



Sectional Analysis SB 23

“An Act relating to development project financing by the Alaska Industrial Development and Export Authority; relating to the dividends of the Alaska Industrial Development and Export Authority; authorizing the Alaska Industrial Development and Export Authority to provide financing and issue bonds for a liquefied natural gas production system and natural gas distribution system; and providing for an effective date.”

| Section | Analysis |
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| 1 | AS44.88.010 (a) is amended to allow AIDEA with the powers necessary to provide development project financing. |
| 2 | AS 44.88.070 is amended to reference AIDEA’s ability to provide development project financing. |
| 3 | AS 44.88.080 is amended to reference AIDEA’s ability to provide development project financing. |
| 4 | AS 44.88.088(a) is amended to allow AIDEA to calculate the dividends from the revolving loan fund and from the SETS fund and amends the way that dividend is calculated. |
| 5 | AS 44.88.088(b) is amended to expand the definitions of “net income” and “unrestricted net income” to accommodate changes required by the Governmental Accounting Standards Board (GASB) to AIDEA’s audited financial statements. |
| 6 | AS 44.88.105(d) is amended to allow AIDEA to secure bonds on or after July 1, 2013 for a qualified energy development they may finance under SETS. |
| 7 | AS 44.88.172(a) is amended to reference AIDEA’s ability to provide development project financing for projects they do not intend to own or operate. |
| 8 | AS 44.88.172 is amended by adding a new subsection (d) that would require AIDEA to adopt regulations. |
| 9 | AS 44.88.900 is amended by adding a new definition for “development project financing.” |
| 10 | The uncodified law is amended by adding a new section that would allow AIDEA to provide financing of up to \$275 million for the development, construction, and installation of a LNG plant, system and affiliated infrastructure on the North Slope and a distribution system and affiliated infrastructure within the Fairbanks North Star Borough pending legislative approval. It allows for AIDEA to issue bonds and calculate the bonding limitation and set the interest rate. The authorization to issue bonds expires on June 30, 2018, but bonds issued prior to July 1, 2018 are not affected. |
| 11 | Immediate effective date |

Prepared by AIDEA January 17, 2013