

SENATE BILL NO. 65

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/24/11

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the procurement of supplies, services, professional services, and**
2 **construction for the Alaska Industrial Development and Export Authority; relating to**
3 **the definition of 'own' for the economic development account; relating to the definitions**
4 **of 'development project', 'plant', 'facility', and 'project' for the Alaska Industrial**
5 **Development and Export Authority; and providing for an effective date."**

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

7 * **Section 1.** AS 36.30.015(f) is amended to read:

8 (f) The board of directors of the Alaska Housing Finance Corporation,
9 notwithstanding AS 18.56.088, the membership of the Alaska Industrial
10 Development and Export Authority, notwithstanding AS 44.88.085, and the board
11 of directors of the Knik Arm Bridge and Toll Authority under AS 19.75.111, shall
12 adopt regulations under AS 44.62 (Administrative Procedure Act) and the board of
13 trustees of the Alaska Retirement Management Board shall adopt regulations under

AS 37.10.240 to govern the procurement of supplies, services, professional services, and construction for the respective public corporation and board. The regulations must reflect competitive bidding principles and provide vendors reasonable and equitable opportunities to participate in the procurement process and must include procurement methods to meet emergency and extraordinary circumstances. Notwithstanding the other provisions of this subsection, the Alaska Housing Finance Corporation, **the Alaska Industrial Development and Export Authority**, the Knik Arm Bridge and Toll Authority, and the Alaska Retirement Management Board shall comply with AS 36.30.170(b).

* **Sec. 2.** AS 44.88.172(a) is amended to read:

(a) The economic development account is established in the revolving fund. The economic development account consists of money or assets appropriated, loaned, or transferred to the authority for deposit in the account and other money or assets deposited in the account by the authority. While money is on deposit in the economic development account, the money may be used only to finance, acquire, manage, and operate development projects that the authority intends to own and operate. In this subsection,

(1) "operate" includes operation directly by the authority, by an agent of the authority, or by a person as determined under an agreement between the authority and other owners of the development project;

(2) "own" includes ownership by the authority of all or a percentage of a development project, **or all or a percentage of the shares of a corporation or membership in a limited liability company for which the development project is the sole asset of the corporation or limited liability company.**

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

(3) "development project" has the meaning given to "project" in **(9)(A) and (D) - (H)** [(9)(A) and (D) - (F)] of this section;

* **Sec. 4.** AS 44.88.900(8) is amended to read:

(8) "plant" or "facility" means real property, whether above or below mean high water, or an interest in it, and the buildings, improvements and structures constructed or to be constructed on or in it, and may include **roads**, fixtures,

1 machinery, and equipment on it or in it, and tangible personal property, regardless of
 2 whether the tangible personal property is attached to or connected with real property,
 3 if the owner has agreed not to remove the tangible personal property permanently from
 4 the state for the period the authority sets; "plant" or "facility" does not include work in
 5 process or stock in trade;

6 * **Sec. 5.** AS 44.88.900(9) is amended to read:

7 (9) "project" means

8 (A) a plant or facility used or intended for use in connection
 9 with making, processing, preparing, transporting, or producing in any manner,
 10 goods, products, or substances of any kind or nature or in connection with
 11 developing or utilizing a natural resource, or extracting, smelting, transporting,
 12 converting, assembling, or producing in any manner, minerals, raw materials,
 13 chemicals, compounds, alloys, fibers, commodities and materials, products, or
 14 substances of any kind or nature;

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

17 (C) commercial activity by a business enterprise;

18 (D) a plant or facility demonstrating technological advances of
 19 new methods and procedures and prototype commercial applications for the
 20 exploration, development, production, transportation, conversion, and use of
 21 energy resources;

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

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

28 **(G) a plant or facility that enhances, provides for, or**
 29 **promotes economic development with respect to transportation,**
 30 **communications, community public purposes, technical innovations,**
 31 **prototype commercial applications of intellectual property, or research;**

1 **(H) a plant or facility used or intended for use as a federal**
2 **facility, including a United States military, national guard, or coast guard**
3 **facility;**

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