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HOUSE CS FOR CS FOR SENATE BILL NO. 125()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS COSTELLO, MacKinnon, Coghill, Micciche, Bishop, Giessel, Huggins, Kelly, Meyer

A BILL

FOR AN ACT ENTITLED

"An Act relating to the board of directors of the Alaska Gasline Development Corporation; adding legislators as nonvoting members of the board of directors of the Alaska Gasline Development Corporation; and providing for an effective date."

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

*** Section 1.** AS 31.25.020(a) is amended to read:

(a) The corporation shall be governed by a board of directors consisting of

(1) five public members; [AND]

(2) two individuals designated by the governor that are each the head of a principal department of the state, except that the commissioner of natural resources and the commissioner of revenue may not be designated to serve on the board;

(3) one nonvoting member who is a member of the house of representatives appointed by the speaker of the house and who serves at the pleasure of the speaker of the house; and

(4) one nonvoting member who is a member of the senate appointed by the president of the senate and who serves at the pleasure of the president of the senate.

* **Sec. 2.** AS 31.25.020(b) is amended to read:

(b) Public members of the board shall be appointed by the governor and are subject to confirmation by the legislature. **Four** [WHEN APPOINTING A] public **members appointed** [MEMBER] to the board [, THE GOVERNOR] shall **have** [CONSIDER AN INDIVIDUAL'S] expertise and experience in natural gas pipeline construction, operation, and marketing; finance; large project management; **or** [AND] other expertise and experience that is relevant to the purpose, powers, and duties of the corporation. Public members of the board serve staggered five-year terms. A public member serves at the pleasure of the governor. A vacancy shall be filled in the same manner as the original appointment. Notwithstanding AS 39.05.100, a public member appointed under (a)(1) of this section is not required to be a registered voter or a resident of the state. If the governor appoints a public member to the board who is not a registered voter in the state or a resident of the state, the governor shall send a written statement to the legislature with the notice of appointment explaining the governor's reasons for making the appointment.

* **Sec. 3.** AS 31.25.020(d) is amended to read:

(d) The public members of the board receive \$400 compensation for each day spent on official business of the corporation and may be reimbursed by the corporation for actual and necessary expenses at the same rate paid to members of state boards under AS 39.20.180. **Legislative members of the board may not be reimbursed by the corporation for a cost related to service on the board or be compensated by the corporation for participation on the board.**

* **Sec. 4.** AS 31.25.020 is amended by adding a new subsection to read:

(e) A legislative member of the board

- (1) may participate in all activities of the board except for voting;
- (2) may not be denied access to or participation in an executive session of the board;
- (3) may not be appointed for a term longer than two years.

1 * **Sec. 5.** AS 31.25.030(a) is amended to read:

2 (a) The board shall elect a chair, secretary, and treasurer from among its
3 **voting members** [MEMBERSHIP] at each annual meeting. A majority of the **voting**
4 members constitutes a quorum for organizing the board, conducting its business, and
5 exercising the powers of the corporation. The board shall meet at the call of the chair.
6 The board shall meet at least once every three months.

7 * **Sec. 6.** AS 31.25.040(a) is amended to read:

8 (a) The **voting members of the** board shall manage the assets and business of
9 the corporation and may adopt, amend, and repeal bylaws and regulations governing
10 the manner in which the business of the corporation is conducted and the manner in
11 which its powers are exercised. The **voting members of the** board shall delegate
12 supervision of the administration of the corporation to the executive director,
13 appointed in accordance with AS 31.25.045.

14 * **Sec. 7.** AS 31.25.040(b) is amended to read:

15 (b) The **voting members of the** board shall adopt and publish procedures to
16 govern the procurement by the corporation of supplies, services, professional services,
17 and construction. The procurement procedures must provide for an Alaska veterans'
18 preference that is consistent with the Alaska veterans' preference in AS 36.30.175.

19 * **Sec. 8.** AS 31.25.040(d) is amended to read:

20 (d) The **voting members of the** board may appoint a program director for an
21 Alaska liquefied natural gas project. The **voting members of the** board may appoint a
22 separate program director for an in-state natural gas pipeline as described in the July 1,
23 2011, project plan prepared under former AS 38.34.040 and defined in AS 31.25.390.
24 A program director appointed under this section shall

- 25 (1) serve at the pleasure of the **voting members of the** board; and
26 (2) report to the executive director of the corporation.

27 * **Sec. 9.** AS 31.25.045 is amended to read:

28 **Sec. 31.25.045. Executive director.** The corporation shall employ an
29 executive director who may not be a member of the board. The executive director shall
30 be appointed by the **voting members of the** board and serves at the pleasure of the
31 **voting members of the** board.

1 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
2 read:

3 APPLICABILITY. AS 31.25.020(a), as amended by sec. 1 of this Act, and
4 AS 31.25.020(b), as amended by sec. 2 of this Act, apply to a member of the board of
5 directors of the Alaska Gasline Development Corporation (AS 31.25) appointed or
6 reappointed on or after the effective date of this Act.

7 * **Sec. 11.** This Act takes effect immediately under AS 01.10.070(c).