the total cost of the improvement or
10 rehabilitation 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 to 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
15 to be provided by the entitlement;

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

19 (3) indicates the total amount of money that the municipality
20 may 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 ex-
24 penses of capital projects.

25 * Sec. 2. AID TO UNINCORPORATED COMMUNITIES. (a) During the fiscal
26 year ending June 30, 1984, the Department of Community and Regional Affairs
27 shall compute and pay an entitlement to each unincorporated community in
28 the unorganized borough. The entitlement for each community shall be
29 computed in accordance with (b) of this section, and is payable by the

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

3 (b) Within the limits of appropriations for the purpose, each unin-
4 corporated community in the unorganized borough is entitled to receive
5 \$1,500 per person residing within that community.

6 (c) By August 15, 1983, the Department of Community and Regional
7 Affairs shall notify each unincorporated community that its entitlement is
8 available. The Department of Community and Regional Affairs, with advice
9 from the Department of Law, shall determine whether there is, in the unin-
10 corporated community, an incorporated entity or a federally chartered
11 entity that does not possess sovereign immunity and will agree to receive
12 and spend the money received under the entitlement. If there is in the
13 unincorporated community more than one qualified incorporated or federally
14 chartered entity, the Department of Community and Regional Affairs shall
15 pay the money under the entitlement to the entity that the department finds
16 most qualified to receive and spend the money consistent with (d) and (e)
17 of this section. In selecting the recipient entity, the Department of
18 Community and Regional Affairs shall give preference to a nonprofit corpo-
19 ration organized by an unincorporated community for receipt of the entitle-
20 ment.

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

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

29 (1) authorizes the recipient to receive and spend the money

1 provided by the entitlement;

2 (2) identifies the social services, capital projects, and op-
3 erating expenses of capital projects for which the money will be spent;

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

8 (4) identifies each party that

9 (A) owns or will own a capital project for which money is
10 spent under this section; or

11 (B) will be responsible for the maintenance and operation
12 of a capital project for which money is spent under this section; and

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

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

19 * Sec. 3. DETERMINATION OF POPULATION. (a) For purposes of this Act,
20 the population of a municipality and of an unincorporated community shall
21 be determined annually by the Department of Community and Regional Affairs
22 from the latest figures of the United States Bureau of the Census or other
23 population data that, in the judgment of the department, is reliable.

24 (b) For purposes of determining the population of a home rule or
25 general law borough, the population of each city located within the bound-
26 aries of the borough shall be subtracted from the population of the
27 borough.

28 * Sec. 4. MUNICIPAL AID ACCOUNT. The municipal aid account is estab-
29 lished in the Department of Administration. Money to carry out the

1 provisions of sec. 1 of this Act shall be appropriated to the account and
2 distributed by the Department of Administration as authorized in sec. 1 of
3 this Act. If the amount appropriated to the account is not sufficient to
4 finance all entitlements, the amount appropriated shall be distributed pro
5 rata among eligible municipalities.

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

14 * Sec. 6. DEFINITIONS. In this Act

15 (1) "capital project" means

16 (A) a public facility; or

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

19 (2) "municipality" means a city, borough, or unified municipal-
20 ity incorporated under state law and includes home rule and general law
21 municipalities;

22 (3) "social services" means child care services, protective
23 services for children and adults, services for children and adults in
24 foster care, services related to the management and maintenance of the
25 home, day care services for adults, transportation services, training and
26 related services, employment services, information, referral, and counsel-
27 ing services, the preparation and delivery of meals, health support ser-
28 vices, full range of legal services, and appropriate combinations of ser-
29 vices designed to meet the special needs of children, the aged, the

1 developmentally disabled, the blind, the mentally ill, the physically
2 handicapped, and alcoholics and drug addicts;

3 (4) "unincorporated community" means a place in the unorganized
4 borough not incorporated as a municipality and in which 25 or more persons
5 reside as a social unit.

6 * Sec. 7. This Act takes effect July 1, 1983.