

Offered: 5/1/85
Referred: Finance

Original sponsor: Goll

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

SENATE CS FOR HOUSE BILL NO. 198 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to municipal assistance for certain
7 municipalities organized under federal law; and
8 providing for an effective date."

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

10 * Section 1. AS 43.20.016(a) is amended to read:

11 (a) There is established within the department the municipal
12 assistance fund. The legislature may appropriate to the fund during
13 each fiscal year an amount equal to or greater than 30 percent of the
14 income tax revenue received by the state under AS 43.20.011(e) for the
15 previous fiscal year. The department shall distribute money from the
16 fund to each municipality [ORGANIZED BOROUGH AND EACH CITY OF ANY
17 CLASS] on an annual basis as provided in (b) and (c) of this section.
18 A municipality [BOROUGH OR CITY] may not receive payment under (b) or
19 (c) of this section until it submits to the department a resolution
20 approved by the governing body [OF THE MUNICIPALITY] that requests the
21 funds. Distribution of money from the fund to a municipality [CITY OR
22 ORGANIZED BOROUGH] with a fiscal year beginning on January 1 shall be
23 made on February 1 of the state fiscal year for which the appropri-
24 ation to the fund is made. Distribution of money from the fund to all
25 other municipalities [CITIES AND ORGANIZED BOROUGH] shall be made on
26 June 1 of the state fiscal year for which the appropriation to the
27 fund is made. A municipality [BOROUGH OR CITY] that incorporates
28 after December 31 of a state fiscal year is not eligible for a distri-
29 bution under this section until the following state fiscal year.

1 * Sec. 2. AS 43.20.016(b) is amended to read:

2 (b) The base amount to be distributed from the fund to each
3 borough and city for the fiscal year shall be the amount received by
4 the borough or city during fiscal year 1978 under AS 43.70.080; how-
5 ever, if the amount appropriated to the fund by the legislature under
6 (a) of this section is insufficient for distribution of the full base
7 amount, the department shall prorate the amount available for distri-
8 bution on the basis of amounts received during fiscal year 1978 under
9 AS 43.70.080. A city incorporated within an organized borough after
10 June 30, 1977 shall receive as a base amount a share of the amount
11 distributed to the borough in which it is located based on the ratio
12 of population in the city to the total population in the borough. A
13 city incorporated outside an organized borough after June 30, 1977
14 shall receive as a base amount the amount received by the city in the
15 state most closely approximating it in population at the time of its
16 incorporation. A borough incorporated after June 30, 1977 shall
17 receive as a base amount the amount received by the borough in the
18 state most closely approximating it in population at the time of its
19 incorporation. The base amount to be distributed to each municipality
20 organized under federal law shall be the amount received as a base
21 amount by the city most closely approximating that municipality in
22 population on June 30, 1977.

23 * Sec. 3. AS 43.20.016(c) is amended to read:

24 (c) If the amount in the fund at the time of distribution ex-
25 ceeds the base amount to be distributed under (b) of this section, the
26 excess amount shall be distributed to each municipality [BOROUGH AND
27 CITY] on the basis of population. For the purpose of this subsection,
28 the population of a city within an organized borough shall be deducted
29 from the population of the borough. Population, for the purpose of

1 this section, shall be as certified by the commissioner of community
2 and regional affairs.

3 * Sec. 4. AS 43.20.016 is amended by adding new subsections to read:

4 (e) To qualify to receive money under this section a municipal-
5 ity organized under federal law as an Indian reserve that existed
6 before enactment of 43 U.S.C. 1618(a) and is continued in existence
7 under that subsection shall form a community development corporation
8 with authority to determine how money received under this section will
9 be used. The charter shall require that the governing board of the
10 corporation shall be elected at an election open to all residents of
11 the municipality who are registered and qualified to vote in state
12 elections. The Department of Revenue may distribute money for the
13 municipality only to a corporation organized in accordance with this
14 subsection and only after the corporation has delivered a written
15 waiver of sovereign immunity from legal action by the state to recover
16 all or a portion of the money distributed under this section.

17 (f) In this section "municipality" means a city, borough or
18 unified municipality organized under the laws of the state, or a
19 municipality organized under federal law as an Indian reserve that
20 existed before enactment of 43 U.S.C. 1618(a) and is continued in
21 existence under that subsection.

22 * Sec. 5. This Act takes effect July 1, 1985.