

**CS FOR HOUSE BILL NO. 315(FIN)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**NINETEENTH LEGISLATURE - FIRST SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered: 4/27/95**

**Referred: Rules**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the Alaska Science and Technology Foundation and to the  
2 financing of technological developments by public corporations of the state; relating  
3 to the financing of the Kodiak launch complex, the Fairbanks satellite ground  
4 station space park, and a low-rank coal water fuel technology project; and  
5 relating to a feasibility study to be conducted concerning the establishment of a  
6 Challenger Learning Center for the study of science and technology."

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

8 \* **Section 1.** AS 37.17.010(b) is amended to read:

9 (b) The purposes of the foundation are to

10 (1) promote and enhance, through basic and applied research and the  
11 development and commercialization of technology,

12 (A) [:] economic development and technological innovation in

13 Alaska;

1                                (B) public health;  
2                                (C) telecommunications; and  
3                                (D) sustained growth and development of Alaskan scientific and  
4                                engineering capabilities;

5                                (2) implement the BIDCO assistance program under AS 37.17.200 -  
6                                37.17.390.

7        \* **Sec. 2.** AS 37.17.090(a) is amended to read:

8                                (a) The board of directors shall provide adequate and appropriate notice of all  
9                                solicitations for grant proposals at least once a year. **Except for projects listed in (k)**  
10                               **of this section, the** [THE] board shall give preference, consistent with the purposes  
11                               of AS 37.17.010 - 37.17.110, to soliciting proposals for research projects that are  
12                               reasonably expected to use or enhance research capabilities for basic and applied  
13                               research in the state. The board may actively solicit persons, organizations, or  
14                               institutions to apply for general or specific grants.

15        \* **Sec. 3.** AS 37.17.090(d) is amended to read:

16                                (d) **Except for grants awarded under (k) of this section, not** [NOT] less  
17                                than 50 percent of the endowment income that is distributed **to grantees** [AS  
18                                GRANTS] by the foundation in a fiscal year must be for **grant payments in that**  
19                                **fiscal year** [GRANTS] of \$100,000 or less, exclusive of other funding.

20        \* **Sec. 4.** AS 37.17.090(f) is amended to read:

21                                (f) The board shall require from each grant recipient periodic reports and a  
22                                final report. The board shall disseminate to the scientific community and to the public,  
23                                on a regular basis, the results of research sponsored by the foundation. **The board**  
24                                **may adopt regulations to protect trade secrets and other proprietary information**  
25                                **submitted to the foundation from disclosure under AS 09.25.110 - 09.25.120.**  
26                                **Upon written request under regulations adopted by the board to protect the**  
27                                **interests of the state and the grantee, the board may allow information developed**  
28                                **or to be developed under a** [PROPRIETARY REPORTS AND OTHER  
29                                INFORMATION VOLUNTARILY FILED WITH THE BOARD OR CRITICAL TO  
30                                PATENT APPLICATIONS MAY BE KEPT CONFIDENTIAL IF THE PERSON  
31                                PROVIDING THE INFORMATION SO REQUESTS AND THE BOARD FINDS

1 THAT IT IS IN THE BEST INTEREST OF THE STATE. INFORMATION  
2 DEVELOPED UNDER A GRANT AWARDED BY THE BOARD IS PUBLIC  
3 INFORMATION UNLESS THE APPLICANT REQUESTS AND THE BOARD  
4 GRANTS CONFIDENTIALITY PRIOR TO THE AWARD OF THE] grant to be  
5 treated confidentially under AS 09.25.110 - 09.25.120. Dissemination of sponsored  
6 research must be in a form of greatest utility to the scientific community and the  
7 general public and may include technological transfer or applications information for  
8 promising results.

9 \* **Sec. 5.** AS 37.17.090(g) is amended to read:

10 (g) As a condition of all grants awarded under AS 37.17.010 - 37.17.110, the  
11 board of directors shall require that a fair and reasonable return to the foundation,  
12 as determined by the board, from the revenue, economic value, or profits derived  
13 by the grantee from the grant project [PERCENTAGE OF ALL INCOME, IF ANY,  
14 FROM ROYALTIES, LICENSES, AND PATENTS PRODUCED AS A RESULT OF  
15 THE GRANT] be paid into the principal of the endowment, subject to AS 37.07. To  
16 secure payment of sums owed to the foundation under a grant agreement, the  
17 foundation may take a security interest in and own patents, copyrights, and other  
18 intellectual property.

19 \* **Sec. 6.** AS 37.17.090 is amended by adding a new subsection to read:

20 (k) Subject to appropriation, the board may award the following grants:

21 (1) up to \$5,000,000 to the Alaska Industrial Development and Export  
22 Authority or the Alaska Aerospace Development Corporation for the development of  
23 the Kodiak launch complex and Fairbanks satellite ground station space park;

24 (2) up to \$4,000,000 to the Alaska Industrial Development and Export  
25 Authority or to another entity satisfying criteria established by the board for research,  
26 development, and commercialization of low-rank coal water fuel technology.

27 \* **Sec. 7.** PROJECT FINANCING; BOND AUTHORIZATION. The Alaska Industrial  
28 Development and Export Authority (AIDEA) may issue bonds to finance the acquisition,  
29 design, and construction of the Kodiak rocket launch complex and tracking station, and the  
30 Fairbanks satellite ground station space park, or may finance these projects by other means  
31 available to AIDEA. The aggregate principal amount of the bonds for these projects may not

1 exceed \$20,000,000. Until the board of directors of AIDEA and of the Alaska Aerospace  
2 Development Corporation have each made a finding for each project that there is sufficient  
3 commercial interest and financial viability to support the debt service and operating costs of  
4 that facility, no money for any phase of construction may be expended under this section for  
5 that project. This section grants the legislative approval required by AS 44.88.095(g).

6 \* **Sec. 8. CHALLENGER LEARNING CENTER FEASIBILITY STUDY.** The Alaska  
7 Aerospace Development Corporation shall conduct a feasibility study on the technical,  
8 financial, and economic feasibility of establishing in the state a Challenger Learning Center  
9 that is for the study of science and technology and that is modeled after the Challenger  
10 Learning Center program established by the Challenger Center for Space Science Education.  
11 The feasibility study shall consider various locations for the center. The costs of the study  
12 shall be paid as follows:

13 (1) one-half by the Alaska Aerospace Development Corporation and the Alaska  
14 Industrial Development and Export Authority; and

15 (2) one-half by the municipalities desiring consideration as possible locations  
16 for the center.