



# LAWS OF ALASKA

1991

**Source**

SCS CSHB 54(CRA)

**Chapter No.**

37

**AN ACT**

Relating to the distribution of national forest receipts; providing for the distribution of national forest receipts to an organized borough in proportion to the percentage of the national forest within the organized borough; establishing an unorganized borough national forest receipts fund to be utilized for the benefit of public schools and roads in the unorganized borough; providing for distributions from the fund to communities in the unorganized borough; and providing for an effective date.

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

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Approved by the Governor: June 12, 1991  
Actual Effective Date: July 1, 1991

AN ACT

1 Relating to the distribution of national forest receipts; providing for the distribution of  
2 national forest receipts to an organized borough in proportion to the percentage of the  
3 national forest within the organized borough; establishing an unorganized borough  
4 national forest receipts fund to be utilized for the benefit of public schools and roads in  
5 the unorganized borough; providing for distributions from the fund to communities in  
6 the unorganized borough; and providing for an effective date.  
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10 \* Section 1. FINDINGS AND PURPOSE. (a) Federal law, 16 U.S.C. 500, provides that 25 percent  
11 of all money received each fiscal year from each national forest shall be paid to the state in which the  
12 national forest is located, to be distributed under state law for the benefit of the public schools and roads  
13 of the county or counties in which the national forest is located.

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

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

19 (d) That portion of national forest income not distributed to organized boroughs under  
20 AS 41.15.180(a) should be distributed to communities within the unorganized borough that are situated  
21 within a national forest or within 20 miles of a national forest that contribute financially to the provision

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1 of education and road maintenance and to regional educational attendance areas that have a school  
2 located within a national forest or within 20 miles of a national forest, and that presently do not receive  
3 funds from national forest receipts.

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

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

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

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

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

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

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

23 (e) A distribution made under (a) of this section shall be expended for public schools and  
24 public roads. A distribution made under (c) of this section shall be expended for public schools.  
25 A distribution made under (d) of this section shall be expended for public roads.

26 (f) For the purpose of making distributions from the fund, the commissioner of  
27 community and regional affairs shall consult with the commissioner of education, for purposes  
28 of determining the number of children in average daily membership in the public schools affected  
29 by this section, and the commissioner of transportation and public facilities, to determine the total  
30 number of road miles in the unorganized borough affected by this section.

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

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

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

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

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