

SENATE BILL NO. 161

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 4/20/95

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the financing of technological developments by public
2 corporations of the state; and relating to the financing of the Kodiak launch
3 complex, the Fairbanks satellite ground station space park, and a low-rank coal
4 water fuel technology project."

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

6 * **Section 1.** AS 37.17.010(b) is amended to read:

7 (b) The purposes of the foundation are to

8 (1) promote and enhance, through basic and applied research and the
9 development and commercialization of technology, [:]

10 (A) economic development and technological innovation in
11 Alaska;

12 (B) public health;

13 (C) telecommunications; and

14 (D) sustained growth and development of Alaskan scientific and

1 engineering capabilities;

2 (2) implement the BIDCO assistance program under AS 37.17.200 -
3 37.17.390.

4 * **Sec. 2.** AS 37.17.090(a) is amended to read:

5 (a) The board of directors shall provide adequate and appropriate notice of all
6 solicitations for grant proposals at least once a year. **Except for projects listed in (k)**
7 **of this section, the** [THE] board shall give preference, consistent with the purposes
8 of as 37.17.010 - 37.17.110, to soliciting proposals for research projects that are
9 reasonably expected to use or enhance research capabilities for basic and applied
10 research in the state. The board may actively solicit persons, organizations, or
11 institutions to apply for general or specific grants.

12 * **Sec. 3.** AS 37.17.090(d) is amended to read:

13 (d) **Except for grants awarded under (k) of this section, not** [NOT] less
14 than 50 percent of the endowment income that is distributed **to grantees** [AS
15 GRANTS] by the foundation in a fiscal year must be for **grant payments in that**
16 **fiscal year** [GRANTS] of \$100,000 or less, exclusive of other funding.

17 * **Sec. 4.** AS 37.17.090(f) is amended to read:

18 (f) The board shall require from each grant recipient periodic reports and a
19 final report. The board shall disseminate to the scientific community and to the public,
20 on a regular basis, the results of research sponsored by the foundation. **The board**
21 **may adopt regulations to protect trade secrets and other proprietary information**
22 **submitted to the foundation from disclosure under AS 09.25.110 - 09.25.120.**
23 **Upon written request under regulations adopted by the board to protect the**
24 **interests of the state and the grantee, the board may allow information developed**
25 **or to be developed under a** [PROPRIETARY REPORTS AND OTHER
26 INFORMATION VOLUNTARILY FILED WITH THE BOARD OR CRITICAL TO
27 PATENT APPLICATIONS MAY BE KEPT CONFIDENTIAL IF THE PERSON
28 PROVIDING THE INFORMATION SO REQUESTS AND THE BOARD FINDS
29 THAT IT IS IN THE BEST INTEREST OF THE STATE. INFORMATION
30 DEVELOPED UNDER A GRANT AWARDED BY THE BOARD IS PUBLIC
31 INFORMATION UNLESS THE APPLICANT REQUESTS AND THE BOARD

1 GRANTS CONFIDENTIALITY PRIOR TO THE AWARD OF THE] grant **to be**
2 **treated confidentially under AS 09.25.110 - 09.25.120.** Dissemination of sponsored
3 research must be in a form of greatest utility to the scientific community and the
4 general public and may include technological transfer or applications information for
5 promising results.

6 * **Sec. 5.** AS 37.17.090(g) is amended to read:

7 (g) As a condition of all grants awarded under AS 37.17.010 - 37.17.110, the
8 board of directors shall require that a fair and reasonable **return to the foundation,**
9 **as determined by the board, from the revenue, economic value, or profits derived**
10 **by the grantee from the grant project** [PERCENTAGE OF ALL INCOME, IF ANY,
11 FROM ROYALTIES, LICENSES, AND PATENTS PRODUCED AS A RESULT OF
12 THE GRANT] be paid into the principal of the endowment, subject to AS 37.07. **To**
13 **secure payment of sums owed to the foundation under a grant agreement, the**
14 **foundation may take a security interest in and own patents, copyrights, and other**
15 **intellectual property.**

16 * **Sec. 6.** AS 37.17.090 is amended by adding a new subsection to read:

17 (k) Subject to appropriation, the board may award the following grants:

18 (1) up to \$5,000,000 to the Alaska Industrial Development and Export
19 Authority or the Alaska Aerospace Development Corporation for the development of
20 the Kodiak launch complex and Fairbanks satellite ground station space park;

21 (2) up to \$4,000,000 to the Alaska Industrial Development and Export
22 Authority or to another entity satisfying criteria established by the board for research,
23 development, and commercialization of low-rank coal water fuel technology.

24 * **Sec. 7.** PROJECT FINANCING; BOND AUTHORIZATION. The Alaska Industrial
25 Development and Export Authority (AIDEA) may issue bonds to finance the acquisition,
26 design, and construction of the Kodiak rocket launch complex and tracking station, and the
27 Fairbanks satellite ground station space park, or may finance these projects by other means
28 available to AIDEA. The aggregate principal amount of the bonds for these projects may not
29 exceed \$20,000,000. Until the board of directors of AIDEA and of the Alaska Aerospace
30 Development Corporation have each made a finding for each project that there is sufficient
31 commercial interest and financial viability to support the debt service and operating costs of

- 1 that facility, no money for any phase of construction may be expended under this section for
- 2 that project. This section grants the legislative approval required by AS 44.88.095(g).