

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

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/12/92

Referred: Rules

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 the portion of
7 the assessed value of property exempted under AS 29.45.050(i) when making the full value
8 determination under (a) of this section.

9 *** Sec. 2. AS 26.10.080(a) is amended to read:**

10 (a) The Department of Military and Veterans' Affairs shall pay, upon application, a death
11 gratuity in the amount of \$350 [~~\$750~~] to the surviving spouse of a qualified veteran who was a
12 resident of the state at the time of death. If the veteran has no surviving spouse, the gratuity
13 shall be paid to the personal representative of the veteran. A veteran is qualified under this
14 subsection if the veteran's

- 1 (1) burial occurred in the state on or after May 13, 1984; or
2 (2) death occurred on or after September 19, 1990.

3 * Sec. 3. AS 26.10.080(c) is amended to read:

4 (c) The Department of Military and Veterans' Affairs may not pay a death gratuity unless
5 the veteran for whom payment is made

6 (1) received an honorable discharge or a general discharge under honorable
7 conditions; and

8 (2) is ineligible for a federal funeral or burial benefit under 38 U.S.C. 901 -
9 907.

10 * Sec. 4. AS 29.45.050(i) is amended to read:

11 (i) A municipality may by ordinance approved by the voters exempt from taxation the
12 assessed value that exceeds \$150,000 of real property owned and occupied as a permanent place
13 of abode by a resident who is (1) 65 years of age or older; (2) a disabled veteran, including a
14 person who was disabled in the line of duty while serving in the Alaska Territorial Guard; or (3)
15 at least 60 years old and a widow or widower of a person who qualified for an exemption under
16 (1) or (2) of this subsection. An exemption adopted under this subsection may be limited to
17 certain eligible residents based upon hardship to those residents as defined in the ordinance.

18 * Sec. 5. AS 43.20.014(a) is amended to read:

19 (a) For cash contributions accepted for direct instruction, research, and educational
20 support purposes, including library and museum acquisitions, and contributions to endowment,
21 by a nonprofit, public or private, Alaska two-year or four-year college or by an Alaska university
22 foundation accredited by a regional accreditation association, and for cash contributions to the
23 Alaska heritage endowment fund established by AS 37.14.400 - 37.14.440, a taxpayer is
24 allowed as a credit against the tax due under this chapter

25 (1) 50 percent of contributions of not more than \$100,000; and

26 (2) 100 percent of the next \$100,000 of contributions.

27 * Sec. 6. AS 43.20.014(a) is repealed and reenacted to read:

28 (a) For cash contributions accepted for direct instruction, research, and educational
29 support purposes, including library and museum acquisitions, and contributions to endowment,
30 by a nonprofit, public or private, Alaska two-year or four-year college or by an Alaska university
31 foundation accredited by a regional accreditation association, a taxpayer is allowed as a credit

1 against the tax due under this chapter

2 (1) 50 percent of contributions of not more than \$100,000; and

3 (2) 100 percent of the next \$100,000 of contributions.

4 * Sec. 7. AS 44.83.162(c) is amended to read:

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

6 (1) sales of power to local community facilities, calculated in the aggregate for
7 each community served by the electric utility, for actual consumption of not more than 70
8 kilowatt-hours per month for each resident of the community; and

9 (2) actual consumption of not more than 750 kilowatt-hours per month sold to
10 each customer in all classes served by the electric utility except to customers of the utility under
11 (1) of this subsection and customers that are state or federal offices or state or federal
12 facilities.

13 * Sec. 8. AS 44.83.162(d) is amended to read:

14 (d) The amount of power cost equalization provided per kilowatt-hour under (c) of this
15 section may not exceed 95 percent of the power costs, or the average rate per eligible
16 kilowatt-hour sold, whichever is less, as determined by the commission. However,

17 (1) during the state fiscal year that begins July 1, 1992, [1984] the power costs
18 for which power cost equalization may be paid to an electric utility are limited to minimum
19 power costs of more than 9.5 [8.5] cents per kilowatt-hour and less than 52.5 cents per
20 kilowatt-hour;

21 (2) during each following state fiscal year, the power costs for which power cost
22 equalization may be paid to an electric utility shall be adjusted by the commission, considering
23 the rate of change in fuel cost and power demand; and

24 (3) the power cost equalization per kilowatt-hour may be determined for a utility
25 without historical kilowatt-hour sales data by using kilowatt hours generated.

26 * Sec. 9. AS 44.83.162(e) is amended to read:

27 (e) An electric utility whose customers receive power cost equalization under this section
28 shall set out in its tariff the rates without the power cost equalization and the amount of power
29 cost equalization per kilowatt-hour sold. The rate charged to the customer shall be the difference
30 between the two amounts. Power cost equalization paid under this section shall be used to reduce
31 the cost of all power sold to local community facilities, in the aggregate, to the extent of 70

1 kilowatt-hours per month per resident of the community, and to reduce the cost of the first 750
2 kilowatt-hours per customer per month for all other classes served by the electric utility except
3 state or federal offices and state or federal facilities.

4 * Sec. 10. AS 47.25.455 is amended by adding new subsections to read:

5 (c) As a condition of applying for assistance under this section, an applicant must agree
6 to repay the state for assistance granted under this section upon receiving a benefit under 42
7 U.S.C. 1381 - 1383d for a month in which assistance was granted under this section. However,
8 a repayment required for a month under this subsection may not exceed the amount of assistance
9 received under 42 U.S.C. 1381 - 1383d for that month.

10 (d) Beginning the month following the month in which a person is determined to be
11 eligible for benefits under 42 U.S.C. 1381 - 1383d, the department shall terminate benefits to that
12 person under this section and begin payments to the person under AS 47.25.430.

13 * Sec. 11. ONE-YEAR LIMITATION ON GRANTING COLA FOR AFDC AND ADULT PUBLIC
14 ASSISTANCE. (a) Notwithstanding AS 47.25.320(d), the Department of Health and Social Services
15 is not required to increase the monetary maximums in AS 47.25.320(a) on January 1, 1993, because of
16 a cost-of-living increase in benefits under 42 U.S.C. 1381 - 1383d. On January 1, 1993, the department
17 may increase the monetary maximums in AS 47.25.320(a) by a percentage that does not exceed the
18 percentage increase in benefits under 42 U.S.C. 1381 - 1383d on January 1, 1993, but only if the
19 department determines by November 15, 1992, that sufficient money has been appropriated to fund the
20 increase in monetary maximums for the first six months of 1993.

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

28 * Sec. 12. Sections 1 and 4 of this Act take effect January 1, 1993.

29 * Sec. 13. Section 6 of this Act takes effect January 1, 1996.

30 * Sec. 14. Except as provided in secs. 12 - 13 of this Act, this Act takes effect July 1, 1992.