

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

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 5/10/91
Referred: Finance

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the distribution of national forest receipts; providing for the
2 distribution of national forest receipts to an organized borough in proportion to the
3 percentage of the national forest within the organized borough; establishing an unorganized
4 borough national forest receipts fund to be utilized for the benefit of public schools and
5 roads in the unorganized borough; providing for distributions from the fund to
6 communities in the unorganized borough; and providing for an effective date."

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

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

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

1 (c) Under present state law, communities and regional educational attendance areas that are
2 affected by national forest activities, but located within the unorganized borough, do not receive direct
3 payment of national forest income.

4 (d) That portion of national forest income not distributed to organized boroughs under
5 AS 41.15.180(a) should be distributed to communities within the unorganized borough that are situated
6 within a national forest or within 20 miles of a national forest that contribute financially to the provision
7 of education and road maintenance and to regional educational attendance areas that have a school
8 located within a national forest or within 20 miles of a national forest, and that presently do not receive
9 funds from national forest receipts.

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 AS 41.15.180 is repealed and reenacted to read:

11 Sec. 41.15.180. NATIONAL FOREST INCOME. (a) When the commissioner of
12 community and regional affairs receives national forest income under 16 U.S.C. 500, the
13 commissioner shall immediately pay to each organized borough in which national forest land is
14 located a share of the income from that forest; an organized borough's share of income from a
15 national forest shall be proportional to the area of the national forest located within its
16 boundaries.

17 (b) There is created as a separate account in the general fund the unorganized borough
18 national forest receipts fund. The fund consists of national forest income received by the
19 Department of Community and Regional Affairs under 16 U.S.C. 500 for the percentage of a
20 national forest located within the unorganized borough. Seventy-five percent of the fund shall
21 be allocated for public schools and 25 percent for public roads.

22 (c) From the percentage of the unorganized borough national forest receipts fund
23 allocated to the public schools under (b) of this section, the commissioner shall pay to each home
24 rule or first class city located within the unorganized borough and within a national forest or
25 within 20 miles of a national forest, or regional educational attendance area that has a school
26 located within the unorganized borough and within a national forest or within 20 miles of a
27 national forest, a share of the income from the public schools allocation of the fund. A home
28 rule city, first class city, or regional educational attendance area's share shall be calculated as the
29 proportion of the number of children in average daily membership of the city school district or
30 regional educational attendance area compared to the total number of children in average daily
31 membership in city school districts located within the unorganized borough and within the

1 national forest or within 20 miles of the national forest and in regional educational attendance
2 areas that have a school located within the unorganized borough and within the national forest
3 or within 20 miles of the national forest.

4 (d) From the percentage of the unorganized borough national forest receipts fund
5 allocated to public roads under (b) of this section, the commissioner shall pay to each

6 (1) home rule city, first class city, or second class city that exercises road powers,
7 that is located within the unorganized borough and within a national forest or within 20 miles
8 of a national forest, a share of the income from the roads allocation of the fund; a home rule city,
9 first class city, or second class city's share shall be calculated as the proportion of the number
10 of road miles within municipal boundaries over which the community exercises road powers plus
11 the number of state road miles maintained by the municipality under agreement with the state
12 compared to the total number of road miles maintained by state or local governments in the
13 unorganized borough and within the national forest or within 20 miles of the national forest;

14 (2) municipality organized under federal law as a Indian reserve that existed
15 before the enactment of 43 U.S.C. 1618(a) and is continued in existence under that subsection
16 and that has formed a community development corporation under AS 29.60.365, that exercises
17 road powers and that is located within the unorganized borough and within the national forest
18 or within 20 miles of the national forest a share of the income from the roads allocation of the
19 fund; the share due a municipality organized under federal law that exercises road powers shall
20 be calculated as the proportion of the number of road miles within municipal boundaries over
21 which the community exercises road powers plus the number of state road miles maintained by
22 the municipality under agreement with the state compared to the total number of road miles
23 maintained by state or local governments in the unorganized borough and within the national
24 forest or within 20 miles of the national forest; however, the commissioner may pay income from
25 national forest receipts under this paragraph only after the corporation has delivered a written
26 waiver of sovereign immunity from legal action by the state to recover all or a portion of the
27 money distributed under this section.

28 (e) A distribution made under (a) of this section shall be expended for public schools and
29 public roads. A distribution made under (c) of this section shall be expended for public schools.
30 A distribution made under (d) of this section shall be expended for public roads.

31 (f) For the purpose of making distributions from the fund, the commissioner of

1 community and regional affairs shall consult with the commissioner of education, for purposes
2 of determining the number of children in average daily membership in the public schools affected
3 by this section, and the commissioner of transportation and public facilities, to determine the total
4 number of road miles in the unorganized borough affected by this section.

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

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

20 (i) A payment or distribution made under this section shall be made under an
21 appropriation for the purpose.

22 (j) That portion of the unorganized borough national forest receipts fund remaining in
23 the account unobligated and unexpended on June 30 of a fiscal year shall be deposited into the
24 unrestricted portion of the general fund and shall be used to offset expenses of the general fund
25 for school and road maintenance in the affected areas of the unorganized borough for which
26 direct distribution of funds has not been made.

27 * Sec. 3. This Act takes effect July 1, 1991.