

CS FOR SENATE BILL NO. 125(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:**Referred:****Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to subsidiary corporations of the Alaska Housing Finance
2 Corporation; and providing for an effective date."

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

4 * **Section 1.** AS 18.56.010 is amended by adding a new subsection to read:

5 (h) The legislature finds that permitting the Alaska Housing Finance
6 Corporation to create a subsidiary to assist in the financing of sustainable energy
7 development serves a public purpose benefitting the people of the state. The Alaska
8 Housing Finance Corporation is empowered to act on behalf of the state and its people
9 in serving this public purpose for the benefit of the general public.

10 * **Sec. 2.** AS 18.56.086(a) is amended to read:

11 (a) The corporation may create subsidiary corporations for the purpose of
12 financing or facilitating the financing of school construction, facilities for the
13 University of Alaska, facilities for ports and harbors, the acquisition, development,
14 management, or operation of affordable housing, prepayment of all or a portion of a

1 governmental employer's share of unfunded accrued actuarial liability of retirement
2 systems, sustainable energy development, or other capital projects. A subsidiary
3 corporation created under this section may be incorporated under AS 10.20.146 -
4 10.20.166. The corporation may transfer assets of the corporation to a subsidiary
5 created under this section. A subsidiary created under this section may borrow money
6 and issue bonds as evidence of that borrowing, and has all the powers of the
7 corporation that the corporation grants to it. However, a subsidiary created for the
8 purpose of financing or facilitating the financing of prepayment of a governmental
9 employer's share of unfunded accrued actuarial liability of retirement systems may
10 borrow money and issue bonds only after submitting a proposal to the Legislative
11 Budget and Audit Committee under (b) of this section, if the state bond rating is the
12 equivalent of AA- or better, and subject to AS 37.15.903. Unless otherwise provided
13 by the corporation, the debts, liabilities, and obligations of a subsidiary corporation
14 created under this section are not the debts, liabilities, or obligations of the
15 corporation.

16 * **Sec. 3.** AS 18.56.090(e) is amended to read:

17 (e) In furtherance of its corporate purpose, the corporation may, in cooperation
18 with the Alaska Energy Authority, provide technical assistance to

19 (1) municipalities that is related to residential and commercial
20 building energy codes and energy efficiency standards; and

21 (2) support or establish public, quasi-public, or nonprofit entities
22 that provide financial assistance for sustainable energy development projects in
23 the state, including community and low-income lenders and capital providers.

24 * **Sec. 4.** AS 18.56.900 is amended by adding a new paragraph to read:

25 (3) "sustainable energy development" means

26 (A) renewable energy generation from sources that are
27 continually replenished by nature, such as the sun, wind, water, or biological
28 processes;

29 (B) building energy efficiency, including switching to
30 renewable fuels and electrification;

31 (C) electrical infrastructure incorporating

(i) energy storage to support clean energy distribution, including remote and non-remote microgrids and smart-grid applications; or

(ii) sustainable technologies, including distributed generation, advanced battery, and combined heat and power;

(D) clean transportation, including

(i) electric vehicles powered by batteries, hydrogen vehicles, plug-in hybrid electric vehicles, and other zero-emissions vehicles for consumers, businesses, government, and public transit; and

(ii) electric vehicle charging and fueling infrastructure;

or

(E) any greenhouse gas emissions reduction, energy efficiency, on technology approved by the corporation.

* **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).