

**Alaska Municipal League  
Resolution #2020-16**

**Opposing any further reductions to Community Assistance and in support of an appropriation to the Community Assistance Fund that would bring the Fund total back up to \$90 million.**

**WHEREAS**, the veto of \$30 million to recapitalizing the Community Assistance Fund directly affects the operations of local governments by reducing the formula-driven distribution in FY21 by a third; and

**WHEREAS**, Community Assistance (known formerly as Community Revenue Sharing) represents a decades-long partnership between local governments and the State of Alaska; and

**WHEREAS**, that partnership is a recognition of the State's retention of royalty and production rights on resource development, that local tax bases would not be able otherwise to ensure operations, and the need to deliver essential public services outside of State government; and

**WHEREAS**, Community Assistance has seen continued degradation over the years, including in the least five by 50%, or if measured from FY20 to FY85 and adjusting for inflation, the value of Community Assistance should be 984% greater than it currently is; and

**WHEREAS**, Community Assistance represents as much as 80% of some local government budgets, and for 100 communities greater than 20%; and

**WHEREAS**, when Community Assistance was zeroed out in the early 2000s, 14 local governments ceased day-to-day operations; and

**WHEREAS**, the formula of the Community Assistance Fund determines the annual payment to communities, with a payout of a third of available funds; and

**WHEREAS**, by not recapitalizing the fund, the payment to local governments was reduced from \$30 million in FY20 to \$20 million in FY21; and

**WHEREAS**, it is possible for \$30 million to be restored in a supplemental budget during this fiscal year; and

**WHEREAS**, barring that option, the State will need to add this additional \$30 million to the Community Assistance Fund in the FY21 budget, plus the newly anticipated addition of \$20 million (replacing the FY21 formula distribution), in addition to a \$10 million direct appropriation for distribution (to avoid reducing that payment by a third).

**NOW, THEREFORE BE IT RESOLVED** that the Alaska Municipal League opposes any further reductions to Community Assistance and supports an appropriation to the Community Assistance Fund that would bring the Fund total back up to \$90 million.

PASSED AND APPROVED BY THE ALASKA MUNICIPAL LEAGUE ON THE 22<sup>nd</sup> DAY OF NOVEMBER 2019.

Signed:   
President, Alaska Municipal League

Attest:   
Executive Director, Alaska Municipal League