

**HOUSE BILL NO. 108**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 1/26/05

Referred: Community and Regional Affairs, Labor and Commerce

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the regulation of water and sewer utilities of political subdivisions**  
2 **that are not in competition with other water and sewer utilities."**

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

4 **\* Section 1.** AS 42.05.711(b) is amended to read:

5 (b) Except as otherwise provided in this subsection and in (o) of this section,  
6 public utilities owned and operated by a political subdivision of the state, or electric  
7 operating entities established as the instrumentality of two or more public utilities  
8 owned and operated by political subdivisions of the state, are exempt from this  
9 chapter, other than AS 42.05.221 - 42.05.281 and 42.05.385. However,

10 (1) the governing body of a political subdivision may elect to be  
11 subject to this chapter; and

12 (2) a utility or electric operating entity that is owned and operated by a  
13 political subdivision and that directly competes with another utility or electric  
14 operating entity is subject to this chapter and any other utility or electric operating

1 entity owned and operated by the political subdivision is also subject to this chapter;  
2 this paragraph does not apply to

3 (A) a utility or electric operating entity owned and operated by  
4 a political subdivision that competes with a telecommunications utility;

5 (B) a water utility owned by a political subdivision that  
6 does not directly compete with another water utility; or

7 (C) a sewer utility owned by a political subdivision that  
8 does not directly compete with another sewer utility.