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Nauman
4/15/16

HOUSE CS FOR CS FOR SENATE BILL NO. 196(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS HOFFMAN, MacKinnon, Bishop, Olson, Stedman, Stevens, McGuire, Micciche

REPRESENTATIVES Edgmon, Muñoz, Herron

A BILL

FOR AN ACT ENTITLED

"An Act relating to the amount appropriated for power cost equalization; relating to the use of certain unexpended earnings from the power cost equalization endowment fund; and providing for an effective date."

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

*** Section 1.** AS 42.45.080(c) is amended to read:

(c) On July 1 of each year, the commissioner shall determine

(1) the monthly average market value of the fund for the previous three

closed fiscal years; and

(2) the earnings of the fund for the previous closed fiscal year.

*** Sec. 2.** AS 42.45.085(a) is amended to read:

(a) Five [SEVEN] percent of the amount determined by the commissioner of revenue on July 1 of each year under AS 42.45.080(c)(1) [AS 42.45.080(c)] may be appropriated [FOR THE FISCAL YEAR BEGINNING THE FOLLOWING JULY 1] for the following purposes:

(1) funding the power cost equalization and rural electric capitalization fund (AS 42.45.100);

(2) reimbursement to the Department of Revenue for the costs of establishing and managing the fund; and

(3) reimbursement of other costs of administration of the fund.

* **Sec. 3.** AS 42.45.085 is amended by adding new subsections to read:

(c) If the amount appropriated under (a) of this section is insufficient to achieve the purposes of (a)(1) - (3) of this section, the amount shall be prorated among the purposes listed in (a)(1) and (2) of this section.

(d) If the earnings of the fund for the previous closed fiscal year, as calculated under AS 42.45.080(c)(2), exceed the appropriation under (a) of this section for the current fiscal year, the legislature may appropriate the difference between the earnings of the fund for the previous closed fiscal year, as calculated under AS 42.45.080(c)(2) and the appropriation made under (a) of this section for the current fiscal year as follows:

(1) if the amount calculated under this subsection is less than \$30,000,000, that amount to a community revenue sharing or community assistance fund;

(2) if the amount calculated under this subsection is at least \$30,000,000 but less than \$55,000,000,

(A) \$30,000,000, to a community revenue sharing or community assistance fund; and

(B) the remaining amount to the renewable energy grant fund established under AS 42.45.045, to the bulk fuel revolving loan fund established under AS 42.45.250, or for rural power system upgrades or to a combination of the funds or purposes listed in this subparagraph; or

(3) if the amount calculated under this subsection is at least \$55,000,000,

(A) \$30,000,000, to a community revenue sharing or community assistance fund;

(B) \$25,000,000, to the renewable energy grant fund

1 established under AS 42.45.045, to the bulk fuel revolving loan fund
2 established under AS 42.45.250, or for rural power system upgrades or to a
3 combination of the funds or purposes listed in this subparagraph; and

4 (C) the remaining amount to the power cost equalization
5 endowment fund established under AS 42.45.070.

6 * **Sec. 4.** This Act takes effect June 30, 2016.