

SENATE BILL NO. 136

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE RESOURCES COMMITTEE

Introduced: 3/12/01

Referred: Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to resource development and to grants for the purpose of promoting**
2 **resource development from appropriations of a portion of the revenue derived from the**
3 **extraction of certain state natural resources."**

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

5 * **Section 1.** AS 38.05 is amended by adding a new section to article 1 to read:

6 **Sec. 38.05.041. Resource development fund.** (a) The resource development
7 fund is established in the Department of Natural Resources.

8 (b) From the money received in the administration of the resources of the state
9 under this chapter, the legislature may appropriate to the resource development fund
10 an amount equal to one-quarter of one percent of all mineral lease rentals, royalties,
11 royalty sale proceeds, federal mineral revenue sharing payments, and bonuses received
12 by the state.

13 * **Sec. 2.** AS 39.50.200(b) is amended by adding a new paragraph to read:

14 (57) Resource Development Board (AS 41.05.110).

1 * **Sec. 3.** AS 41.05 is amended by adding new sections to read:

2 **Sec. 41.05.110. Resource Development Board.** (a) The Resource
3 Development Board is established in the department. The board is composed of seven
4 members, appointed by the governor as follows:

5 (1) five persons of whom

6 (A) one member shall be appointed from a list of three persons
7 submitted by the oil industry through its state trade association;

8 (B) one member shall be appointed from a list of three persons
9 submitted by the gas industry through its state trade association;

10 (C) one member shall be appointed from a list of three persons
11 submitted by the forest industry through its state trade association;

12 (D) one member shall be appointed from a list of three persons
13 submitted by the mining industry through its state trade association; and

14 (E) one other person shall be appointed at large;

15 (2) one person appointed from a list of recommended nominees
16 containing at least three names submitted by the president of the senate; and

17 (3) one person appointed from a list of recommended nominees
18 containing at least three names submitted by the speaker of the house of
19 representatives.

20 (b) The board members appointed under (a) of this section serve at the
21 pleasure of the governor for a four-year term. Each board member shall be a state
22 resident and qualified voter at the time of appointment and shall comply with the
23 requirements of AS 39.50 (public official financial disclosure). Each board member
24 holds office for the term of appointment and until a successor has been appointed and
25 complies with the requirements of AS 39.50. A board member is eligible for
26 reappointment. A vacancy in a board membership occurring other than by expiration
27 of term shall be filled in the same manner as the original appointment but for the
28 unexpired term only.

29 (c) Members of the board do not receive compensation but are entitled to per
30 diem and travel expenses authorized for boards and commissions under AS 39.20.180.

31 **Sec. 41.05.120. Board organization and operation.** (a) The board shall

1 (1) establish procedures for scheduling and organizing board meetings;
 2 (2) annually elect one of its members as board chair and one of its
 3 members as vice-chair; a member may be reelected to serve additional terms as chair
 4 or vice-chair; and

5 (3) subject to appropriation for the purpose, employ persons to serve as
 6 staff to the board in the exercise of its responsibilities.

7 (b) Four members of the board constitute a quorum. Each decision of the
 8 board requires the affirmative vote of a majority of the board members.

9 (c) The department, the Department of Fish and Game, and the Department of
 10 Environmental Conservation shall provide technical staffing and information as
 11 needed by the board.

12 **Sec. 41.05.130. Duties of the Resource Development Board.** The Resource
 13 Development Board shall facilitate the commercial development of the state's natural
 14 resources by authorizing grants from the resource development fund established under
 15 AS 38.05.041 to private nonprofit corporations to assist in the promotion of the
 16 development of resources having commercial promise using methods of responsible
 17 resource extraction. To that end, the board shall review proposals for projects and, if
 18 the project is found feasible under standards for evaluation of proposed projects
 19 approved by the board, may, after setting out the terms and conditions for use of the
 20 grant, award a grant for conducting market research, advertising, promotion,
 21 education, establishing and operating a system for responding to inquiries, and
 22 publishing and distributing information, including establishing and maintaining
 23 Internet sites. The board shall set out the terms and conditions of the use of the grant
 24 in a contract.

25 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
 26 read:

27 TRANSITIONAL PROVISION. Notwithstanding AS 41.05.110(b), added by sec. 3
 28 of this Act, the persons first appointed to the Resources Development Board serve initial
 29 terms as follows:

- 30 (1) one member appointed under AS 41.05.110(a)(1) serves a one-year term;
 31 (2) one member appointed under AS 41.05.110(a)(1) and the member

1 appointed from the list of nominees submitted by the speaker of the house of representatives
2 under AS 41.05.110(a)(3) serve two-year terms;
3 (3) two members appointed under AS 41.05.110(a)(1) serve three-year terms;
4 and
5 (4) one member appointed under AS 41.05.110(a)(1) and the member
6 appointed from the list of nominees submitted by the president of the senate under
7 AS 41.05.110(a)(2) serve four-year terms.