

CS FOR HOUSE BILL NO. 512(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/23/04

Referred: Rules

Sponsor(s): REPRESENTATIVES CRAWFORD, Berkowitz, Gara, Morgan, Foster, Joule, Lynn, Guttenberg

SENATOR Davis

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Hydrogen Energy Partnership in the Department of**
2 **Community and Economic Development; requiring the commissioner of community and**
3 **economic development to seek public and private funding for the partnership; providing**
4 **for the contingent repeal of an effective date; and providing for an effective date."**

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

6 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 LEGISLATIVE FINDINGS. The legislature finds that

- 9 (1) scientists recognize hydrogen as a potential source of fuel;
10 (2) with further research and development, hydrogen could competitively
11 serve as an alternative source of energy for fueling vehicles and generating electricity;
12 (3) there is significant federal government and private sector investment in
13 hydrogen research and development programs; and
14 (4) Alaska is an excellent site to attract federal government and industry

1 investment in hydrogen due to the following advantages:

2 (A) the availability of indigenous renewable resources, including
3 sufficient geothermal energy, hydropower, wind power, and tidal power for processing
4 hydrogen at an industrial scale;

5 (B) a source of zeolites for hydrogen storage and handling; and

6 (C) Alaska's location for hydrogen transport around the Pacific Rim;

7 (5) with its traditional high fuel costs and a significant source of renewable
8 energy resources, Alaska could attract advanced technology development companies for
9 research and development, testing, and deployment of hydrogen as a fuel source; these factors
10 can lead to the development of a hydrogen fuel industry resulting in job growth and a more
11 robust state economy.

12 * **Sec. 2.** AS 41.98 is amended by adding a new section to read:

13 **Sec. 41.98.190. Hydrogen energy partnership.** (a) There is established in
14 the Department of Community and Economic Development the hydrogen energy
15 partnership.

16 (b) Members of the partnership shall be appointed by the commissioner of
17 community and economic development to represent

18 (1) the federal government;

19 (2) state government;

20 (3) the University of Alaska;

21 (4) political subdivisions of the state;

22 (5) tribal organizations of the state;

23 (6) the electric utility industry;

24 (7) the fossil fuel industry;

25 (8) nonfossil fuel energy industry; and

26 (9) private environmental conservation groups.

27 (c) The partnership members shall serve without compensation but are entitled
28 to transportation expenses and per diem as authorized for members of boards and
29 commissions under AS 39.20.180.

30 (d) The hydrogen energy partnership shall facilitate the development of a
31 hydrogen fuel industry in Alaska by means including

1 (1) meeting with hydrogen energy interests to plan hydrogen energy
2 research and development;

3 (2) proposing policy to promote federal and private industry
4 investment in hydrogen energy research and development;

5 (3) evaluating the market for hydrogen energy production;

6 (4) proposing tax incentives for investment in a hydrogen energy
7 infrastructure; and

8 (5) reporting annually to the legislature on or before the 20th day of
9 each regular session on the development of hydrogen energy production in the state.

10 * **Sec. 3.** AS 44.33.020 is amended by adding a new paragraph to read:

11 (44) provide staff support for the hydrogen energy partnership
12 established under AS 41.98.190, and the University of Alaska shall provide assistance
13 to the commissioner upon request.

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

16 FUNDING FOR HYDROGEN ENERGY PARTNERSHIP. The commissioner of
17 community and economic development shall seek federal and private sources of funding to
18 cover the costs of the establishment of and operation of the hydrogen energy partnership
19 established in sec. 2 of this Act.

20 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
21 read:

22 CONDITIONAL EFFECT. Sections 2 and 3 of this Act take effect only if the
23 Department of Community and Economic Development obtains sufficient funding under sec.
24 4 of this Act.

25 * **Sec. 6.** If secs. 2 and 3 of this Act have not taken effect under sec. 5 of this Act by
26 June 30, 2009, secs. 1, 2, 3, 4, and 5 of this Act are repealed June 30, 2009.

27 * **Sec. 7.** If secs. 2 and 3 of this Act have not taken effect under sec. 5 of this act by
28 June 30, 2009, sec. 8 of this Act is repealed on June 30, 2009.

29 * **Sec. 8.** Sections 2 and 3 of this Act take effect 30 days after the commissioner of
30 community and economic development notifies the revisor of statutes that sufficient funding
31 required under sec. 4 of this Act has been obtained.

1 * **Sec. 9.** Section 4 of this Act takes effect immediately under AS 01.10.070(c).