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Walsh
4/30/26

SENATE CS FOR CS FOR HOUSE BILL NO. 184(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STORY, Hall, Mina, Bynum, Josephson, Galvin, Gray

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to financing by the Alaska Industrial Development and Export**
2 **Authority for workforce housing development projects; relating to a mandatory**
3 **exemption from municipal property taxes for certain assets of the Alaska Industrial**
4 **Development and Export Authority; and providing for an effective date by repealing the**
5 **effective date of sec. 2, ch. 64, SLA 2018."**

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

7 * **Section 1.** AS 44.88.070 is amended to read:

8 **Sec. 44.88.070. Purpose of the authority.** The purpose of the authority is to
9 promote, develop, and advance the general prosperity and economic welfare of the
10 people of the state, to relieve problems of unemployment, and to create additional
11 employment by

12 (1) providing various means of financing and means of facilitating the
13 financing, in cooperation with federal, state, and private institutions, of industrial,

1 manufacturing, energy, export, small business, and business enterprises and the other
2 facilities referred to in AS 44.88.010(a) in the state;

3 (2) owning and operating or providing development project financing
4 for the enterprises and other facilities described in AS 44.88.172;

5 (3) fostering the expansion of exports of goods, services, and raw
6 materials of the state;

7 (4) cooperating and acting in conjunction with other organizations,
8 public and private, the objects of which are the promotion and advancement of export
9 trade activities in the state;

10 (5) establishing a source of funding credit guarantees and insurance,
11 not otherwise available, to support export development;

12 (6) providing and cooperating or participating with federal, state, and
13 private institutions to provide actual and potential state exporters, particularly small-
14 and medium-sized exporters, with financial assistance in support of export
15 transactions;

16 **(7) providing various means of financing and means of facilitating**
17 **the financing of construction of new workforce housing facilities containing three**
18 **or more dwelling units.**

19 * **Sec. 2.** AS 44.88.080 is amended to read:

20 **Sec. 44.88.080. Powers of the authority.** In furtherance of its corporate
21 purposes, the authority has the following powers in addition to its other powers:

22 (1) to sue and be sued;

23 (2) to have a seal and alter it at pleasure;

24 (3) to make and alter bylaws for its organization and internal
25 management;

26 (4) to adopt regulations governing the exercise of its corporate powers;

27 (5) to acquire an interest in a project as necessary or appropriate to
28 provide financing for the project, whether by purchase, gift, or lease;

29 (6) to lease to others a project acquired by it for the rentals and upon
30 the terms and conditions the authority may consider advisable, including, without
31 limitation, provisions for options to purchase or renew;

1 (7) to issue bonds and otherwise to incur indebtedness, in accordance
2 with AS 44.88.090, in order to pay the cost of a project or development projects or in
3 order to provide money for the authority's purposes under this chapter; the authority
4 may also secure payment of the bonds or other indebtedness as provided in this
5 chapter;

6 (8) to sell, by installment sale or otherwise, exchange, donate, convey,
7 or encumber, in any manner by mortgage or by creation of any other security interest,
8 real or personal property owned by it, or in which it has an interest, including a
9 project, when, in the judgment of the authority, the action is in furtherance of its
10 corporate purposes;

11 (9) to accept gifts, grants, or loans from, and enter into contracts or
12 other transactions regarding them with, a federal agency, an agency or instrumentality
13 of the state, a municipality, a private organization, or other source;

14 (10) to deposit or invest its funds, subject to agreements with
15 bondholders;

16 (11) to enter into contracts or agreements with respect to the exercise
17 of any of its powers, and do all things necessary or convenient to carry out its
18 corporate purposes and exercise the powers granted in this chapter;

19 (12) to purchase or insure loans to finance the costs of manufacturing,
20 industrial, and business enterprise projects;

21 (13) to enter into loan agreements with respect to one or more projects
22 upon the terms and conditions the authority considers advisable;

23 (14) to acquire, manage, and operate projects as the authority considers
24 necessary or appropriate to serve a public purpose;

25 (15) to assist private lenders to make loans to finance the costs of
26 projects through loan commitments, short-term financing, or otherwise;

27 (16) to accept gifts, grants, or loans from a federal agency, from an
28 agency or instrumentality of the state or of a municipality, or from any other source;

29 (17) to enter into contracts or other transactions with a federal agency,
30 with an agency or instrumentality of the state or of a municipality, or with a private
31 organization or other entity consistent with the exercise of any power under this

1 chapter;

2 (18) to facilitate the expansion of a secondary market for the resale of
3 federally or commercially insured loans made to finance the costs of projects in the
4 state held by federal and state chartered financial institutions or by the Alaska
5 Commercial Fishing and Agriculture Bank;

6 (19) to charge fees or other forms of remuneration for the use or
7 possession of the projects described in (14) of this section in accordance with the
8 agreements described in (11) and (17) of this section, other agreements pertaining to
9 the projects, covenants, or representations made in bond documents pertaining to the
10 projects, or regulations of the authority pertaining to the projects;

11 (20) to participate with government or private industry in programs for
12 technical assistance, loans, technology, transfer, or other programs related to the
13 exportation of goods, services, or raw materials of the state with respect to its
14 financing activities;

15 (21) to provide export finance training for office staff and other
16 individuals involved in export finance assistance, including the training sessions that
17 may be provided by the United States Export-Import Bank or other organizations;

18 (22) to coordinate to the maximum extent possible its efforts to
19 promote the export of goods, services, and raw materials of the state with programs
20 and goals of the United States Export-Import Bank, the International Trade
21 Administration of the United States Department of Commerce, the Foreign Credit
22 Insurance Association, and other private and public programs designed to provide
23 export assistance and export-related financing;

24 (23) to guarantee loans related to qualified export transactions under
25 regulations adopted by the authority;

26 (24) to provide financing assistance, in cooperation with federal, state,
27 and private institutions, as provided in this chapter for small business enterprises;

28 (25) to make cooperative agreements with the Department of
29 Transportation and Public Facilities, acting on behalf of the international airports
30 revenue fund established under AS 37.15.430, to acquire, equip, operate, maintain,
31 construct, or install facilities that will enhance the competitiveness of the international

1 airports, including a cooperative agreement to lend amounts from the international
2 airports revenue fund to finance the development or improvement of utilities serving
3 the airports;

4 (26) to screen potential applicants for a new business incentive grant
5 and recommend the award of the grants under AS 45.81.020;

6 (27) to oversee the administration of outstanding grants awarded by the
7 Alaska Science and Technology Foundation under former AS 37.17.010 - 37.17.110;

8 (28) to oversee the administration of outstanding BIDCO assistance
9 grants and loans made by the Alaska Science and Technology Foundation under
10 former AS 37.17.200 - 37.17.390;

11 (29) to guarantee loans made to the Alaska Insurance Guaranty
12 Association (AS 21.80.040), with these guarantees limited to loans necessary to make
13 the association financially able to meet cash flow needs up to a maximum outstanding
14 principal balance at any time of \$30,000,000;

15 (30) with legislative approval and notwithstanding AS 44.88.060, to
16 purchase from the Alaska Energy Authority as an investment of the revolving fund,
17 loans of the power project fund established under AS 42.45.010;

18 (31) to consider, when exercising the powers listed in this section, the
19 interests of local governments affected by the authority's activities to share in the
20 benefits of these activities, with appropriate consideration of the authority's ability to
21 meet debt obligations, issue new debt, and fulfill the authority's purposes;

22 (32) to provide development project financing for all or a portion of
23 the cost of a development project as provided in AS 44.88.172;

24 **(33) to provide various means of financing and means of**
25 **facilitating the financing of construction of new workforce housing facilities**
26 **containing three or more dwelling units.**

27 * **Sec. 3.** AS 44.88.900(6) is amended to read:

28 (6) "development project" has the meaning given to "project" in
29 (14)(A), [AND] (D) - (H), **and (J)** of this section;

30 * **Sec. 4.** AS 44.88.900(14) is amended to read:

31 (14) "project" means

1 (A) a plant or facility used or intended for use in connection
2 with making, processing, preparing, transporting, or producing in any manner,
3 goods, products, or substances of any kind or nature or in connection with
4 developing or utilizing a natural resource, or extracting, smelting, transporting,
5 converting, assembling, or producing in any manner, minerals, raw materials,
6 chemicals, compounds, alloys, fibers, commodities and materials, products, or
7 substances of any kind or nature;

8 (B) a plant or facility used or intended for use in connection
9 with a business enterprise;

10 (C) commercial activity by a business enterprise;

11 (D) a plant or facility demonstrating technological advances of
12 new methods and procedures and prototype commercial applications for the
13 exploration, development, production, transportation, conversion, and use of
14 energy resources;

15 (E) infrastructure for a new tourism destination facility or for
16 the expansion of a tourism destination facility; in this subparagraph, "tourism
17 destination facility" does not include a hotel or other overnight lodging facility;

18 (F) a plant or facility, other than a plant or facility described in
19 (D) of this paragraph, for the generation, transmission, development,
20 transportation, conversion, or use of energy resources;

21 (G) a plant or facility that enhances, provides for, or promotes
22 economic development with respect to transportation, communications,
23 community public purposes, technical innovations, prototype commercial
24 applications of intellectual property, or research;

25 (H) a plant or facility used or intended for use as a federal
26 facility, including a United States military, national guard, or coast guard
27 facility;

28 (I) infrastructure for an area that is designated as a military
29 facility zone under AS 26.30;

30 **(J) a new workforce housing facility containing three or**
31 **more dwelling units;**

1 * **Sec. 5.** Section 2, ch. 64, SLA 2018, is repealed.

2 * **Sec. 6.** Section 26, ch. 64, SLA 2018, is repealed.