



Alaska State Legislature House and Senate Democrats

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FOR IMMEDIATE RELEASE • February 4, 2004

Relief to Municipalities

Representative Moses introduces Municipal Dividend legislation

JUNEAU – Representative Carl Moses (D-Unalaska) today introduced House Bill 431, an act to create a Municipal Dividend distribution to municipalities. The bill would direct surplus funds from the Earnings Reserve Account of the Permanent Fund. Municipal dividends would be distributed after the Legislature makes its annual appropriations for dividends and inflation proofing.

“With the legislature providing no significant new revenue for the state budget, we should look to the Permanent Fund to relieve our beleaguered municipalities,” said Representative Moses, the longest serving member of the Alaska Legislature. Moses has promoted this issue in Juneau for a number of years.

Uncertain state funding has affected local ability to plan and budget properly, and more recently, has forced municipalities to absorb the brunt of many state budget cuts.

HB431 would aid municipalities with a measure of unrestricted funds and would empower local governments by allowing them to decide how to best spend that money, given that local priorities differ around the state.

“Alaska’s municipalities provide the most direct critical services to the people,” said Moses. “Let’s put local communities in control of their share of Alaska’s assets.”

The bill would establish a municipal dividend fund and draw a modest sum from the annual earnings of the Permanent Fund.

The amount going to each municipality would be determined by population, at \$250 per PFD recipient, with a minimum of \$40,000 to each municipality.

Distributions to municipalities would come only after Permanent Fund Dividends and inflation proofing are provided for.

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