

CS FOR HOUSE BILL NO. 471(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 3/27/02

Referred: Labor and Commerce

Sponsor(s): REPRESENTATIVE GREEN

A BILL

FOR AN ACT ENTITLED

1 **"An Act increasing the maximum amount of loans from the bulk fuel revolving loan**
2 **fund operated by the Alaska Energy Authority; relating to the definitions of 'net**
3 **income' and 'unrestricted net income' for purposes of determining the amount of the**
4 **Alaska Industrial Development and Export Authority's dividend to the state; relating to**
5 **communities within which rural development loans may be made by the Alaska**
6 **Industrial Development and Export Authority; and providing for an effective date."**

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

8 * **Section 1.** AS 42.45.250(e) is amended to read:

9 (e) Loans made from the bulk fuel revolving loan fund to one borrower in any
10 fiscal year are not subject to AS 42.45.060 and

11 (1) may not exceed **\$200,000** [\$100,000];

12 (2) shall be repaid in one year or less; and

13 (3) may not exceed 90 percent of the wholesale price of the fuel

1 purchased.

2 * **Sec. 2.** AS 44.88.088(b)(2) is amended to read:

3 (2) "net income" means the authority's change in net assets [NET
4 INCOME] as set out in the audited financial statements of the authority for the base
5 fiscal year, excluding amounts attributable to intergovernmental transfers, capital
6 contributions, or grants;

7 * **Sec. 3.** AS 44.88.088(b)(3) is amended to read:

8 (3) "unrestricted net income" means the authority's unrestricted change
9 in net assets [NET INCOME] as set out in the audited financial statements of the
10 authority for the base fiscal year, excluding amounts attributable to
11 intergovernmental transfers, capital contributions, or grants.

12 * **Sec. 4.** AS 44.88.610(a) is amended to read:

13 (a) The authority may use money from the rural development initiative fund to
14 make a loan of up to \$100,000 to a person, or a loan of up to \$200,000 to two or more
15 persons, to be used for working capital, equipment, construction, or other commercial
16 purposes by a business located in a community with a population of 5,000 or less that
17 is not connected by road or rail to Anchorage or Fairbanks, or with a population
18 of 2,000 or less that is connected by road or rail to Anchorage or Fairbanks. A
19 person who has received a loan under this subsection may not be granted another loan
20 until after the original loan is entirely repaid. For purposes of this subsection,

21 (1) "community" means a city as defined in AS 29.71.800 or an
22 unincorporated community as defined in AS 29.60.140; and

23 (2) "connected by road" does not include a connection by the
24 Alaska marine highway system.

25 * **Sec. 5.** The uncoded law of the State of Alaska is amended by adding a new section to
26 read:

27 TRANSITION. AS 44.88.088(b)(2) and (3), as amended in secs. 2 and 3 of this Act,
28 first apply to calculations made for base fiscal year 2002 and apply thereafter.

29 * **Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).