

SENATE BILL NO. 101

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE COUNCIL

Introduced: 2/14/05

Referred: State Affairs, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act making corrective amendments to the Alaska Statutes as recommended by the**
2 **revisor of statutes; and providing for an effective date."**

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

4 *** Section 1.** AS 04.11.210(c) is amended to read:

5 (c) In this section, "recreational site" **includes** [MEANS, BUT IS NOT
6 LIMITED TO,] a location where baseball games, car races, hockey games, dog sled
7 racing events, or curling matches are regularly held during a season.

8 *** Sec. 2.** AS 06.50.020(a) is amended to read:

9 (a) To qualify for a license, an applicant shall

10 (1) have cash assets of at least \$25,000, as determined under generally
11 accepted accounting principles, except that an applicant who wants to engage in the
12 business of making advances at more than one location in the state shall have cash
13 assets of at least \$25,000 for each location;

14 (2) demonstrate the financial responsibility, financial condition,

1 business experience, character, and general fitness that reasonably warrant the
 2 department's belief that the applicant's business will be conducted lawfully and fairly;
 3 when determining whether this qualification has been met, and for the purpose of
 4 investigating compliance with this chapter, the department may review

5 (A) the relevant business records of the applicant and the
 6 adequacy of the capital of the applicant;

7 (B) the competence, experience, integrity, and financial ability
 8 of the applicant, and, if the applicant is an entity, of any person who is a
 9 member, partner, director, senior officer, or owner of 10 percent or more of the
 10 equity of the applicant; and

11 (C) a record [OF CONVICTION], on the part of the applicant
 12 or a person described in (B) of this paragraph, of

13 (i) **a conviction for** criminal activity, fraud, or other act
 14 of personal dishonesty;

15 (ii) an act, an omission, or a practice that constitutes a
 16 breach of a fiduciary duty; or

17 (iii) a suspension, a revocation, a removal, or an
 18 administrative act by an agency or a department of the United States or
 19 a state from participation in the conduct of a business;

20 (3) if the person has a physical business location in the state, have a
 21 physical business location that is accessible by and convenient to the public;

22 (4) have a current business license issued under AS 43.70; and

23 (5) if applicable, have a certificate of incorporation under
 24 AS 10.06.218, have a certificate of authority under AS 10.06.705, have a copy of
 25 articles of organization that satisfies AS 10.50.090, be registered under AS 10.50.605,
 26 have a statement of foreign qualification filed under AS 32.06.922, have a certificate
 27 of limited partnership filed under AS 32.11.060, or be registered under AS 32.11.420.

28 * **Sec. 3.** AS 10.06.960(a) is amended to read:

29 (a) A corporation organized under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 -
 30 1629e] as amended (Alaska Native Claims Settlement Act) shall be incorporated under
 31 and is subject to this chapter except

1 (1) each corporation shall issue without further consideration the
 2 number of shares of common stock that may be necessary to comply with the
 3 requirements of the Act [ACT] and all stock so issued is considered fully paid and
 4 nonassessable when issued;

5 (2) unless otherwise provided in the articles of incorporation, the
 6 capital

7 (A) is considered the consideration for the initial issuance of
 8 shares; and

9 (B) of a corporation organized under the Act [ACT] includes
 10 the

11 (i) land or interests in it conveyed to the corporation by
 12 the United States under the Act [ACT], except that which is required to
 13 be conveyed under 43 U.S.C. 1613(c)(1), (3), and (4), entered at its fair
 14 value to the corporation upon receiving the conveyance of it; and

15 (ii) money, when received under 43 U.S.C. 1605 and 43
 16 U.S.C. 1608, that is retained by the corporation and that is not
 17 immediately distributed or required to be distributed under 43 U.S.C.
 18 1606(j).

19 * **Sec. 4.** AS 10.06.960(b) is amended to read:

20 (b) Notwithstanding the provision of AS 10.06.305 - 10.06.390, payment from
 21 the money of a corporation organized under the act that is required by the language of
 22 the Act [ACT] to be distributed to shareholders or to other corporations so organized
 23 is not a distribution to its shareholders as defined in AS 10.06.990.

24 * **Sec. 5.** AS 10.06.960(c) is amended to read:

25 (c) Notwithstanding the provisions of AS 10.06.546, a plan of merger,
 26 consolidation, or exchange in which each participating corporation either (1) was
 27 organized under the Act [ACT], within the same one of the 12 regions of Alaska
 28 established under the Act [ACT], or (2) resulted from the prior merger, consolidation,
 29 or exchange of other similarly organized corporations within the same region, is
 30 approved if it receives the affirmative vote of the holders of at least a majority of the
 31 outstanding shares of each corporation. If a class of shares of a corporation specified

1 in this subsection is entitled to vote as a class, the plan of merger, consolidation, or
 2 exchange is approved if it receives the affirmative vote of the holders of at least a
 3 majority of the outstanding shares of each class of shares entitled to vote as a class and
 4 of the total outstanding shares. Notwithstanding AS 10.06.574 - 10.06.582, a plan of
 5 merger, consolidation, or exchange approved under this section before December 19,
 6 1991, may not include a right of shareholders to dissent.

7 * **Sec. 6.** AS 10.06.960(e) is amended to read:

8 (e) Notwithstanding the provision of AS 10.06.502 - 10.06.510, a corporation
 9 organized under the Act [ACT] may amend its articles by a vote of the board of
 10 directors in order for the corporation to comply with the mandatory requirements of
 11 the Act [ACT].

12 * **Sec. 7.** AS 10.06.960(f) is amended to read:

13 (f) Notwithstanding the other provisions of this chapter, a corporation
 14 organized under the Act [ACT] is governed by the Act [ACT] to the extent the Act
 15 [ACT] is inconsistent with this chapter, and the corporation may take any action,
 16 including amendment of its articles, authorized by the Act [ACT], and the action is
 17 considered to be approved and adopted if approved under the Act [ACT]. An
 18 amendment approved under the Act [ACT] and delivered to the commissioner under
 19 AS 10.06.512 shall be filed by the commissioner under AS 10.06.910, and a certificate
 20 of amendment shall be issued.

21 * **Sec. 8.** AS 10.06.960(g) is amended to read:

22 (g) Notwithstanding AS 10.06.358, if there are no retained earnings, the
 23 directors of a corporation organized under the Act [ACT] may declare and pay
 24 distributions in cash or property out of its net profits for the fiscal year in which the
 25 distribution is declared and for the preceding fiscal year, except when the corporation
 26 is insolvent under AS 10.06.360. For the purposes of this subsection, a corporation's
 27 debts include the amounts it is required to distribute under 43 U.S.C. 1606(i) and 43
 28 U.S.C. 1606(j). The directors may determine the net profits derived from the
 29 exploitation or liquidation of wasting assets without consideration of the depletion of
 30 those assets resulting from lapse of time, consumption, liquidation, or exploitation, of
 31 the assets, and a distribution declared from those net profits shall be described,

1 concurrently with distribution of the net profits to shareholders, as a distribution from
 2 wasting assets without consideration of the depletion of the assets. In this subsection,
 3 "wasting assets" means timber resources and subsurface estates.

4 * **Sec. 9.** AS 10.06.960(h) is amended to read:

5 (h) Notwithstanding AS 10.06.358, the directors of a corporation organized
 6 under the **Act** [ACT] may, from time to time, distribute to its shareholders in partial
 7 liquidation a portion of the corporation's assets out of capital, in cash or property,
 8 except that a distribution

9 (1) may not be made at a time when the corporation is insolvent under
 10 AS 10.06.360;

11 (2) may not be made unless the articles of incorporation authorize the
 12 board to make the distribution or the distribution is authorized by the affirmative vote
 13 of the holders of at least two-thirds of the outstanding shares;

14 (3) when made, shall be identified as a distribution in partial
 15 liquidation and the amount per share shall be disclosed to the shareholders
 16 concurrently with the distribution.

17 * **Sec. 10.** AS 10.06.960(i) is amended to read:

18 (i) Notwithstanding AS 10.06.633(e), a corporation that is organized as a
 19 Native corporation under the **Act** [ACT], that has been involuntarily dissolved by the
 20 commissioner under AS 10.06.633, and that has failed to apply for reinstatement
 21 during the period established under AS 10.06.633(e), may be reinstated under
 22 AS 10.06.633(e) within one year of June 29, 1994. The reinstated corporation and its
 23 shareholders have all of the rights, privileges, liabilities, and obligations that would
 24 have applied to them if the corporation had not been dissolved, and all corporate and
 25 shareholder actions taken during the period of dissolution are considered to be as valid
 26 as if dissolution had not occurred.

27 * **Sec. 11.** AS 10.06.960(k) is amended to read:

28 (k) Notwithstanding (i) of this section and AS 10.06.633(e), a corporation that
 29 is organized as a Native village corporation under the **Act** [ACT], that has been
 30 involuntarily dissolved by the commissioner under AS 10.06.633, and that has failed
 31 to apply for reinstatement during the period established under AS 10.06.633(e) may be

1 reinstated under AS 10.06.633(e) on or before December 31, 2003. The reinstated
 2 corporation and its shareholders have all of the rights, privileges, liabilities, and
 3 obligations that would have applied to them if the corporation had not been dissolved,
 4 and all corporate and shareholder actions taken during the period of dissolution are
 5 considered to be as valid as if dissolution had not occurred. If a corporation elects to
 6 reinstate under this subsection and if the corporation's previously used corporate name
 7 is no longer available for use by the corporation, then, notwithstanding AS 10.06.502 -
 8 10.06.510, an amendment to the articles of incorporation changing the previously used
 9 corporate name may be adopted by action of the corporation's board of directors alone.

10 * **Sec. 12.** AS 10.06.960(n) is amended to read:

11 (n) Notwithstanding AS 10.06.504(d), an amendment to the articles of
 12 incorporation of a corporation organized under 43 U.S.C. 1601 et seq. [43 U.S.C.
 13 1601 - 1628] (Alaska Native Claims Settlement Act) and incorporated under former
 14 AS 10.05.005 to add a provision eliminating or limiting the personal liability of a
 15 director to the corporation or its stockholders for monetary damages under
 16 AS 10.06.210(1)(N) may be adopted by the affirmative vote of a majority of the shares
 17 represented at the regular or special meeting at which a quorum is present in person or
 18 by proxy.

19 * **Sec. 13.** AS 10.06.960(o) is amended to read:

20 (o) Notwithstanding AS 10.06.455(b) and 10.06.504(d), an amendment to the
 21 articles of incorporation of a village corporation organized under 43 U.S.C. 1601 et
 22 seq. [43 U.S.C. 1601 - 1629e] (Alaska Native Claims Settlement Act) and
 23 incorporated under former AS 10.05.005 to add a provision authorizing the
 24 classification of directors under AS 10.06.455 may be adopted by the affirmative vote
 25 of a majority of the shares represented at a regular or special meeting at which a
 26 quorum is present in person or by proxy.

27 * **Sec. 14.** AS 10.06.960(p) is amended to read:

28 (p) In this section,

29 (1) "Act [ACT]" means 43 U.S.C. 1601 et seq. [43 U.S.C. 1601 -
 30 1641] (Alaska Native Claims Settlement Act);

31 (2) "Native corporation" has the meaning given in 43 U.S.C. 1602(m).

1 * **Sec. 15.** AS 10.06.961(a) is amended to read:

2 (a) Notwithstanding AS 13.46.085 or the appointment of a guardian of the
3 property of the child under AS 47.10.010, when a child who is in the custody of this
4 state under AS 47.10 or a minor who is in the custody of this state under AS 47.12 or
5 of another state under a provision similar to AS 47.10 or AS 47.12 becomes entitled to
6 receive dividends or other distributions resulting from the ownership of stock or a
7 membership in a corporation organized under this chapter and under **43 U.S.C. 1601**
8 **et seq.** [43 U.S.C. 1601 - 1641] (Alaska Native Claims Settlement Act), the
9 corporation paying the dividends or making the other distributions shall retain the
10 dividends and other distributions in an interest bearing account for the benefit of the
11 child or minor during the state custody.

12 * **Sec. 16.** AS 10.20.007 is amended to read:

13 **Sec. 10.20.007. Corporations organized under Alaska Native Claims**
14 **Settlement Act.** A village corporation organized under **43 U.S.C. 1601 et seq.** [43
15 U.S.C. 1601 - 1628] (Alaska Native Claims Settlement Act) may be incorporated
16 under and subject to this chapter except the name of the corporation may not contain
17 the word "village" or otherwise imply that the corporation is a municipal corporation;
18 however, the name of a village may be used in the corporate name.

19 * **Sec. 17.** AS 13.12.102(b) is amended to read:

20 (b) The intestate share of the surviving spouse in settlement common stock or
21 other inalienable stock in a corporation organized under the laws of the state under **43**
22 **U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1641] (Alaska Native Claims Settlement Act) is

23 (1) all of it if there is no surviving issue; or

24 (2) one-half of it if the decedent is survived by issue.

25 * **Sec. 18.** AS 13.16.705(a) is amended to read:

26 (a) The settlement common stock or other inalienable stock in a corporation
27 organized under the laws of Alaska under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 -
28 1642] (Alaska Native Claims Settlement Act) is not subject to probate nor shall its
29 value be considered in determining the value of an estate or allowance under this title.
30 Upon death of the holder, if the stock does not pass by the testamentary disposition
31 clause on the stock certificate or by the form authorized under (b) of this section,

1 properly executed, it passes by will or intestate succession. In such a case, the
 2 determination of the person entitled to the stock shall be made by the corporation that
 3 initially issued the stock or its designated agent. The determination shall be made on
 4 the basis of an affidavit, furnished to the corporation that initially issued the stock, or
 5 its agent, showing the right of the person entitled to the stock to receive it. The
 6 affidavit, accepted in good faith by the corporation or its agent, has the same effect as
 7 an affidavit under AS 13.16.685, and the person entitled to the stock, if the affidavit is
 8 not accepted, has the remedy set out in AS 13.16.685. In case of dispute as to the
 9 person entitled to receive the stock, a person claiming ownership may bring an
 10 independent action in the superior court.

11 * **Sec. 19.** AS 13.16.705(g) is amended to read:

12 (g) Where appropriate, terms used in this section have the meanings given in
 13 AS 13.06.050. In this section, "stock" means the settlement common stock or other
 14 inalienable stock of a corporation organized under the laws of the state under **43**
 15 **U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1642] (Alaska Native Claims Settlement Act),
 16 and includes membership in a corporation organized under AS 10.20 and inchoate
 17 rights to stock.

18 * **Sec. 20.** AS 13.26.210(g) is amended to read:

19 (g) In addition to any other requirement of this section, when appointing a
 20 relative or friend of the **protected person** [INCAPACITATED PERSON] as the
 21 conservator of **the** [A] protected person, the court shall require that the proposed
 22 conservator complete one hour of mandatory education on the basics of
 23 conservatorship before the appointment or within 30 days after the appointment. If the
 24 person is appointed based on the person's agreement to complete the mandatory
 25 education and the person fails to complete the mandatory education within the 30
 26 days, the court shall remove the conservator and appoint a successor.

27 * **Sec. 21.** AS 13.26.332 is amended to read:

28 **Sec. 13.26.332. Statutory form power of attorney.** A person who wishes to
 29 designate another as attorney-in-fact or agent by a power of attorney may execute a
 30 statutory power of attorney set out in substantially the following form:

31 GENERAL POWER OF ATTORNEY

1 THE POWERS GRANTED FROM THE PRINCIPAL TO THE
 2 AGENT OR AGENTS IN THE FOLLOWING DOCUMENT ARE
 3 VERY BROAD. THEY MAY INCLUDE THE POWER TO
 4 DISPOSE, SELL, CONVEY, AND ENCUMBER YOUR REAL AND
 5 PERSONAL PROPERTY [, AND THE POWER TO MAKE YOUR
 6 HEALTH CARE DECISIONS]. ACCORDINGLY, THE
 7 FOLLOWING DOCUMENT SHOULD ONLY BE USED AFTER
 8 CAREFUL CONSIDERATION. IF YOU HAVE ANY QUESTIONS
 9 ABOUT THIS DOCUMENT, YOU SHOULD SEEK COMPETENT
 10 ADVICE.

11 YOU MAY REVOKE THIS POWER OF ATTORNEY AT
 12 ANY TIME.

13 Pursuant to AS 13.26.338 - 13.26.353, I, ___(Name of
 14 principal)___, of ___(Address of principal)___, do hereby appoint
 15 ___(Name and address of agent or agents)___, my attorney(s)-in-fact
 16 to act as I have checked below in my name, place, and stead in any way
 17 which I myself could do, if I were personally present, with respect to
 18 the following matters, as each of them is defined in AS 13.26.344, to
 19 the full extent that I am permitted by law to act through an agent:

20 THE AGENT OR AGENTS YOU HAVE APPOINTED WILL
 21 HAVE ALL THE POWERS LISTED BELOW UNLESS YOU
 22 DRAW A LINE THROUGH A CATEGORY; AND
 23 INITIAL THE BOX OPPOSITE THAT CATEGORY

- 24 (A) real estate transactions ()
- 25 (B) transactions involving tangible personal
 26 property, chattels, and goods ()
- 27 (C) bonds, shares, and commodities transactions ()
- 28 (D) banking transactions ()
- 29 (E) business operating transactions ()
- 30 (F) insurance transactions ()
- 31 (G) estate transactions ()

- 1 (H) gift transactions ()
- 2 (I) claims and litigation ()
- 3 (J) personal relationships and affairs ()
- 4 (K) benefits from government programs and military service ()
- 5 (L) records, reports, and statements ()
- 6 (M) delegation ()
- 7 (N) all other matters, including those specified as follows: ()

11 IF YOU HAVE APPOINTED MORE THAN ONE AGENT,
 12 CHECK ONE OF THE FOLLOWING:

- 13 () Each agent may exercise the powers conferred separately, without
 14 the consent of any other agent.
- 15 () All agents shall exercise the powers conferred jointly, with the
 16 consent of all other agents.

17 TO INDICATE WHEN THIS DOCUMENT SHALL
 18 BECOME EFFECTIVE, CHECK ONE OF THE FOLLOWING:

- 19 () This document shall become effective upon the date of my
 20 signature.
- 21 () This document shall become effective upon the date of my
 22 disability and shall not otherwise be affected by my disability.

23 IF YOU HAVE INDICATED THAT THIS DOCUMENT
 24 SHALL BECOME EFFECTIVE ON THE DATE OF YOUR
 25 SIGNATURE, CHECK ONE OF THE FOLLOWING:

- 26 () This document shall not be affected by my subsequent disability.
- 27 () This document shall be revoked by my subsequent disability.

28 IF YOU HAVE INDICATED THAT THIS DOCUMENT
 29 SHALL BECOME EFFECTIVE UPON THE DATE OF YOUR
 30 SIGNATURE AND WANT TO LIMIT THE TERM OF THIS
 31 DOCUMENT, COMPLETE THE FOLLOWING:

1 This document shall only continue in effect for _____ ()
2 years from the date of my signature.

3 NOTICE OF REVOCATION OF THE POWERS
4 GRANTED IN THIS DOCUMENT

5 You may revoke one or more of the powers granted in this
6 document. Unless otherwise provided in this document, you may
7 revoke a specific power granted in this power of attorney by
8 completing a special power of attorney that includes the specific power
9 in this document that you want to revoke. Unless otherwise provided in
10 this document, you may revoke all the powers granted in this power of
11 attorney by completing a subsequent power of attorney.

12 NOTICE TO THIRD PARTIES

13 A third party who relies on the reasonable representations of an
14 attorney-in-fact as to a matter relating to a power granted by a properly
15 executed statutory power of attorney does not incur any liability to the
16 principal or to the principal's heirs, assigns, or estate as a result of
17 permitting the attorney-in-fact to exercise the authority granted by the
18 power of attorney. A third party who fails to honor a properly executed
19 statutory form power of attorney may be liable to the principal, the
20 attorney-in-fact, the principal's heirs, assigns, or estate for a civil
21 penalty, plus damages, costs, and fees associated with the failure to
22 comply with the statutory form power of attorney. If the power of
23 attorney is one which becomes effective upon the disability of the
24 principal, the disability of the principal is established by an affidavit, as
25 required by law.

26 IN WITNESS WHEREOF, I have hereunto signed my name
27 this ____ day of _____, ____.

28 _____

29 Signature of Principal

30 Acknowledged before me at _____
31 _____ on _____.

1 Signature of Officer or Notary

2 * **Sec. 22.** AS 13.26.344(c) is amended to read:

3 (c) In a statutory form power of attorney, the language conferring general
4 authority with respect to bonds, shares, and commodities transactions shall be
5 construed to mean that, with respect to a bond, share, or commodity of the principal,
6 whether in the state or elsewhere, the principal authorizes the agent to

7 (1) accept as a gift, or as a security for a loan, reject, demand, buy,
8 receive, or otherwise acquire either ownership or possession of, a bond, share, or
9 instrument of similar character including, by way of illustration, but not of restriction,
10 stock in a corporation organized under 43 U.S.C. 1601 et seq. [43 U.S.C. 1601 - 1628]
11 (Alaska Native Claims Settlement Act), commodity interest, or an instrument with
12 respect to a bond, share, or instruments of similar character, together with the interest,
13 dividends, proceeds, or other distributions connected with a bond, share, or instrument
14 of a similar character;

15 (2) sell, exchange, transfer, release, surrender, hypothecate, pledge,
16 revoke, create, or modify a trust, grant options concerning, loan, trade in, or otherwise
17 dispose of a bond, share, instrument of similar character, commodity interest, or a
18 related instrument;

19 (3) release, assign the whole or part of, satisfy in whole or in part, and
20 enforce a pledge, encumbrance, lien, or other claim as to a bond, share, instrument of
21 similar character, commodity interest, or a related interest, when the pledge,
22 encumbrance, lien, or other claim is owned, or claimed to be owned, by the principal;

23 (4) do any act of management or of conservation with respect to a
24 bond, share, instrument of similar character, commodity interest, or a related
25 instrument, owned or claimed to be owned by the principal or in which the principal
26 has or claims to have an interest, including by way of illustration, but not of
27 restriction, power to insure against a casualty, liability, or loss, obtain or regain
28 possession or protect the principal's interest, pay, compromise, or contest taxes or
29 assessments, apply for a refund in connection with a payment, compromise, or tax,
30 consent to and participate in a reorganization, recapitalization, liquidation, merger,
31 consolidation, sale or lease or other change in or revival of a corporation or other

1 association, or in the financial structure of a corporation or other association, or in the
2 priorities, voting rights, or other special rights with respect to a corporation or
3 association, become a depositor with a protective, reorganization or similar committee
4 of the bond, share, other instrument of similar character, commodity interest or a
5 related instrument, belonging to the principal, make a payment reasonably incident to
6 them, and exercise or sell an option, conversion, or similar right, or vote in person or
7 by the granting of a proxy for the accomplishment of the purposes enumerated in this
8 subsection;

9 (5) carry in the name of a nominee selected by the agent evidence of
10 the ownership of a bond, share, other instrument of similar character, commodity
11 interest, or related instrument belonging to the principal;

12 (6) employ, in any way believed to be desirable by the agent, a bond,
13 share, other instrument of similar character, commodity interest, or a related
14 instrument, in which the principal has or claims to have an interest, for the protection
15 or continued operation of a speculative or margin transaction personally begun or
16 personally guaranteed, in whole or in part, by the principal;

17 (7) demand, receive, or obtain money or any other thing of value to
18 which the principal is, or may claim to be, entitled as the proceeds of an interest in a
19 bond, share, other instrument of similar character, commodity interest or a related
20 instrument, or of one or more of the transactions enumerated in this subsection,
21 conserve, invest, disburse, or use anything so received for purposes enumerated in this
22 subsection; and reimburse the agent for an expenditure properly made in the execution
23 of the powers conferred by the statutory form power of attorney;

24 (8) agree and contract, in any manner, and with a broker or other
25 person, and on terms that the agent may select, for the accomplishment of the purposes
26 enumerated in this subsection, and perform, rescind, reform, release, or modify the
27 agreement or contract or other similar agreement made by or on behalf of the
28 principal;

29 (9) execute, acknowledge, seal, and deliver a consent, agreement,
30 authorization, assignment, revocation, declaration or modification of trust, notice,
31 waiver of notice, check, or other instrument that the agent considers useful for the

1 accomplishment of the purposes enumerated in this subsection;

2 (10) execute, acknowledge and file a report or certificate required by
3 law or regulation;

4 (11) prosecute, defend, submit to arbitration, settle, and propose or
5 accept a compromise with respect to, a claim existing in favor of, or against, the
6 principal based on or involving a bond, share, or commodity transactions, or intervene
7 in a related action or proceeding;

8 (12) hire, discharge, and compensate an attorney, accountant, expert
9 witness, or assistant when the agent considers that action to be desirable for the proper
10 execution of the powers described in this subsection, and for the keeping of records
11 about that action; and

12 (13) do any other act or acts that the principal can do through an agent,
13 with respect to an interest in a bond, share, or other instrument of similar character,
14 commodity, or instrument with respect to a commodity.

15 * **Sec. 23.** AS 13.46.085(a) is amended to read:

16 (a) The stock or membership in a corporation organized under the law of this
17 state under 43 U.S.C. 1601 et seq. ([THE] Alaska Native Claims Settlement Act) [(43
18 U.S.C. 1601 - 1642)] that a minor is entitled to receive under that Act shall be held by
19 a custodian.

20 * **Sec. 24.** AS 13.46.085(f) is amended to read:

21 (f) In this section,

22 (1) "Act" means 43 U.S.C. 1601 et seq. ([THE] Alaska Native Claims
23 Settlement Act) [(43 U.S.C. 1601 - 1642)];

24 (2) "minor" means an individual who is less than 18 years of age;

25 (3) "stock" means the stock or membership in a corporation that is
26 organized under the law of this state under the Act and that a minor is entitled to
27 receive under the Act, whether by gift, devise, or other method; "stock" includes
28 inchoate rights to stock.

29 * **Sec. 25.** AS 14.07.030 is amended to read:

30 **Sec. 14.07.030. Powers of the department.** The department may

31 (1) establish, maintain, govern, operate, discontinue, and combine area,

1 regional, and special schools;

2 (2) enter into contractual agreements with [THE BUREAU OF
3 INDIAN AFFAIRS OR WITH] a school district to share boarding costs of secondary
4 school students;

5 (3) provide for citizenship night schools when and where expedient;

6 (4) provide for the sale or other disposition of abandoned or obsolete
7 buildings and other state-owned school property;

8 (5) prescribe a classification for items of expense of school districts;

9 (6) acquire and transfer personal property, acquire real property, and
10 transfer real property to federal agencies, state agencies, or to political subdivisions;

11 (7) enter into contractual agreements with school districts to provide
12 more efficient or economical education services; reasonable fees may be charged by
13 the department to cover the costs of providing services under an agreement, including
14 costs for professional services, reproduction or printing, and mailing and distribution
15 of educational materials;

16 (8) provide for the issuance of elementary and secondary diplomas to
17 persons not in school who have completed the equivalent of an 8th or 12th grade
18 education, respectively, in accordance with standards established by the department;

19 (9) apply for, accept, and spend endowments, grants, and other private
20 money available to the state for educational purposes in accordance with AS 37.07
21 (Executive Budget Act);

22 (10) set student tuition and fees for educational and extracurricular
23 programs and services provided and schools operated by the department under the
24 provisions of (1) of this section and AS 14.07.020(a)(9), (11), and (12);

25 (11) charge fees to cover the costs of care and handling with respect to
26 the acquisition, warehousing, distribution, or transfer of donated foods;

27 (12) establish and collect fees for the rental of school facilities and for
28 other programs and services provided by the schools;

29 (13) develop a model curriculum and provide technical assistance for
30 early childhood education programs.

31 * **Sec. 26.** AS 14.08.101 is amended to read:

1 **Sec. 14.08.101. Powers.** A regional school board may

2 (1) sue and be sued;

3 (2) contract with the department [, THE BUREAU OF INDIAN
4 AFFAIRS,] or any other school district, agency, or regional board for the provision of
5 services, facilities, supplies, or utilities;

6 (3) determine its own fiscal procedures, including but not limited to
7 policies and procedures for the purchase of supplies and equipment; the regional
8 school boards are exempt from AS 37.05 (Fiscal Procedures Act) and AS 36.30 (State
9 Procurement Code);

10 (4) appoint, compensate, and otherwise control all school employees in
11 accordance with this title; these employees are not subject to AS 39.25 (State
12 Personnel Act);

13 (5) adopt regulations governing organization, policies, and procedures
14 for the operation of the schools;

15 (6) establish, maintain, operate, discontinue, and combine schools
16 subject to the approval of the commissioner;

17 (7) recommend to the department projects for construction,
18 rehabilitation, and improvement of schools and education-related facilities as specified
19 in AS 14.11.011(b), and plan, design, and construct the project when the responsibility
20 for it is assumed under AS 14.11.020;

21 (8) by resolution adopted by a majority of all the members of the board
22 and provided to the commissioner of the department, assume ownership of all land and
23 buildings used in relation to the schools in the regional educational attendance area;

24 (9) provide housing for rental to teachers, by leasing existing housing
25 from a local agency or individual, by entering into contractual arrangements with a
26 local agency or individual to lease housing that will be constructed by the local agency
27 or individual for that purpose, or, without using for the purpose that portion of public
28 school funding that consists of state aid provided under AS 14.17, by constructing or
29 otherwise acquiring housing that is owned and managed by the regional educational
30 attendance area for rental to teachers;

31 (10) exercise those other functions that may be necessary for the

1 proper performance of its responsibilities;

2 (11) employ a chief school administrator.

3 * **Sec. 27.** AS 14.57.210(a) is amended to read:

4 (a) A museum may acquire title to undocumented property held by a museum
5 for seven years or longer if

6 (1) the seven-year holding period is verified by the written records of
7 the museum;

8 (2) when this paragraph is applicable, the museum has notified by mail
9 all corporations, except nonprofit corporations, created under **43 U.S.C. 1601 et seq.**
10 [43 U.S.C. 1601 - 1629e] (Alaska Native Claims Settlement Act) that the
11 undocumented property appears to be a Native artifact, that the corporations are
12 requested to view, identify, and catalog the property within one year after the
13 notification, and that the museum may take steps to acquire title to the property after
14 the one-year notification period and the seven-year holding period have expired
15 without a person filing a claim with the museum that the person is the owner of the
16 property; in this paragraph, the periods may run concurrently; and

17 (3) during the seven-year holding period, or the longer period if
18 expanded by the application of (2) of this subsection, a person has not filed a claim
19 with the museum that the person is the owner of the property.

20 * **Sec. 28.** AS 14.60.010(6) is amended to read:

21 (6) "public schools" include elementary schools, high schools,
22 citizenship night schools for adults, and other public educational institutions **that**
23 [WHICH] may be established [; HOWEVER, NOTHING IN THIS TITLE
24 INCLUDES SCHOOLS FOR ALASKA NATIVES UNDER THE CONTROL OF
25 THE FEDERAL GOVERNMENT AND ADMINISTERED AND SUPERVISED
26 THROUGH THE BUREAU OF INDIAN AFFAIRS];

27 * **Sec. 29.** AS 16.05.835(b) is amended to read:

28 (b) A vessel engaged in the Bering Sea [KOREAN] hair crab fishery within
29 five miles of the shore may not be longer than 58 feet overall length.

30 * **Sec. 30.** AS 16.10.520(e) is amended to read:

31 (e) The total amount of loans made or purchased in any fiscal year may not

1 exceed the amount specifically authorized by statute. [THE AMOUNT TO BE
2 PURCHASED MAY NOT EXCEED \$3,000,000 FOR FISCAL YEAR 1977 AND
3 \$10,000,000 FOR FISCAL YEAR 1978.]

4 * **Sec. 31.** AS 16.20.032(b) is amended to read:

5 (b) Selections under 43 U.S.C. 1601 et seq. ([43 U.S.C. 1601 - 1628 (P.L.
6 92-203,] Alaska Native Claims Settlement Act) are recognized as valid prior claims to
7 the land within the area described in (a) of this section. Land specified in (a) of this
8 section may not include land patented to a Native corporation under that Act.

9 * **Sec. 32.** AS 16.20.310(c) is amended to read:

10 (c) The commissioner shall develop and amend the game management plan to
11 coordinate, as closely as possible, the game management plan with the activities of the
12 [AGRICULTURAL DEVELOPMENT AUTHORITY,] Department of Natural
13 Resources [,] relating to the Big Delta agricultural development project.

14 * **Sec. 33.** AS 16.43.450(a) is amended to read:

15 (a) The commission may establish a vessel permit system under AS 16.43.450
16 - 16.43.520 for the Bering Sea [KOREAN] hair crab fishery or a weathervane scallop
17 fishery if the commission determines that

18 (1) the regulation of entry into the fishery is necessary to achieve the
19 purposes of this chapter;

20 (2) a vessel permit system would achieve the purposes of this chapter;
21 and

22 (3) either
23 (A) limiting the number of participants in the fishery under
24 AS 16.43.140 - 16.43.330 would not achieve the purposes of this chapter; or
25 (B) regulating the number of vessels in the fishery would
26 enable the state to gain or retain management of the fishery.

27 * **Sec. 34.** AS 16.43.450(b) is amended to read:

28 (b) If the federal government has delegated management authority in the
29 United States exclusive economic zone to the state for the Bering Sea [KOREAN] hair
30 crab fishery or a weathervane scallop fishery, the commission may, to the extent
31 consistent with this chapter, adopt regulations to ensure that the vessel permit system

1 is consistent with applicable federal laws.

2 * **Sec. 35.** AS 16.43.460(b) is amended to read:

3 (b) If the commission establishes a vessel permit system under AS 16.43.450
4 for a fishery that is, or recently was, subject to a moratorium on entry of new vessels
5 under **former** AS 16.43.901 or **former** 16.43.906, the commission shall incorporate
6 some or all of the vessel eligibility criteria established for the moratorium into the
7 eligibility criteria for vessel permits issued under the vessel permit system.

8 * **Sec. 36.** AS 17.20.330 is amended to read:

9 **Sec. 17.20.330. Liability for dissemination of false advertising.** The
10 publisher, radio-broadcast licensee, or agency or medium for the dissemination of an
11 advertisement, except the manufacturer, packer, distributor, or seller of the article to
12 which a false advertisement relates, is not liable under AS 17.20.305, 17.20.315, or
13 AS 45.50.471 - 45.50.561 for the dissemination of the false advertisement, unless the
14 publisher, licensee, agency, or medium has refused the request of the commissioner of
15 health and social services **or the commissioner of commerce, community, and**
16 **economic development** to furnish the name and post office address of the
17 manufacturer, packer, distributor, seller, or advertising agency [,] residing in the state
18 who caused dissemination of the advertisement.

19 * **Sec. 37.** AS 18.56.097 is amended to read:

20 **Sec. 18.56.097. Collateral for loans.** Under procedures established by
21 regulations of the corporation adopted in accordance with AS 18.56.088 a person may
22 pledge as security for the repayment of a loan made, purchased, or insured by the
23 corporation under this chapter a preference right the person holds to receive title to
24 land the person occupies as a primary place of residence, primary place of business,
25 subsistence campsite, or as headquarters for reindeer husbandry. The preference right
26 must be conveyed to the person by the Native corporation to which the land was
27 granted under **43 U.S.C. 1613** [SECTION 14 OF THE ALASKA NATIVE CLAIMS
28 SETTLEMENT ACT (85 STAT. 688, 43 U.S.C. SEC. 1601 - 1626, AS AMENDED
29 BY P.L. 94-204)] before it may be pledged as security under this section. The
30 Department of Commerce, Community, and Economic Development shall prescribe
31 procedures and standard forms for establishing and appraising the value of a

1 preference right held by a person to secure the repayment of a loan made, purchased,
2 or insured by the corporation under this chapter.

3 * **Sec. 38.** AS 21.34.170(a) is amended to read:

4 (a) A surplus lines broker shall file with the director on or before the end of
5 each month, on forms prescribed by the director, a verified report of all surplus lines
6 insurance, by type of insurance as required to be reported in the annual statement that
7 must be filed with the director by admitted insurers. The report must include all
8 surplus lines insurance transactions during the preceding calendar month showing the
9 aggregate gross premiums written, the aggregate return premiums, the amount of
10 aggregate tax remitted to this state, and the amount of aggregate tax remitted to each
11 other state for which an allocation is made under AS 21.34.180 [AS 21.34.150].

12 * **Sec. 39.** AS 21.34.180(a) is amended to read:

13 (a) Gross premiums written, less any return premium, for surplus lines
14 insurance are subject to a premium [RECEIPTS] tax as outlined in AS 21.09.210,
15 which shall be collected by the surplus lines broker as specified by the director, in
16 addition to the full amount of the gross premium written by the insurer for the
17 insurance. The tax on any portion of the premium unearned at termination of insurance
18 having been credited by the state to the surplus lines broker shall be returned to the
19 policy holder directly by the surplus lines broker or through the producing broker, if
20 any. The surplus lines broker may not absorb the tax or any part of it, and may not
21 rebate for any reason the tax or any part of it. However, if, under AS 21.09.210, an
22 admitted insurer is required to collect and pay premium tax on a portion of a
23 subscription policy, the surplus lines broker is not required to collect any amount that
24 would constitute double taxation of that portion of the insurance.

25 * **Sec. 40.** AS 22.10.025(a) is amended to read:

26 (a) The superior court, in an action for divorce, separation, or child support,
27 affecting inalienable stock in a corporation organized under 43 U.S.C. 1601 et seq.
28 [43 U.S.C. 1601 - 1628] (Alaska Native Claims Settlement Act), may order the stock
29 transferred to the spouse, a child, or a guardian or custodian for a child, but may not
30 order it sold on the open market or transferred to other persons.

31 * **Sec. 41.** AS 24.20.271 is amended to read:

1 **Sec. 24.20.271. Powers and duties.** The legislative audit division shall

2 (1) conduct a performance post-audit of boards and commissions
3 designated in AS 44.66.010 [AND OF THOSE PROGRAMS AND ACTIVITIES OF
4 AGENCIES SUBJECT TO TERMINATION AS DETERMINED IN THE MANNER
5 SET OUT IN AS 44.66.020 AND 44.66.030,] and make the audit, together with a
6 written report, available to the legislature not later than the first day of the regular
7 session of the legislature convening in each year set out with reference to boards or [,]
8 commissions [, OR AGENCY PROGRAMS] whose activities are subject to
9 termination as prescribed in AS 44.66; the division shall notify the legislature that the
10 audit and report are available;

11 (2) audit at least once every three years the books and accounts of all
12 custodians of public funds and all disbursing officers of the state;

13 (3) at the direction of the Legislative Budget and Audit Committee,
14 conduct performance post-audits on any agency of state government;

15 (4) cooperate with state agencies by offering advice and assistance as
16 requested in establishing or improving the accounting systems used by state agencies;

17 (5) require the assistance and cooperation of all state officials and
18 other state employees in the inspection, examination, and audit of state agency books
19 and accounts;

20 (6) have access at all times to the books, accounts, reports, or other
21 records, whether confidential or not, of every state agency;

22 (7) ascertain, as necessary for audit verification, the amount of agency
23 funds on deposit in any bank as shown on the books of the bank; no bank may be held
24 liable for making information required under this paragraph available to the legislative
25 audit division;

26 (8) complete studies and prepare reports, memoranda, or other
27 materials as directed by the Legislative Budget and Audit Committee;

28 (9) have direct access to any information related to the management of
29 the University of Alaska and have the same right of access as exists with respect to
30 every other state agency.

31 * **Sec. 42.** AS 26.05.330(e) is amended to read:

1 (e) For each day of duty as a member of a general court-martial, or as a
 2 witness under summons from the president or judge advocate of the court, officers and
 3 enlisted persons shall be paid as provided in AS 26.05.260(b) [AND (c)].

4 * **Sec. 43.** AS 26.10.060(a) is amended to read:

5 (a) The provisions of 50 U.S.C. App. 459 (sec. 9, Universal Military Training
 6 and Service Act), as amended, are extended to this state and its political subdivisions.
 7 [IT IS THE INTENT OF THIS SECTION THAT ALL RE-EMPLOYMENT
 8 BENEFITS GRANTED BY 50 U.S.C. APP. 459 TO A VETERAN WHO WAS IN
 9 THE EMPLOY OF A PRIVATE EMPLOYER AT THE TIME OF THE VETERAN'S
 10 INDUCTION INTO THE ARMED FORCES OF THE UNITED STATES SHALL,
 11 IN THE SAME MANNER AND TO THE SAME EXTENT, BE GRANTED TO A
 12 VETERAN WHO WAS IN THE EMPLOY OF THE STATE OF ALASKA OR A
 13 POLITICAL SUBDIVISION OF THE STATE AT THE TIME OF INDUCTION
 14 INTO THE ARMED FORCES OF THE UNITED STATES.]

15 * **Sec. 44.** AS 29.45.050(m) is amended to read:

16 (m) A municipality may by ordinance partially or totally exempt all or some
 17 types of economic development property from taxation for up to five years. The
 18 municipality may provide for renewal of the exemption under conditions established
 19 in the ordinance. However, under a renewal, a municipality that is a school district
 20 may only exempt all or a portion of the amount of taxes that exceeds the amount
 21 levied on other property for the school district. A municipality may by ordinance
 22 permit deferral of payment of taxes on all or some types of economic development
 23 property for up to five years. The municipality may provide for renewal of the deferral
 24 under conditions established in the ordinance. A municipality may adopt an ordinance
 25 under this subsection only if, before it is adopted, copies of the proposed ordinance
 26 made available at a public hearing on it contain written notice that the ordinance, if
 27 adopted, may be repealed by the voters through referendum. An ordinance adopted
 28 under this subsection must include specific eligibility requirements and require a
 29 written application for each exemption or deferral. In this subsection "economic
 30 development property" means real or personal property, including developed property
 31 conveyed under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1629e] (Alaska Native

1 Claims Settlement Act), that

2 (1) has not previously been taxed as real or personal property by the
3 municipality;

4 (2) is used in a trade or business in a way that

5 (A) creates employment in the municipality;

6 (B) generates sales outside of the municipality of goods or
7 services produced in the municipality; or

8 (C) materially reduces the importation of goods or services
9 from outside the municipality; and

10 (3) has not been used in the same trade or business in another
11 municipality for at least six months before the application for deferral or exemption is
12 filed; this paragraph does not apply if the property was used in the same trade or
13 business in an area that has been annexed to the municipality within six months before
14 the application for deferral or exemption is filed; this paragraph does not apply to
15 inventories.

16 * **Sec. 45.** AS 34.15.075(b) is amended to read:

17 (b) In this section, "Alaska Native Claims Settlement Act real property" means
18 real property that, at some point in that real property's chain of title, was conveyed by
19 the federal government under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1629h]
20 (Alaska Native Claims Settlement Act) to a corporation established under **43 U.S.C.**
21 **1601 et seq.** [43 U.S.C. 1601 - 1629h.]

22 * **Sec. 46.** AS 34.45.760(10) is amended to read:

23 (10) "intangible property"

24 (A) includes

25 (i) money, checks, drafts, warrants, deposits, interest,
26 dividends, and income;

27 (ii) credit balances, customer overpayments, gift
28 certificates, security deposits, refunds, credit memos, unpaid wages,
29 and unidentified remittances;

30 (iii) stocks and other intangible equity interests in
31 business associations;

1 (iv) money deposited to redeem stocks, bonds, coupons,
2 and other securities, or to make distributions;

3 (v) amounts due and payable under the terms of
4 insurance policies;

5 (vi) amounts distributable from a trust or custodial fund
6 established under a plan to provide health, welfare, pension, vacation,
7 severance, retirement, death, stock purchase, profit-sharing, employee
8 savings, supplemental unemployment insurance, or similar benefits;
9 and

10 (vii) amounts due and payable as mineral proceeds;

11 (B) does not include

12 (i) unused airline tickets;

13 (ii) shares of stock issued by a corporation organized
14 under 43 U.S.C. 1601 et seq. [43 U.S.C. 1601 - 1629a] (Alaska Native
15 Claims Settlement Act) or unclaimed dividends payable on the shares
16 of stock; or

17 (iii) overpaid contributions by employers to the
18 unemployment compensation fund under AS 23.20.130;

19 * **Sec. 47.** AS 36.30.170(b) is amended to read:

20 (b) The procurement officer shall award a contract based on solicited bids to
21 the lowest responsive and responsible bidder after an Alaska bidder preference of five
22 percent, an Alaska products preference as described in AS 36.30.322 - 36.30.338, and
23 a recycled products preference under AS 36.30.337 have been applied. In this
24 subsection, "Alaska bidder" means a person who

25 (1) holds a current Alaska business license;

26 (2) submits a bid for goods, services, or construction under the name as
27 appearing on the person's current Alaska business license;

28 (3) has maintained a place of business within the state staffed by the
29 bidder or an employee of the bidder for a period of six months immediately preceding
30 the date of the bid;

31 (4) is incorporated or qualified to do business under the laws of the

1 state, is a sole proprietorship and the proprietor is a resident of the state, is a limited
 2 liability company organized under AS 10.50 and all members are residents of the state,
 3 or is a partnership under **former** AS 32.05, **AS 32.06**, or AS 32.11 and all partners are
 4 residents of the state; and

5 (5) if a joint venture, is composed entirely of ventures that qualify
 6 under (1) - (4) of this subsection.

7 * **Sec. 48.** AS 37.14.410(a) is amended to read:

8 (a) Amounts received by the state as reimbursement for expenses related to the
 9 Exxon Valdez oil spill incurred by the state on or before December 31, 1992, shall be
 10 deposited in the general fund and, except as required under (b) of this section may not
 11 be credited to **an** [THE] oil and hazardous substance release mitigation account under
 12 AS 46.04.010 or to an account established in AS 46.08.020 or 46.08.025.

13 * **Sec. 49.** AS 38.05.073(c) is amended to read:

14 (c) If the commissioner identifies land for recreational facilities development
 15 leasing under (a) of this section, at least 30 days before the commissioner decides to
 16 solicit proposals from potential lessees, the commissioner shall provide public notice
 17 of the location and the specific type of recreational facilities development being
 18 considered and request comments. The notice shall be provided to (1) a municipality if
 19 the land is entirely or partially within the boundaries of the municipality; (2) a regional
 20 corporation organized under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1629e] (Alaska
 21 Native Claims Settlement Act) if the boundaries of the corporation established by 43
 22 U.S.C. 1606(a) encompass part or all of the land and the land encompassed by the
 23 corporation's boundaries is entirely or partially outside the municipality; (3) a village
 24 corporation organized under 43 U.S.C. 1601 if all or part of the land is within 40 miles
 25 of the village for which the corporation was established and the land is located entirely
 26 or partially outside a municipality; (4) other persons affected by the specific
 27 recreational facility development; and (5) persons who have specifically requested to
 28 be notified. Public notice identifying the location and the specific type of recreational
 29 facilities development under consideration must also be published at least twice in a
 30 newspaper of general circulation in the state and in a local newspaper in general
 31 circulation in the region where the land is located. The comments received under this

1 subsection become part of the public record for the consideration of the commissioner.

2 * **Sec. 50.** AS 38.95.050 is amended to read:

3 **Sec. 38.95.050. Land management contracts with Native corporations.** A
 4 corporation organized under state law pursuant to **43 U.S.C. 1601 et seq.** [43 U.S.C.
 5 1601 - 1628] (Alaska Native Claims Settlement Act) may contract with the
 6 Department of Natural Resources for the management of land; however, a sale, lease,
 7 exchange or other disposal of this land may not be made without the approval of the
 8 corporation owning it. The contract is terminable upon reasonable notice by either
 9 party to it; it may cover all or a portion of the land of the corporation, and shall
 10 provide for the terms of management by reference to law or regulation or otherwise.
 11 The Department of Natural Resources is authorized to receive and expend, subject to
 12 appropriation, funds necessary to carry out its functions under this section.

13 * **Sec. 51.** AS 41.17.041(b) is amended to read:

14 (b) The board is composed of nine members appointed by the governor:

- 15 (1) a representative of a commercial fishermen's organization;
- 16 (2) a representative of a Native corporation established under **43**
 17 **U.S.C. 1601 et seq.** [43 U.S.C. 1601-1628] (Alaska Native Claims Settlement Act);
- 18 (3) a representative of an environmental organization;
- 19 (4) a representative of a forest industry trade association;
- 20 (5) a professional fish or wildlife biologist who is not employed in that
 21 capacity by a state, municipal, or federal government agency, except for university
 22 employment;
- 23 (6) a professional forester who is not employed in that capacity by a
 24 state, municipal, or federal government agency, except for university employment;
- 25 (7) a representative of a mining organization;
- 26 (8) a representative of a recreational organization; and
- 27 (9) the state forester, who serves ex officio and without a vote.

28 * **Sec. 52.** AS 41.17.900(f) is amended to read:

29 (f) This chapter does not diminish the rights, privileges, or immunities of
 30 Alaska Natives or Alaska Native corporations with respect to land conveyed under **43**
 31 **U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1628] (Alaska Native Claims Settlement Act),

1 and does not alter or diminish the authority of the Department of Fish and Game under
 2 AS 16, of the Department of Environmental Conservation under AS 46, or of a state
 3 agency under other law.

4 * **Sec. 53.** AS 41.21.025(b) is amended to read:

5 (b) Land patented to or under interim conveyance to a regional or village
 6 **Native** [NATIVE] corporation under **43 U.S.C. et seq.** [43 U.S.C. 1601-1628] ([P.L.
 7 92-203,] Alaska Native Claims Settlement Act) that falls within a state park boundary
 8 is subject to the zoning regulations provided for under (a) of this section only if the
 9 affected regional or village **Native** [NATIVE] corporation consents to or fails to reject
 10 the zoning regulations within 60 days from the date they are submitted to the affected
 11 corporation.

12 * **Sec. 54.** AS 43.50.460(d) is amended to read:

13 (d) For a nonparticipating manufacturer, the certification required by (a) of
 14 this section must additionally certify that the nonparticipating manufacturer

15 (1) is registered to do business in the state or has appointed a resident
 16 agent for service of process and provided notice of the appointment as required by
 17 **AS 43.50.475** [AS 43.50.530];

18 (2) has

19 (A) established and continues to maintain a qualified escrow
 20 fund; and

21 (B) executed a qualified escrow agreement that has been
 22 reviewed and approved by the Department of Law and that governs the
 23 qualified escrow fund; and

24 (3) is in full compliance with AS 45.53 and this section, and any
 25 regulations adopted under those statutes.

26 * **Sec. 55.** AS 43.98.015(a) is amended to read:

27 (a) The receipt of the original issue of shares of stock in a corporation
 28 organized under Alaska law pursuant to **43 U.S.C. 1601 et seq.** ([THE FEDERAL]
 29 Alaska Native Claims Settlement Act) [(P.L. 92-203; 85 STAT. 688; 43 U.S.C. 1601
 30 ET SEQ.)] by or on behalf of a **Native** [NATIVE] (as defined in the federal Act) is not
 31 subject to any form of state or local taxation.

1 * **Sec. 56.** AS 43.98.015(b) is amended to read:

2 (b) The receipt of land or an interest in it under the federal Act or of cash in
3 order to equalize the values of property exchanged under **43 U.S.C. 1621(f)** [SEC.
4 22(f) OF THAT ACT] or AS 38.50 is not subject to any form of state or local taxation.
5 The basis for computing gain or loss on subsequent sale or other disposition of this
6 land or interest in land for purposes of a state or local tax imposed on or measured by
7 income is the fair value of the land or interest in land at the time of receipt.

8 * **Sec. 57.** AS 44.27.056 is amended to read:

9 **Sec. 44.27.056. Reports.** The council shall report to the governor [NOT
10 LATER THAN NOVEMBER 1, 1966, AND] from time to time [THEREAFTER].
11 The council shall notify the legislature when its reports are available.

12 * **Sec. 58.** AS 44.29.210(a) is amended to read:

13 (a) There is created in the department an alcoholism and drug abuse revolving
14 loan fund as required under **42 U.S.C. 300x-25** [42 U.S.C. 300x - 4a] to qualify the
15 state to receive block grant money from the United States Department of Health and
16 Human Services under **42 U.S.C. 300x-21** [42 U.S.C. 300x - 2].

17 * **Sec. 59.** AS 44.29.210(c) is amended to read:

18 (c) Money in the fund may be used as required under **42 U.S.C. 300x-25** [42
19 U.S.C. 300x - 4a] to make loans to private nonprofit organizations for the cost of
20 establishing programs to help pay the living expenses of individuals recovering from
21 alcohol or drug abuse who may reside in groups.

22 * **Sec. 60.** AS 44.42.065(a) is amended to read:

23 (a) The department shall, [AS SOON AS PRACTICABLE AFTER JULY 1,
24 1980, AND] at least once every seven years [THEREAFTER], perform an energy
25 audit of each public building.

26 * **Sec. 61.** AS 44.62.350(c) is amended to read:

27 (c) **Except for a** [A] hearing officer hired [AFTER APRIL 29, 1959,
28 EXCEPT] to conduct hearings under AS 23.20 (Alaska Employment Security Act), **a**
29 **hearing officer** shall have been admitted to practice law for at least two years
30 immediately before the appointment.

31 * **Sec. 62.** AS 44.66.050 is amended to read:

1 **Sec. 44.66.050. Legislative oversight.** (a) Before the termination, dissolution,
 2 continuation, or reestablishment of a board or commission under AS 08.03.010 or
 3 AS 44.66.010 [, OR OF AN AGENCY PROGRAM UNDER AS 44.66.020 AND
 4 44.66.030], a committee of reference of each house, which shall be the standing
 5 committee of legislative jurisdiction as provided in the Uniform Rules of the
 6 Legislature, shall hold one or more hearings to receive testimony from the public, the
 7 commissioner of the department having administrative responsibility for each named
 8 board **or** [,] commission [, OR AGENCY PROGRAM], and the members of the
 9 board or commission involved. The hearings may be joint hearings. The committee
 10 shall also consider the proposed budget of the board **or** [,] commission [, OR
 11 AGENCY PROGRAM], prepared in accordance with AS 37.07.050(f), and the
 12 performance audit of the activities of the board **or** [,] commission [, OR AGENCY
 13 PROGRAM], prepared by the legislative audit division as prescribed in
 14 AS 24.20.271(1). The committee may consider any other report of the activities of the
 15 board **or** [,] commission [OR PROGRAM], including but not limited to annual
 16 reports, summaries prepared by the Legislative Affairs Agency, and any evaluation or
 17 general report of the manner of conduct of activities of the board **or** [,] commission [,
 18 OR AGENCY PROGRAM] prepared by the office of the ombudsman.

19 (b) During a public hearing, the board, commission, or agency shall have the
 20 burden of demonstrating a public need for its continued existence [OR THE
 21 CONTINUATION OF THE PROGRAM,] and the extent to which any change in the
 22 manner of exercise of its functions or activities may increase efficiency of
 23 administration or operation consistent with the public interest.

24 (c) A determination as to whether a board or commission [OR AGENCY
 25 PROGRAM] has demonstrated a public need for its continued existence must take into
 26 consideration the following factors:

27 (1) the extent to which the board **or** [,] commission [, OR
 28 PROGRAM] has operated in the public interest;

29 (2) the extent to which the operation of the board **or** [,] commission [,
 30 OR AGENCY PROGRAM] has been impeded or enhanced by existing statutes,
 31 procedures, and practices that it has adopted, and any other matter, including

1 budgetary, resource, and personnel matters;

2 (3) the extent to which the board, commission, or agency has
3 recommended statutory changes that are generally of benefit to the public interest;

4 (4) the extent to which the board, commission, or agency has
5 encouraged interested persons to report to it concerning the effect of its regulations
6 and decisions on the effectiveness of service, economy of service, and availability of
7 service that it has provided;

8 (5) the extent to which the board, commission, or agency has
9 encouraged public participation in the making of its regulations and decisions;

10 (6) the efficiency with which public inquiries or complaints regarding
11 the activities of the board, commission, or agency filed with it, with the department to
12 which a board or commission is administratively assigned, or with the office of
13 victims' rights or the office of the ombudsman have been processed and resolved;

14 (7) the extent to which a board or commission that regulates entry into
15 an occupation or profession has presented qualified applicants to serve the public;

16 (8) the extent to which state personnel practices, including affirmative
17 action requirements, have been complied with by the board, commission, or agency to
18 its own activities and the area of activity or interest; and

19 (9) the extent to which statutory, regulatory, budgeting, or other
20 changes are necessary to enable the agency, board, or commission to better serve the
21 interests of the public and to comply with the factors enumerated in this subsection.

22 (d) As to each board or [,] commission [, OR AGENCY PROGRAM]
23 assigned to it for purposes of review, the committee of reference shall, not later than
24 the 60th day of the legislative session, submit a report to the presiding officer of the
25 house. The report must contain a summary of the findings of the committee as to the
26 compliance of the board or [,] commission [, OR PROGRAM] with the factors
27 enumerated in (c) of this section, together with a summary or recommendations of the
28 committee as to each of the following:

29 (1) an identification of the problems or the needs that the
30 [PROGRAMS AND] activities of the board, commission, or agency are intended to
31 address;

1 (2) a statement, to the extent practicable, of the objectives of the
2 program of the board or [,] commission [, OR AGENCY PROGRAM], and its
3 anticipated accomplishments;

4 (3) an identification of any other programs having similar, conflicting,
5 or duplicate objectives;

6 (4) an assessment of alternative methods of achieving the purposes of
7 the program;

8 (5) an assessment of the consequences of eliminating the board,
9 commission, or program and consolidating its activities with another program, or of
10 funding it at a lower level;

11 (6) a justification for the recommended continuation or extension of
12 the board, commission, or program, and an explanation of the manner in which it
13 avoids duplication of or conflict with other efforts; and

14 (7) any other information that, in the opinion of the committee, would
15 improve the performance of the board, commission, or agency with respect to its
16 representation of and responsiveness to the public interest.

17 (e) The committee of reference may introduce a bill providing for the
18 reorganization or continuation of the board or [,] commission. Not [, OR AGENCY
19 PROGRAM. NO] more than one board or [,] commission [, OR AGENCY
20 PROGRAM] may be continued or reestablished in any legislative bill, and the board
21 or [,] commission, [OR AGENCY PROGRAM] must be mentioned in the title of the
22 bill.

23 * **Sec. 63.** AS 44.66.060 is amended to read:

24 **Sec. 44.66.060. Existing claims.** This chapter does not cause the termination
25 or dismissal of a claim or right of a citizen against a board or [,] commission, or
26 against a program of an agency under former AS 44.66.020 or former 44.66.030,
27 terminated under this chapter that is subject to litigation. Claims and rights shall be
28 assumed by the department to which the board or commission terminated under this
29 chapter was attached for administrative purposes.

30 * **Sec. 64.** AS 44.83.425 is amended to read:

31 **Sec. 44.83.425. Definitions.** In AS 44.83.382 - 44.83.425 [AS 44.83.380 -

1 44.83.425],

2 (1) "debt service" means the amounts covenanted with respect to, or
3 pledged to pay, bonds under a trust agreement securing bonds;

4 (2) "fund" means the power development fund established by
5 AS 44.83.382;

6 (3) "qualified utility" means an electric utility or an electric operating
7 entity established as an instrumentality of two or more electric utilities certified under
8 AS 42.05 to serve all or part of a market area that is served or will be served by the
9 power project, that the authority determines is capable of operating and maintaining
10 the power project.

11 * **Sec. 65.** AS 44.88.085(c) is amended to read:

12 (c) The authority may adopt regulations to carry out the purposes of this
13 chapter and shall adopt regulations as provided in (g) [AND (h)] of this section.

14 * **Sec. 66.** AS 45.55.138 is amended to read:

15 **Sec. 45.55.138. Application to Alaska Native Claims Settlement Act**
16 **corporations.** The initial issue of stock of a corporation organized under Alaska law
17 pursuant to **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1628] (Alaska Native Claims
18 Settlement Act) is not a sale of a security under AS 45.55.070 and 45.55.130(10).

19 * **Sec. 67.** AS 45.57.090 is amended to read:

20 **Sec. 45.57.090. Consent to service of process.** A nonresident offeror, except
21 a foreign corporation which has complied with **AS 10.06.705 - 10.06.788**
22 [AS 10.05.597 - 10.05.696], who makes a takeover bid affecting an offeree company
23 is considered to have appointed the commissioner of commerce, community, and
24 economic development as the offeror's agent upon whom may be served, in any matter
25 arising under this chapter, any process, notice, order or demand except one issued by
26 the department. Service may be made on the commissioner or any of the
27 commissioner's staff at the commissioner's office. The commissioner shall send it by
28 registered or certified mail addressed to the offeror at the latest address on file and
29 keep a record of it. A process, notice, order or demand issued by the department shall
30 be served by being mailed by the commissioner or any of the commissioner's staff by
31 registered or certified mail addressed to the offeror at the latest address on file.

1 * **Sec. 68.** AS 45.63.080(a) is amended to read:

2 (a) AS 45.63.010, 45.63.015, 45.63.020, and AS 45.63.030(c) and (d) do not
3 apply to a sale or attempted sale

4 (1) of a security regulated under AS 45.55 or a security that is
5 exempted by AS 45.55.900 from regulation under AS 45.55;

6 (2) by a person registered with the United States Securities and
7 Exchange Commission when acting within the scope of the person's Securities and
8 Exchange Commission license;

9 (3) by an issuer, or a subsidiary of an issuer, of a class of securities that
10 is

11 (A) subject to 15 U.S.C. 78a - 78lll (Securities Exchange Act of
12 1934); and

13 (B) either registered under 15 U.S.C. 78a - 78lll (Securities
14 Exchange Act of 1934) or exempt from registration under 15 U.S.C.
15 78l(g)(2)(A) - (C) or (E) - (H);

16 (4) by a real estate broker, associate real estate broker, or real estate
17 salesperson licensed under AS 08.88 and acting in a capacity covered by the license;

18 (5) by a person who has a certificate of registration under AS 08.18 to
19 operate as a contractor and is acting in a capacity covered by the certificate of
20 registration;

21 (6) by an embalmer or funeral director licensed under AS 08.42 and
22 acting in a capacity covered by the license;

23 (7) by an insurance agent, general agent, broker, solicitor, or adjuster
24 licensed under AS 21.27 and acting in a capacity covered by the license;

25 (8) by a person who is primarily soliciting the sale of a subscription to,
26 or advertising in, a newspaper of general circulation;

27 (9) by a charitable organization or paid solicitor if the organization or
28 solicitor is registered to make charitable solicitations under AS 45.68 and is acting in a
29 capacity that is covered by the registration;

30 (10) by a person who is primarily soliciting the sale of a sound
31 recording or book

- 1 (A) if the person
- 2 (i) has no minimum purchase requirements;
- 3 (ii) provides written notice of the buyer's right to cancel
- 4 at any time; and
- 5 (iii) allows the buyer to return the sound recording or
- 6 book and obtain a full refund; or
- 7 (B) through a membership in a book or record club
- 8 (i) where the club provides the buyer with a form that
- 9 the buyer may use to instruct the club not to ship the offered
- 10 merchandise; and
- 11 (ii) that is regulated by the Federal Trade Commission
- 12 as a negative option plan under 16 C.F.R. 425;
- 13 (11) by a publisher, or a publisher's agent operating under a written
- 14 agreement between a publisher and the agent, who is soliciting the sale of a publisher's
- 15 magazine if
- 16 (A) the buyer has the right to review the magazine and cancel
- 17 the subscription for the magazine within seven days after receipt of the
- 18 magazine or at the time the invoice is received by the buyer, whichever is later;
- 19 a cancellation request is timely if the request is mailed, properly addressed and
- 20 postmarked, postage prepaid, within seven days after receipt of the magazine
- 21 **or invoice, whichever is later;**
- 22 (B) the right of cancellation and refund is fully disclosed in
- 23 writing to the buyer before or at the time the initial invoice is received by the
- 24 buyer;
- 25 (12) of services provided by a cable television system operating under
- 26 a franchise issued by a municipality;
- 27 (13) by a person who is soliciting for a business, or for an affiliate of a
- 28 business, that is regulated by the Regulatory Commission of Alaska;
- 29 (14) by a person whose solicitation is solely for telephone answering
- 30 services provided by the person or the person's employer;
- 31 (15) of property from a mail order catalog that is published on a

1 regular, periodic basis and that describes or pictures the items for sale and prominently
2 provides the specific price of each item;

3 (16) by a supervised financial institution or the parent, subsidiary, or
4 affiliate of a supervised financial institution; in this paragraph, "supervised financial
5 institution" means a commercial bank, savings bank, mutual savings bank, trust
6 company, savings and loan association, credit union, industrial loan company,
7 personal property broker, consumer finance lender, commercial finance lender, or
8 other financial institution if the financial institution is subject to regulation by this
9 state or the United States;

10 (17) by an insurer or the parent, subsidiary, or affiliate of an insurer;

11 (18) by a person who solicits a sale by a contact by telephonic means
12 without intending to complete the sales presentation during the contact, who does not
13 complete the sales presentation during the contact, and who only completes the sales
14 presentation at a later meeting in person, unless at the later meeting the solicitor
15 attempts to collect payment for property or services delivered before the later meeting;

16 (19) of an item of personal property, including a food product, that is
17 made by hand by an individual, if the sale or attempted sale of the item is made by the
18 individual who made the item; in this paragraph, "made by hand" includes the use of
19 ordinary household devices if the majority of the value of the item is added by the
20 labor of the individual.

21 * **Sec. 69.** AS 46.03.822(c) is amended to read:

22 (c) For purposes of (b)(1)(B) of this section, a third party or an agent of a third
23 party is in privity of contract with the person who is otherwise liable, if the third party
24 or its agent and the person are parties to a land contract, deed, or other instrument
25 transferring title or possession of the real property on which the facility in question is
26 located, unless that property was acquired by the person after the disposal or
27 placement of the hazardous substance on, in, or at the facility, and the person
28 establishes that the person has satisfied the requirements of (b)(1)(B) of this section
29 and establishes that

30 (1) at the time the person acquired the facility the person did not know
31 and had no reason to know that a hazardous substance that is the subject of the release

1 or threatened release was disposed of on, in, or at the facility;

2 (2) the person is a governmental entity that acquired the facility by
3 escheat, or through another involuntary transfer or acquisition, or through the exercise
4 of eminent domain authority by purchase or condemnation;

5 (3) the person is a corporation organized under 43 U.S.C. 1601 et seq.
6 [43 U.S.C. 1601 - 1629e] (Alaska Native Claims Settlement Act) that acquired the
7 facility under those sections;

8 (4) the person acquired the facility by inheritance or bequest; or

9 (5) the person is a state governmental entity and the state acquired the
10 facility under Public Law 85 - 508 (Alaska Statehood Act).

11 * **Sec. 70.** AS 46.14.010(b) is amended to read:

12 (b) Unless the governor has determined that an emergency exists that requires
13 emergency regulations under AS 44.62.250, the department may adopt the following
14 types of regulations only after the procedures established in (a), (c), and (d) of this
15 section and compliance with AS 46.14.015:

16 (1) a regulation that establishes an ambient air quality standard for an
17 air pollutant for which there is no corresponding federal standard;

18 (2) a regulation that establishes an ambient air quality standard or
19 emission standard that is more stringent than a corresponding federal standard;

20 (3) a regulation that establishes an equivalent emission limitation for a
21 hazardous air pollutant for which the federal administrator has not adopted a
22 corresponding maximum achievable control technology standard; or

23 (4) a regulation that regulates emissions from an emissions
24 [EMISSION] unit or stationary source or establishes an emission standard under the
25 authority of AS 46.14.120(e) or 46.14.130(c)(2).

26 * **Sec. 71.** AS 46.14.010(c) is amended to read:

27 (c) In preparation for peer review under AS 46.14.015 and before adopting a
28 regulation described under (b) of this section, the department shall

29 (1) find in writing that exposure profiles and either meteorological
30 conditions or emissions [EMISSION] unit characteristics in the state or in an area of
31 the state reasonably require the ambient air quality standard, or emission standard to

1 protect human health and welfare or the environment; this paragraph does not apply to
2 a regulation under (b)(3) of this section;

3 (2) find in writing that the proposed standard or emission limitation is
4 technologically feasible; and

5 (3) prepare a written analysis of the economic feasibility of the
6 proposal.

7 * **Sec. 72.** AS 46.14.010(d) is amended to read:

8 (d) Before adopting a regulation described in (b)(2) of this section, the
9 department shall find in writing that exposure profiles and either meteorological
10 conditions or **emissions** [EMISSION] unit characteristics are significantly different in
11 the state or in an area of the state from those upon which the corresponding federal
12 regulation is based.

13 * **Sec. 73.** AS 46.14.010(e) is amended to read:

14 (e) When incorporated into more than one permit, emission standards and
15 limitations, emissions monitoring and reporting requirements, and compliance
16 verification requirements that are generally applicable statewide or are generally
17 applicable to individual **emissions** [EMISSION] unit or stationary source types shall
18 be adopted in regulation unless they have been requested by the owner and operator to
19 whom the permit is issued. The department shall, by regulation, adopt a standard,
20 limitation, or requirement described in this subsection as soon as its general
21 applicability is reasonably foreseeable.

22 * **Sec. 74.** AS 46.14.010(f) is amended to read:

23 (f) An emission standard adopted by the department may be applicable to
24 individual **emissions** [EMISSION] units within a stationary source or to all **emissions**
25 [EMISSION] units within a stationary source. For purposes of determining
26 compliance with applicable regulations and with permit limitations, the department
27 may allow numerical averaging of the emissions of each air pollutant from several
28 **emissions** [EMISSION] units within a stationary source if

29 (1) requested by the owner and operator; and

30 (2) allowed under 42 U.S.C. 7401 - 7671q (Clean Air Act), as
31 amended, and regulations adopted under those sections.

1 * **Sec. 75.** AS 46.14.020 is amended to read:

2 **Sec. 46.14.020. Classification of stationary sources or emissions**
 3 **[EMISSION] units; reporting.** (a) The department, by regulation, may classify
 4 stationary sources or **emissions** [EMISSION] units that, in the department's
 5 determination, are likely to cause or contribute to air pollution, according to the levels
 6 and types of emissions and other characteristics that relate to air quality. The
 7 department may make a classification under this subsection applicable to the state as a
 8 whole or to a designated area of the state. The department shall base the classifications
 9 on consideration of health, economic, and social factors, sensitivity of the receiving
 10 environment, and physical effects on property.

11 (b) The department or a local air quality control program authorized under
 12 AS 46.14.400 may require an owner and operator of a stationary source or **emissions**
 13 [EMISSION] unit classified under this section to report information to the department
 14 or the authorized local program concerning location, size, and height of stacks or area
 15 **emissions** [EMISSION] units, processes employed, fuels used, the nature and time
 16 periods or duration of emissions, and other information relevant to air quality that is
 17 available or reasonably capable of being calculated and compiled.

18 * **Sec. 76.** AS 46.14.130(b) is amended to read:

19 (b) Except for the owner and operator of a stationary source exempted under
 20 AS 46.14.120(e) or (f), the owner and operator of a stationary source shall obtain an
 21 operating permit from the department if the stationary source

22 (1) emits or has the potential to emit 100 TPY or more of a regulated
 23 air pollutant;

24 (2) emits or has the potential to emit 10 TPY or more of a hazardous
 25 air pollutant or 25 TPY or more, in the aggregate, of two or more hazardous air
 26 pollutants;

27 (3) contains an **emissions** [EMISSION] unit subject to federal new
 28 source performance standards under 42 U.S.C. 7411 (Clean Air Act, sec. 111) or
 29 national emission standards for hazardous air pollutants issued under 42 U.S.C. 7412
 30 (Clean Air Act, sec. 112); or

31 (4) contains another stationary source designated by the federal

1 administrator by regulation.

2 * **Sec. 77.** AS 46.14.180 is amended to read:

3 **Sec. 46.14.180. Monitoring.** Monitoring by the owner and operator of stack
4 emissions or ambient air quality shall be required by the department only for purposes
5 of demonstrating compliance with applicable permit program requirements.
6 Monitoring requirements must be reasonable and based on test methods, analytical
7 procedures, and statistical conventions approved by the federal administrator or the
8 department or otherwise generally accepted as scientifically competent. Unless
9 otherwise agreed to by the owner and operator and the department,

10 (1) the department may not require an owner and operator of an
11 emissions [EMISSION] unit to monitor emissions or ambient air quality solely for the
12 purpose of scientific investigation or research; and

13 (2) monitoring activities must be consistent with the applicable
14 emission standards and their permit or permit application requirements.

15 * **Sec. 78.** AS 46.14.190(a) is amended to read:

16 (a) Except as provided in (b) of this section, the department shall issue only a
17 single operating permit to a stationary source, regardless of whether the stationary
18 source contains a single emissions [EMISSION] unit or multiple emissions
19 [EMISSION] units.

20 * **Sec. 79.** AS 46.14.210 is amended to read:

21 **Sec. 46.14.210. General operating permits.** After notice and opportunity for
22 public comment and hearing, the department may, unless the permit is disapproved by
23 the federal administrator, establish a general operating permit that would be applicable
24 to more than one stationary source determined by the department to be similar in
25 emissions [EMISSION] unit structure. A general operating permit must contain
26 provisions that meet the requirements of this chapter that are applicable to operating
27 permits. A general operating permit issued to a particular person takes effect when the
28 person's application is determined to be complete unless the department notifies the
29 applicant that the general permit is not applicable to the person's stationary source.

30 * **Sec. 80.** AS 46.14.250(c) is amended to read:

31 (c) For a stationary source that begins operation during a fiscal year, the

1 department shall prorate the first year's fee to cover the time period occurring before
 2 the next annual payment date. The owner or operator shall pay the initial emission fee
 3 upon commencement of lawful stationary source operation unless authorized to pay by
 4 installments under (b) of this section. The first year's emission fee may not duplicate a
 5 fee paid by a permittee under AS 44.46.025 for the same **emissions** [EMISSION] units
 6 for the same time period. If the fees would otherwise be duplicative, the department
 7 shall provide a credit toward the emission fee in the amount of the unused balance of
 8 the fee collected under AS 44.46.025. The unused balance to be credited shall be
 9 based on prorating the total original fee under AS 44.46.025 for the time period for
 10 which an emission fee applies.

11 * **Sec. 81.** AS 46.14.250(f) is amended to read:

12 (f) **The** [AFTER THE TWO YEARS DESCRIBED IN (e) OF THIS
 13 SECTION, THE] department shall set the emission fee rate in regulation to implement
 14 the policy established in (d) of this section. The department shall base the regulation
 15 on the findings of a report, which the department shall make available to the public
 16 with proper notice before adoption of the regulation, that examines

- 17 (1) fees assessed;
- 18 (2) alternative fee rates or formulas;
- 19 (3) types, sizes, or categories of stationary sources, their respective
 20 emission quantities, and their previous or proposed fee burden;
- 21 (4) apparent inequities encountered in the initial fee rate;
- 22 (5) total costs incurred or anticipated to be incurred under (h) of this
 23 section; and
- 24 (6) other factors that ensure fair distribution of the costs described in
 25 (h) of this section.

26 * **Sec. 82.** AS 46.14.400(c) is amended to read:

27 (c) If the department finds that the location, character, or extent of particular
 28 concentrations of population, air pollutant **emissions** [EMISSION] units, the
 29 geographic, topographic, or meteorological considerations, or a combination of these
 30 factors make impracticable the maintenance of appropriate levels of air quality without
 31 an areawide air pollution control program, the department may determine the

1 boundaries within which a local air quality control program is necessary and direct
 2 that a local air quality control program spanning those boundaries is the only
 3 acceptable alternative to direct state administration.

4 * **Sec. 83.** AS 46.14.400(f) is amended to read:

5 (f) A municipality or a local air quality district administering a program under
 6 this section shall administer its local air quality control program according to this
 7 chapter, regulations adopted under those sections, and its cooperative agreement under
 8 (d) of this section. A municipality or local air quality district's program may, upon a
 9 finding by the local agency and an affirmative agreement by the department, establish
 10 a more stringent requirement than the stationary **emissions** [EMISSION] unit permit
 11 program authorized under this chapter if public health or air quality effects provide a
 12 reasonable basis to regulate the **emissions** [EMISSION] unit with the additional or
 13 more stringent requirement and the municipality or district has used procedures
 14 substantially equivalent to those required under AS 46.14.010 - 46.14.015 before
 15 establishing the more stringent requirement. This subsection does not prohibit a
 16 municipality or local air quality control district from establishing a mobile source
 17 emissions program more stringent than the state program without making findings of
 18 public health or air quality effects or using procedures substantially equivalent to those
 19 required under AS 46.14.010 - 46.14.015. In this subsection, "mobile source" does not
 20 include tank vessels or other watercraft.

21 * **Sec. 84.** AS 46.14.410(e) is amended to read:

22 (e) If the department finds that control of a particular class of stationary source
 23 or **emissions** [EMISSION] unit, because of its complexity or magnitude, is beyond the
 24 reasonable capability of the municipality or the local air quality district or may be
 25 more efficiently and economically controlled at the state level, the department may
 26 assume and retain jurisdiction over the class of stationary source or **emissions**
 27 [EMISSION] unit. Classifications under this subsection may be based on the nature of
 28 stationary sources or **emissions** [EMISSION] units involved, their size relative to the
 29 size of the communities in which they are located, or another basis established by the
 30 department.

31 * **Sec. 85.** AS 46.14.515(a) is amended to read:

1 (a) An officer or employee of the department designated by the commissioner
 2 or an inspector authorized by the commissioner and certified under regulations
 3 adopted under AS 46.14.140(a)(14) may, upon presentation of credentials and at
 4 reasonable times with the consent of the owner or operator, enter upon or through any
 5 premises of a stationary source regulated under this chapter to

6 (1) inspect and copy any records required to be maintained;

7 (2) inspect any emissions [EMISSION] unit, monitoring equipment, or
 8 method required to be used; or

9 (3) sample any emissions that the owner and operator of the stationary
 10 source is required to sample.

11 * **Sec. 86.** AS 46.14.540(a) is amended to read:

12 (a) When the commissioner finds that an act of God, act of war, act of
 13 terrorism, or similar catastrophe necessitates emergency use of an unpermitted
 14 emissions [EMISSION] unit or emergency use of a permitted emissions [EMISSION]
 15 unit in a manner not authorized by the permit, the commissioner may waive
 16 procedural requirements of this chapter and issue an order to authorize emergency use
 17 of the emissions [EMISSION] unit. When acting under this section, the commissioner
 18 shall impose conditions necessary to protect life, human health, welfare, property, and
 19 the environment and may impose other conditions the commissioner finds necessary
 20 and appropriate.

21 * **Sec. 87.** AS 46.14.560 is amended to read:

22 **Sec. 46.14.560. Unavoidable malfunctions and emergencies.** Excess
 23 emissions caused by an unavoidable emergency, malfunction, or nonroutine repairs of
 24 an emissions [EMISSION] unit including pollution control equipment or process
 25 equipment constitute an affirmative defense, when asserted under regulations adopted
 26 under AS 46.14.140, to an action brought for noncompliance with a technology-based
 27 emission standard. This section does not limit the department's power to enjoin the
 28 emission or require corrective action. This provision is in addition to any emergency
 29 or upset provision contained in an applicable requirement.

30 * **Sec. 88.** AS 46.14.990(11) is amended to read:

31 (11) "emissions [EMISSION] unit" has the meaning given in 40

1 C.F.R. 51.166(b);

2 * **Sec. 89.** AS 46.14.990(20) is amended to read:

3 (20) "operator" means a person or persons who direct, control, or
4 supervise a stationary source or **emissions** [EMISSION] unit that has the potential to
5 emit an air pollutant to the atmosphere;

6 * **Sec. 90.** AS 46.14.990(21) is amended to read:

7 (21) "owner" means a person or persons with a proprietary or
8 possessory interest in a stationary source or **emissions** [EMISSION] unit that has the
9 potential to emit an air pollutant to the atmosphere;

10 * **Sec. 91.** AS 46.15.165(c) is amended to read:

11 (c) Upon initiation of the adjudication, the commissioner shall

12 (1) serve the order on each applicant, certificate holder, or permittee
13 listed in the department's records within the adjudication area;

14 (2) serve the order on any agency of the federal, state, or a local
15 government with management authority over land or water within the adjudication
16 area;

17 (3) serve the order on any person who owns or claims land within the
18 adjudication area if the land is held in trust by the United States for the person or if the
19 patent, deed, or certificate to the land from the United States was issued under 25
20 U.S.C. 334 (Indian General Allotment Act of February 8, 1887, 24 Stat. 389, as
21 amended and supplemented), 25 U.S.C. 372 (the Allotment Act of June 25, 1910, 36
22 Stat. 855), 43 U.S.C. 270-1, 270-2 (the Allotment Act of May 17, 1906, 34 Stat. 197),
23 any other allotment act, or the Alaska Native Townsite Act of May 25, 1926, 44 Stat.
24 629, and serve the order on the United States on behalf of the person;

25 (4) serve the order on the United States and the appropriate governing
26 body of the Annette Island Reserve established by 25 U.S.C. 495 (the Act of March 3,
27 1891, 26 Stat. 1101) if the land or water, including hydrologically interconnected
28 water, of the Annette Island Reserve is within the adjudication area;

29 (5) serve the order on any other person claiming a federal reserved
30 water right within the adjudication area;

31 (6) serve the regional corporation and village corporation established

1 under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1628] (Alaska Native Claims
2 Settlement Act) that has a pending land selection or has acquired ownership to land
3 under that act that is located within the adjudication area; and

4 (7) serve the order on each mining claimant of record with the United
5 States and the state within the adjudication area as of the date of the order initiating
6 the administrative adjudication.

7 * **Sec. 92.** AS 47.07.020(b) is amended to read:

8 (b) In addition to the persons specified in (a) of this section, the following
9 optional groups of persons for whom the state may claim federal financial
10 participation are eligible for medical assistance:

11 (1) persons eligible for but not receiving assistance under any plan of
12 the state approved under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act,
13 Supplemental Security Income) or a federal program designated as the successor to the
14 aid to families with dependent children program;

15 (2) persons in a general hospital, skilled nursing facility, or
16 intermediate care facility, who, if they left the facility, would be eligible for assistance
17 under one of the federal programs specified in (1) of this subsection;

18 (3) persons under [AGE] 21 **years of age** who are under supervision of
19 the department, for whom maintenance is being paid in whole or in part from public
20 funds, and who are in foster homes or private child-care institutions;

21 (4) aged, blind, or disabled persons, who, because they do not meet
22 income and resources requirements, do not receive supplemental security income
23 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not
24 receive a mandatory state supplement, but who are eligible, or would be eligible if
25 they were not in a skilled nursing facility or intermediate care facility to receive an
26 optional state supplementary payment;

27 (5) persons under [AGE] 21 **years of age** who are in an institution
28 designated as an intermediate care facility for the mentally retarded and who are
29 financially eligible as determined by the standards of the federal program designated
30 as the successor to the aid to families with dependent children program;

31 (6) persons in a medical or intermediate care facility whose income

1 while in the facility does not exceed \$1,656 a month but who would not be eligible for
2 an optional state supplementary payment if they left the hospital or other facility;

3 (7) persons under [AGE] 21 **years of age** who are receiving active
4 treatment in a psychiatric hospital and who are financially eligible as determined by
5 the standards of the federal program designated as the successor to the **aid to families**
6 **with dependent children program** [AID TO FAMILIES WITH DEPENDENT
7 CHILDREN PROGRAM];

8 (8) persons under [AGE] 21 **years of age** and not covered under (a) of
9 this section, who would be eligible for benefits under the federal program designated
10 as the successor to the aid to families with dependent children program, except that
11 they have the care and support of both their natural and adoptive parents;

12 (9) pregnant women not covered under (a) of this section and who
13 meet the income and resource requirements of the federal program designated as the
14 successor to the aid to families with dependent children program;

15 (10) persons under [AGE] 21 **years of age** not covered under (a) of
16 this section who the department has determined cannot be placed for adoption without
17 medical assistance because of a special need for medical or rehabilitative care and who
18 the department has determined are hard-to-place children eligible for subsidy under
19 AS 25.23.190 - 25.23.210;

20 (11) persons who can be considered under 42 U.S.C. 1396a(e)(3) (Title
21 XIX, Social Security Act, Medical Assistance) to be individuals with respect to whom
22 a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c (Title
23 XVI, Social Security Act) because they meet all of the following criteria:

24 (A) they are 18 years of age or younger and qualify as disabled
25 individuals under 42 U.S.C. 1382c(a) (Title XVI, Social Security Act);

26 (B) the department has determined that

27 (i) they require a level of care provided in a hospital,
28 nursing facility, or intermediate care facility for the mentally retarded;

29 (ii) it is appropriate to provide their care outside of an
30 institution; and

31 (iii) the estimated amount that would be spent for

1 medical assistance for their individual care outside an institution is not
 2 greater than the estimated amount that would otherwise be expended
 3 individually for medical assistance within an appropriate institution;

4 (C) if they were in a medical institution, they would be eligible
 5 for medical assistance under other provisions of this chapter; and

6 (D) home and community-based services under a waiver
 7 approved by the federal government are either not available to them under this
 8 chapter or would be inappropriate for them;

9 (12) disabled persons, as described in 42 U.S.C.
 10 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under
 11 applicable federal regulations or guidelines, is less than 250 percent of the official
 12 poverty line applicable to a family of that size according to the federal Office of
 13 Management and Budget, and who, but for earnings in excess of the limit established
 14 under 42 U.S.C. 1396d(q)(2)(B), would be considered to be individuals with respect to
 15 whom a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c; a
 16 person eligible for assistance under this paragraph who is not eligible under another
 17 provision of this section shall pay a premium or other cost-sharing charges according
 18 to a sliding fee scale that is based on income as established by the department in
 19 regulations;

20 (13) persons under [AGE] 19 years of age who are not covered under
 21 (a) of this section and whose household income does not exceed

22 (A) \$1,635 a month if the household consists of one person;

23 (B) \$2,208 a month if the household consists of two persons;

24 (C) \$2,782 a month if the household consists of three persons;

25 (D) \$3,355 a month if the household consists of four persons;

26 (E) \$3,928 a month if the household consists of five persons;

27 (F) \$4,501 a month if the household consists of six persons;

28 (G) \$5,074 a month if the household consists of seven persons;

29 (H) \$5,647 a month if the household consists of eight persons;

30 (I) \$5,647 a month, plus an additional \$574 a month for each
 31 extra person above eight persons who is in the household if the household

1 consists of nine persons or more;

2 (14) pregnant women who are not covered under (a) of this section and
3 whose household income does not exceed

4 (A) \$2,208 a month if the household consists of two persons;

5 (B) \$2,782 a month if the household consists of three persons;

6 (C) \$3,355 a month if the household consists of four persons;

7 (D) \$3,928 a month if the household consists of five persons;

8 (E) \$4,501 a month if the household consists of six persons;

9 (F) \$5,074 a month if the household consists of seven persons;

10 (G) \$5,647 a month if the household consists of eight persons;

11 (H) \$5,647 a month, plus an additional \$574 a month for each
12 extra person above eight persons who is in the household if the household
13 consists of nine persons or more;

14 (15) persons who have been diagnosed with breast or cervical cancer
15 and who are eligible for coverage under 42 U.S.C. 1396a(a)(10)(A)(ii)(XVIII).

16 * **Sec. 93.** AS 47.08.060(c) is amended to read:

17 (c) In applying the formula to determine the applicant's share, the total gross
18 income and the total assets of the family of the applicant may be taken into account,
19 with the following exceptions:

20 (1) the applicant's permanent place of abode;

21 (2) one noncommercial vehicle;

22 (3) tools, equipment, vehicles and other assets required in a trade or
23 business;

24 (4) ordinary household and personal effects;

25 (5) \$1,000 of liquid assets;

26 (6) all nonliquid assets unless this exclusion would bring about an
27 inequitable result; however, all income derived from this property shall be taken into
28 consideration in determining the recipient's gross income;

29 (7) inalienable shares in a Native corporation created under **43 U.S.C.**
30 **1601 et seq.** [43 U.S.C. 1601-1628] (Alaska Native Claims Settlement Act), for the
31 period of their inalienability as specified in the Act;

1 (8) Alaska longevity bonus payments;

2 (9) any other assets specifically restricted for the use of the recipient
3 by state or federal law.

4 * **Sec. 94.** AS 47.55.020(d) is amended to read:

5 (d) Notwithstanding AS 47.55.070 and (b) of this section, a resident of a home
6 whose income, assets, and other resources are insufficient to pay the monthly rate set
7 under AS 47.55.030(b), and who does not have private insurance to cover the cost of
8 care, qualifies for payment assistance if the resident is otherwise in compliance with
9 requirements under this chapter. The amount of payment assistance equals the amount
10 needed, when added to other income and assets of the resident, to pay the monthly rate
11 set under AS 47.55.030(b). Payment assistance received by a home resident is a debt
12 to the state. In determining the amount of payment assistance for which a home
13 resident qualifies, the following income, assets, and other resources of the resident
14 shall be disregarded:

15 (1) income from any source in an amount up to \$100 a month as
16 established by the department by regulation;

17 (2) the following assets received under **43 U.S.C. 1601 et seq.** [43
18 U.S.C. 1601 - 1629g] (Alaska Native Claims Settlement Act):

19 (A) cash dividends and other income equal to at least \$2,000 as
20 established by the department by regulation;

21 (B) stock;

22 (C) noncash dividends from stock; and

23 (D) land;

24 (3) a permanent fund dividend issued under AS 43.23;

25 (4) compensation to volunteers under the federal retired and senior
26 volunteers (42 U.S.C. 5001), foster grandparents (42 U.S.C. 5011), and senior
27 companion (42 U.S.C. 5013) programs made in accordance with 42 U.S.C. 5044(f);

28 (5) federal World War II restitution payments made under 50 U.S.C.
29 App. 1989b-4 and c-5;

30 (6) payments under AS 18.67 (Violent Crimes Compensation Board);

31 (7) an amount, determined by the department by regulation, that is

1 sufficient for burial expenses of the resident, the resident's spouse, and dependents of
2 the resident;

3 (8) real property being used as the primary residence of the resident's
4 spouse or a dependent of the resident;

5 (9) other real or personal property equal to at least a total value of up
6 to \$10,000 as established by the department by regulation.

7 * **Sec. 95.** AS 14.08.031(d); AS 18.50.950(4); AS 44.66.020, 44.66.030; and
8 AS 46.14.250(e) are repealed.

9 * **Sec. 96.** This Act takes effect immediately under AS 01.10.070(c).