

CS FOR HOUSE BILL NO. 471(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 4/15/02

Referred: Rules

Sponsor(s): REPRESENTATIVE GREEN

A BILL

FOR AN ACT ENTITLED

1 "An Act increasing the maximum amount of loans from the bulk fuel revolving loan
2 fund operated by the Alaska Energy Authority; precluding certain legal action
3 concerning certain technical assistance to rural utilities; relating to powers of the Alaska
4 Energy Authority; relating to the definitions of 'net income' and 'unrestricted net
5 income' for purposes of determining the amount of the Alaska Industrial Development
6 and Export Authority's dividend to the state; relating to communities within which
7 rural development loans may be made by the Alaska Industrial Development and
8 Export Authority; and providing for an effective date."

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

10 * **Section 1.** AS 42.45.250(e) is amended to read:

11 (e) Loans made from the bulk fuel revolving loan fund to one borrower in any
12 fiscal year are not subject to AS 42.45.060 and

- 1 (1) may not exceed **\$200,000** [\$100,000];
 2 (2) shall be repaid in one year or less; and
 3 (3) may not exceed 90 percent of the wholesale price of the fuel
 4 purchased.

5 * **Sec. 2.** AS 42.45.400 is amended by adding a new subsection to read:

6 (c) This section does not create a duty in tort and may not be the basis for an
 7 action against the state, the authority, or the officers, agents, or contractors of either
 8 for damages, injury, or death.

9 * **Sec. 3.** AS 44.83.080(10) is amended to read:

10 (10) to enter into contracts with the United States or any person and,
 11 subject to the laws of the United States and subject to concurrence of the legislature,
 12 with a foreign country or its agencies, for the financing, **construction** operation, and
 13 maintenance of all or any part of a power project, **or bulk fuel storage facility**, either
 14 inside or outside the state, and for the sale or transmission of power from a **power**
 15 project or any right to the capacity of it or for the security of any bonds of the
 16 authority issued or to be issued for the project;

17 * **Sec. 4.** AS 44.83.080 is amended by adding a new paragraph to read:

18 (16) to make grants or loans to a person and enter into contracts or
 19 other transactions regarding the grant or loan.

20 * **Sec. 5.** AS 44.88.088(b)(2) is amended to read:

21 (2) "net income" means the authority's **change in net assets** [NET
 22 INCOME] as set out in the audited financial statements of the authority for the base
 23 fiscal year, **excluding amounts attributable to intergovernmental transfers, capital**
 24 **contributions, or grants**;

25 * **Sec. 6.** AS 44.88.088(b)(3) is amended to read:

26 (3) "unrestricted net income" means the authority's unrestricted **change**
 27 **in net assets** [NET INCOME] as set out in the audited financial statements of the
 28 authority for the base fiscal year, **excluding amounts attributable to**
 29 **intergovernmental transfers, capital contributions, or grants**.

30 * **Sec. 7.** AS 44.88.610(a) is amended to read:

31 (a) The authority may use money from the rural development initiative fund to

1 make a loan of up to \$100,000 to a person, or a loan of up to \$200,000 to two or more
 2 persons, to be used for working capital, equipment, construction, or other commercial
 3 purposes by a business located in a community with a population of 5,000 or less **that**
 4 **is not connected by road or rail to Anchorage or Fairbanks, or with a population**
 5 **of 2,000 or less that is connected by road or rail to Anchorage or Fairbanks.** A
 6 person who has received a loan under this subsection may not be granted another loan
 7 until after the original loan is entirely repaid. **For purposes of this subsection,**

8 **(1) "community" means a city as defined in AS 29.71.800 or an**
 9 **unincorporated community as defined in AS 29.60.140; and**

10 **(2) "connected by road" does not include a connection by the**
 11 **Alaska marine highway system.**

12 * **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to
 13 read:

14 TRANSITION. AS 44.88.088(b)(2) and (3), as amended in secs. 5 and 6 of this Act,
 15 first apply to calculations made for base fiscal year 2002 and apply thereafter.

16 * **Sec. 9.** This Act takes effect immediately under AS 01.10.070(c).