

CS FOR HOUSE BILL NO. 54 (CRA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 3/1/91
Referred: Finance

Sponsor(s): REPRESENTATIVES MACKIE, Grussendorf, C.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the distribution of national forest receipts; and providing for an
2 effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1. FINDINGS AND PURPOSE.** (a) Federal law, 16 U.S.C. 500, provides that 25 percent
5 of all money received each fiscal year from each national forest shall be paid to the state in which the
6 national forest is located, to be distributed under state law for the benefit of the public schools and roads
7 of the county or counties in which the national forest is located.

8 (b) The intent of this federal law is to provide funds to support roads and schools of
9 communities affected by national forest activities.

10 (c) Under present state law, communities that are affected by national forest activities, but
11 located within the unorganized borough, do not receive any part of national forest income.

12 (d) That portion of national forest income not distributed to organized boroughs under
13 AS 41.15.180(a) should be distributed to communities within the unorganized borough that are situated
14 within a national forest or within 20 miles of a national forest and that presently do not receive funds

1 from national forest receipts.

2 * Sec. 2. AS 41.15.180 is repealed and reenacted to read:

3 Sec. 41.15.180. NATIONAL FOREST INCOME. (a) When the commissioner of
4 community and regional affairs receives national forest income under 16 U.S.C. 500, the
5 commissioner shall immediately pay to every

6 (1) organized borough in which national forest land is located a share of the
7 income from that forest; an organized borough's share of income from a national forest shall be
8 proportional to the area of the national forest located within its boundaries;

9 (2) home rule or first class city located within the unorganized borough and
10 within a national forest or within 20 miles of the national forest a share of the income from the
11 percentage of that forest that is located within the unorganized borough; a home rule or first class
12 city's share of income from a national forest shall be proportional to the number of people
13 residing in the home rule or first class city to the total of people who reside within the
14 unorganized borough and within the national forest or within 20 miles of the national forest;

15 (3) municipality organized under federal law as an Indian reserve that existed
16 before the enactment of 43 U.S.C. 1618(a) and is continued in existence under that subsection
17 and that has formed a community development corporation under AS 29.60.365 and that is
18 located within the unorganized borough and within the national forest or within 20 miles of the
19 national forest a share of the income from the percentage of that forest that is located within the
20 unorganized borough; the share of income from a national forest due a municipality organized
21 under federal law shall be proportional to the number of people residing in the municipality
22 organized under federal law to the total of people who reside within the unorganized borough and
23 within the national forest or within 20 miles of the national forest; the commissioner may pay
24 income from national forest receipts under this paragraph only after the corporation has delivered
25 a written waiver of sovereign immunity from legal action by the state to recover all or a portion
26 of the money distributed under this section;

27 (4) second class city that has adopted road powers and that is located within the
28 unorganized borough and within a national forest or within 20 miles of the national forest a share
29 of the income from the percentage of that forest that is located within the unorganized borough;
30 the second class city's share of income from a national forest shall be 75 percent of the
31 proportion of the number of people residing in the second class city to the total number of people

1 who reside within the unorganized borough and within the national forest or within 20 miles of
2 the national forest.

3 (b) There is created in the Department of Community and Regional Affairs an
4 unorganized borough national forest receipts fund that shall be administered separate and distinct
5 from other funds the department may administer. The fund consists of national forest income
6 received by the Department of Community and Regional Affairs under 16 U.S.C. 500 for the
7 percentage of the national forest located within the unorganized borough and not distributed
8 under (a)(2) - (4) of this section. The commissioner of community and regional affairs shall
9 make distributions from the fund to

10 (1) a regional educational attendance area that is located within the national forest
11 or within 20 miles of the national forest and that has made application for use of the distribution
12 for new capital facilities construction or for repair or improvement of existing capital facilities;

13 (2) a second class city that has not adopted road powers, or an unincorporated
14 community, that is located within the unorganized borough and within the national forest or
15 within 20 miles of the national forest and that has made application for use of the distribution
16 by the Department of Transportation and Public Facilities for public roads to benefit the second
17 class city or unincorporated community.

18 (c) In making distributions under (b) of this section, the commissioner of community and
19 regional affairs shall adopt regulations to provide for the review and ranking of applications of
20 unincorporated communities and regional educational attendance areas on the basis of

21 (1) the applicant's direct need for the proposed project;

22 (2) the importance of the proposed project to life safety and development;

23 (3) the direct benefit of the proposed project to the applicant; and

24 (4) the applicant's ability to perform or complete the proposed project.

25 (d) The national forest income paid to an organized borough, a home rule or a first class
26 city, or a municipality organized under federal law under (a)(1), (2), or (3) of this section shall
27 be expended for public schools and public roads. National forest income paid to a second class
28 city under (a)(4) of this section shall be expended for public roads.

29 (e) A payment or distribution made under this section shall be made under an
30 appropriation for that purpose.

31 (f) Annually, the commissioner of community and regional affairs shall determine the

1 number of people living within a national forest or within 20 miles of each national forest and
2 within the unorganized borough for the purpose of making a payment or distribution under
3 (a)(2) - (4), and (b) of this section.

4 (g) An organized borough, home rule, first or second class city, municipality organized
5 under federal law, or regional educational attendance area that receives a national forest income
6 payment of or distribution under 16 U.S.C. 500 and this section shall annually report and account
7 to the commissioner of community and regional affairs its use of the payment or distribution for
8 the purposes provided in (b) and (d) of this section. The commissioner of community and
9 regional affairs may not distribute national forest income under this section to an entity that has
10 previously failed to report and account as required under this subsection.

11 (h) For purposes of this section, if any portion of a home rule, first class or second class
12 city, regional educational attendance area, municipality organized under federal law, or
13 unincorporated community in the unorganized borough is located within the national forest or
14 within 20 miles of the national forest, the entire home rule, first class or second class city,
15 regional educational attendance area, municipality organized under federal law, or unincorporated
16 community is considered to be within the national forest or within 20 miles of the national forest.

17 (i) In this section, "unincorporated community" has the meaning given in
18 AS 29.60.140(b).

19 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).