SENATE CS FOR CS FOR HOUSE BILL NO. 573 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 5/5/92
Referred: Finance

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to state and municipal programs that provide a financial benefit to**
2 **entities and individuals, including an exemption from municipal property taxation for**
3 **certain primary residences; and providing for an effective date."**

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

5 * **Section 1.** AS 14.17.140 is amended by adding a new subsection to read:
6 (c) The Department of Community and Regional Affairs may not include property
7 exempted under AS 29.45.052 when making the full value determination under (a) of this section.
8 * **Sec. 2.** AS 26.10.080(c) is amended to read:
9 (c) The Department of Military and Veterans' Affairs may not pay a death gratuity unless
10 the veteran for whom payment is made
11 <u>(1)</u> received an honorable discharge or a general discharge under honorable
12 conditions<u>; and</u>
13 <u>**(2) is ineligible for a federal funeral or burial benefit under 38 U.S.C. 901 -**</u>
14 <u>**907**</u>.

1 * **Sec. 3.** AS 29.45.030(k) is amended to read:

2 (k) The department shall adopt regulations to implement the provisions of [(g) AND] (j)
3 of this section.

4 * **Sec. 4.** AS 29.45.040(f) is amended to read:

5 (f) In this section "disabled veteran" has the meaning given in <u>AS 29.45.052(b)</u>
6 [AS 29.45.030(i)].

7 * **Sec. 5.** AS 29.45 is amended by adding a new section to read:

8 Sec. 29.45.052. OPTIONAL EXEMPTION FOR CERTAIN PRIMARY RESIDENCES.
9 (a) The real property owned and occupied as the primary residence and permanent place of
10 abode by a resident of the state who is (1) 65 years of age or older; (2) disabled veteran; or (3)
11 at least 60 years old who is the widow or widower of a person who qualified for an exemption
12 under (1) or (2) of this subsection, may by ordinance be exempted from taxation on all or part
13 of the assessed value of the real property. The ordinance may base the exemption on hardship.
14 Only one exemption may be granted for the same property and, if two or more persons are
15 eligible for an exemption for the same property, the exemption may not be granted unless the
16 parties decide between or among themselves who is to receive the benefit of the exemption. Real
17 property may not be exempted under this subsection if the local assessor determines, after notice
18 and hearing to the parties, that the property was conveyed to the applicant primarily for the
19 purpose of obtaining the exemption. The determination of the assessor may be appealed to the
20 superior court under procedures set out in AS 44.62.560 - 44.62.570.

21 (b) In this section,

22 (1) "disabled veteran" means a disabled person separated from the military service
23 of the United States under a condition that is not dishonorable, whose disability was incurred or
24 aggravated in the line of duty in the military service of the United States, and whose disability
25 has been rated as 50 percent or more by the branch of service in which that person served or by
26 the Veterans' Administration;

27 (2) "real property" includes mobile homes, whether classified as real or personal
28 property for municipal tax purposes.

29 * **Sec. 6.** AS 44.83.162(c) is amended to read:

30 (c) An eligible electric utility is entitled to receive power cost equalization for

31 (1) sales of power to local community facilities, calculated in the aggregate for

1 each community served by the electric utility, for actual consumption of not more than 70
2 kilowatt-hours per month for each resident of the community; and
3 (2) actual consumption of not more than 750 kilowatt-hours per month sold to
4 each customer in all classes served by the electric utility except to customers of the utility under
5 (1) of this subsection **and customers that are state or federal offices or state or federal**
6 **facilities**.
7 * **Sec. 7.** AS 44.83.162(e) is amended to read:
8 (e) An electric utility whose customers receive power cost equalization under this section
9 shall set out in its tariff the rates without the power cost equalization and the amount of power
10 cost equalization per kilowatt-hour sold. The rate charged to the customer shall be the difference
11 between the two amounts. Power cost equalization paid under this section shall be used to reduce
12 the cost of all power sold to local community facilities, in the aggregate, to the extent of 70
13 kilowatt-hours per month per resident of the community, and to reduce the cost of the first 750
14 kilowatt-hours per customer per month for all other classes served by the electric utility **except**
15 **state or federal offices and state or federal facilities**.
16 * **Sec. 8.** AS 47.25.455 is amended by adding new subsections to read:
17 (c) As a condition of applying for assistance under this section, an applicant must agree
18 to repay the state for assistance granted under this section upon receiving a benefit under 42
19 U.S.C. 1381 - 1383d for a month in which assistance was granted under this section. However,
20 a repayment required for a month under this subsection may not exceed the amount of assistance
21 received under 42 U.S.C. 1381 - 1383d for that month.
22 (d) Beginning the month following the month in which a person is determined to be
23 eligible for benefits under 42 U.S.C. 1381 - 1383d, the department shall terminate benefits to that
24 person under this section and begin payments to the person under AS 47.25.430.
25 * **Sec. 9.** ONE-YEAR LIMITATION ON GRANTING COLA FOR AFDC AND ADULT PUBLIC
26 ASSISTANCE. (a) Notwithstanding AS 47.25.320(d), the Department of Health and Social Services
27 is not required to increase the monetary maximums in AS 47.25.320(a) on January 1, 1993, because of
28 a cost-of-living increase in benefits under 42 U.S.C. 1381 - 1383d. On January 1, 1993, the department
29 may increase the monetary maximums in AS 47.25.320(a) by a percentage that does not exceed the
30 percentage increase in benefits under 42 U.S.C. 1381 - 1383d on January 1, 1993, but only if the
31 department determines by November 15, 1992, that sufficient money has been appropriated to fund the

1 increase in monetary maximums for the first six months of 1993.

2 (b) Notwithstanding AS 47.25.430(b), the Department of Health and Social Services is not
3 required to increase the state's contribution to recipients under AS 47.25.430 on January 1, 1993, because
4 of a cost-of-living increase in benefits under 42 U.S.C. 1381 - 1383d. On January 1, 1993, the
5 department may increase the state's contribution to recipients under AS 47.25.430 by a percentage that
6 does not exceed the percentage increase in benefits under 42 U.S.C. 1381 - 1383d on January 1, 1993,
7 but only if the department determines by November 15, 1992, that sufficient money has been
8 appropriated to fund the increase in the state's contribution for the first six months of 1993.

9 * **Sec. 10.** AS 29.45.030(a)(6), 29.45.030(e), 29.45.030(f), 29.45.030(g), 29.45.030(h), and
10 29.45.030(i), are repealed.

11 * **Sec. 11.** Sections 1, 3 - 5, and 10 of this Act take effect January 1, 1993.

12 * **Sec. 12.** Except as provided in sec. 11 of this Act, this Act takes effect July 1, 1992.