

**CS FOR SENATE BILL NO. 154(L&C)(efd fld)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**EIGHTEENTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE LABOR AND COMMERCE COMMITTEE**

**Amended: 4/1/93**  
**Offered: 3/19/93**

**Sponsor(s): SENATORS JACKO, Halford, Pearce, Kelly, Taylor**

**A BILL**

**FOR AN ACT ENTITLED**

**1 "An Act relating to the economic development grant program."**

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

**3 \* Section 1. AS 29.60 is amended by adding new sections to read:**

**4 ARTICLE 9. ECONOMIC DEVELOPMENT GRANT PROGRAM.**

**5 Sec. 29.60.670. ECONOMIC DEVELOPMENT GRANT FUND. The**  
**6 economic development grant fund consisting of appropriations to the fund is**  
**7 established in the Department of Administration. Except as otherwise provided in an**  
**8 appropriation act, money appropriated to the fund does not lapse but is retained in the**  
**9 fund.**

**10 Sec. 29.60.675. ECONOMIC DEVELOPMENT GRANTS. (a) A municipality**  
**11 or a regional development organization may apply for an economic development grant**  
**12 for a fiscal year by submitting an application to the Office of the Governor before**  
**13 October 1 of the preceding fiscal year. The application shall be on a form prescribed**  
**14 by the office of management and budget after consulting with the Department of**

1 Commerce and Economic Development and the Department of Community and  
2 Regional Affairs. The grant money may only be used for construction of a capital  
3 project that will increase economic opportunity within the municipality or region that  
4 the organization represents. The grant application must include the following  
5 information:

6 (1) the amount of money available to the municipality or the  
7 organization from nonstate sources that the municipality or the organization proposes  
8 to use to match grant funds for the project;

9 (2) the amount of money available from private, nongovernmental  
10 sources that has been committed to or as a result of investment in the project;

11 (3) an estimate of the number and duration of construction jobs within  
12 the municipality or region that will result from the project;

13 (4) an estimate of the number of new permanent jobs within the  
14 municipality or region that will result directly or indirectly from the project;

15 (5) an estimate of the amount of state taxes, municipal taxes, and other  
16 fees or payments to the state or applicant that will be generated as a result of the  
17 project during the 10 years following its completion; and

18 (6) a description of the ownership of the completed project and how  
19 the project will be operated and maintained after it is constructed.

20 (b) All grant applications received for a fiscal year shall be evaluated by a  
21 committee composed of representatives of the office of management and budget, the  
22 Department of Commerce and Economic Development, the Department of Community  
23 and Regional Affairs, and other agencies. Committee members shall be selected by  
24 the director of the office of management and budget and shall be chaired by the  
25 director or the director's designee. The committee may request from a municipality  
26 or organization additional information needed to evaluate a proposed capital project.  
27 As part of the annual capital improvements program presented to the legislature under  
28 AS 37.07.060, the governor shall submit to the finance committees of each house of  
29 the legislature a prioritized list of projects for which the evaluation committee  
30 recommends funding based on the degree to which each project has the potential to  
31 improve the economy of the state and of the municipality that has applied for the grant

1 or the region represented by the organization that has applied for the grant.

2 (c) The legislature may appropriate or allocate from the economic development  
3 fund or allocate in an appropriation to the fund all or a portion of the money requested  
4 by a municipality or organization for a project identified in the prioritized list.

5 Sec. 29.60.680. GRANTS. The Department of Administration, after consulting  
6 with the Department of Commerce and Economic Development and the Department  
7 of Community and Regional Affairs, shall by regulation establish requirements for  
8 economic development grants under AS 29.60.670 - 29.60.685 and shall administer the  
9 grants. The regulations are subject to approval by the office of management and  
10 budget. A grant may not be awarded by the department unless money for the project  
11 is appropriated or allocated under AS 29.60.675(c) and the municipality or organization  
12 meets or exceeds the amount of matching money identified in its grant application.

13 Sec. 29.60.685. DEFINITIONS. In AS 29.60.670 - 29.60.680, "regional  
14 development organization" and "organization" have the meanings given in  
15 AS 44.33.026(e).