

HOUSE BILL NO. 117

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE BUNDE

Introduced: 2/26/99

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to grant procedures of the Alaska Science and Technology
2 Foundation."

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

4 * **Section 1.** AS 37.17.090(b) is amended to read:

5 (b) Except for grants under AS 37.17.225, grant proposals must be submitted
6 for impartial and competitive peer review for scientific and technical validity by a
7 panel of recognized experts appointed by the board of directors. Members of a peer
8 review panel are entitled to per diem and travel expenses authorized under
9 AS 39.20.180. The identity of members of a peer review panel is confidential until
10 final action is taken by the board on the grant proposal. The board shall consider the
11 recommendations of the panel in deciding whether to award a grant. The board may
12 exempt grants of \$5,000 or less from peer review. The board may appoint board
13 members to perform the peer review of grant proposals under \$20,000 if board
14 members are recognized impartial experts in the relevant areas.

1 * **Sec. 2.** AS 37.17.090(g) is amended to read:

2 (g) As a condition of all grants awarded under AS 37.17.010 - 37.17.110 or
3 37.17.225, the board of directors shall require that a fair and reasonable return to the
4 foundation, as determined by the board, from the revenue, economic value, or profits
5 derived by the grantee from the grant project be paid into the principal of the
6 endowment, subject to AS 37.07. To secure payment of sums owed to the foundation
7 under a grant agreement, the foundation **shall** [MAY] take a security interest in **or**
8 [AND] own patents, copyrights, and other intellectual property **that are developed as**
9 **part of the grant project after the grant is awarded. The foundation shall**
10 **periodically notify grantees in writing of their repayment obligation under this**
11 **subsection and shall require grantees to submit annual certified financial**
12 **statements until repayment has occurred. The foundation shall request the**
13 **assistance of the attorney general in enforcing the repayment provisions of a grant**
14 **agreement when other efforts by the foundation have not had satisfactory results.**

15 * **Sec. 3.** AS 37.17.090(i) is amended to read:

16 (i) A grant may include money to obtain equipment. The equipment is the
17 property of the foundation. **Subject to (l) of this section, at** [AT] the termination of
18 the grant, the equipment shall be disposed of at the discretion of the board.

19 * **Sec. 4.** AS 37.17.090 is amended by adding a new subsection to read:

20 (l) Each grant agreement must provide that, if the business of a grantee fails
21 during the grant period or during the repayment period for the grant, and if equipment
22 that was purchased in whole or in part with grant money is sold before or after the
23 failure, the proceeds of the sale, up to an amount that equals the state's share of the
24 original purchase price for the equipment, are state money and shall be paid into the
25 principal of the endowment, subject to AS 37.07.