

CS FOR SENATE BILL NO. 101(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 4/25/05

Referred: Rules

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE COUNCIL

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 indicated** [AS I HAVE CHECKED] below in my name,
 17 place, and stead in any way which I myself could do, if I were
 18 personally present, with respect to the following matters, as each of
 19 them is defined in AS 13.26.344, to the full extent that I am permitted
 20 by law to act through an agent:

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

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

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

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

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

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

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

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

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

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

DOCUMENT, COMPLETE THE FOLLOWING:

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

NOTICE OF REVOCATION OF THE POWERS GRANTED IN THIS DOCUMENT

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

NOTICE TO THIRD PARTIES

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

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

Signature of Principal

Acknowledged before me at _____

1 _____ on _____.

2 Signature of Officer or Notary

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

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

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

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

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

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

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

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

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

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

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

30 (9) execute, acknowledge, seal, and deliver a consent, agreement,
31 authorization, assignment, revocation, declaration or modification of trust, notice,

1 waiver of notice, check, or other instrument that the agent considers useful for the
2 accomplishment of the purposes enumerated in this subsection;

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

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

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

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

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

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

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

22 (f) In this section,

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

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

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

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

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

1 (1) establish, maintain, govern, operate, discontinue, and combine area,
2 regional, and special schools;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 (1) sue and be sued;

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

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

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

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

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

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

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

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

1 (10) exercise those other functions that may be necessary for the
2 proper performance of its responsibilities;

3 (11) employ a chief school administrator.

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

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

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

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

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

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

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

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

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

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

1 (e) The total amount of loans made or purchased in any fiscal year may not
 2 exceed the amount specifically authorized by statute. [THE AMOUNT TO BE
 3 PURCHASED MAY NOT EXCEED \$3,000,000 FOR FISCAL YEAR 1977 AND
 4 \$10,000,000 FOR FISCAL YEAR 1978.]

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

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

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

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

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

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

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

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

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

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

29 (b) If the federal government has delegated management authority in the
 30 United States exclusive economic zone to the state for the Bering Sea [KOREAN] hair
 31 crab fishery or a weathervane scallop fishery, the commission may, to the extent

1 consistent with this chapter, adopt regulations to ensure that the vessel permit system
2 is consistent with applicable federal laws.

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

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

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

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

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

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

1 procedures and standard forms for establishing and appraising the value of a
 2 preference right held by a person to secure the repayment of a loan made, purchased,
 3 or insured by the corporation under this chapter.

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

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

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

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

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

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

1 * **Sec. 41.** AS 26.05.330(e) is amended to read:

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

5 * **Sec. 42.** AS 26.10.060(a) is amended to read:

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

16 * **Sec. 43.** AS 29.45.050(m) is amended to read:

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

1 conveyed under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1629e] (Alaska Native
2 Claims Settlement Act), that

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

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

6 (A) creates employment in the municipality;

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

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

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

17 * **Sec. 44.** AS 34.15.075(b) is amended to read:

18 (b) In this section, "Alaska Native Claims Settlement Act real property" means
19 real property that, at some point in that real property's chain of title, was conveyed by
20 the federal government under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1629h]
21 (Alaska Native Claims Settlement Act) to a corporation established under **43 U.S.C.**
22 **1601 et seq.** [43 U.S.C. 1601 - 1629h.]

23 * **Sec. 45.** AS 34.45.760(10) is amended to read:

24 (10) "intangible property"

25 (A) includes

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

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

31 (iii) stocks and other intangible equity interests in

1 business associations;

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

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

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

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

12 (B) does not include

13 (i) unused airline tickets;

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

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

20 * **Sec. 46.** AS 36.30.170(b) is amended to read:

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

26 (1) holds a current Alaska business license;

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

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

1 (4) is incorporated or qualified to do business under the laws of the
 2 state, is a sole proprietorship and the proprietor is a resident of the state, is a limited
 3 liability company organized under AS 10.50 and all members are residents of the state,
 4 or is a partnership under **former** AS 32.05, **AS 32.06**, or AS 32.11 and all partners are
 5 residents of the state; and

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

8 * **Sec. 47.** AS 37.14.410(a) is amended to read:

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

14 * **Sec. 48.** AS 38.05.073(c) is amended to read:

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

1 circulation in the region where the land is located. The comments received under this
 2 subsection become part of the public record for the consideration of the commissioner.

3 * **Sec. 49.** AS 38.95.050 is amended to read:

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

14 * **Sec. 50.** AS 41.17.041(b) is amended to read:

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

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

29 * **Sec. 51.** AS 41.17.900(f) is amended to read:

30 (f) This chapter does not diminish the rights, privileges, or immunities of
 31 Alaska Natives or Alaska Native corporations with respect to land conveyed under **43**

1 **U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1628] (Alaska Native Claims Settlement Act),
 2 and does not alter or diminish the authority of the Department of Fish and Game under
 3 AS 16, of the Department of Environmental Conservation under AS 46, or of a state
 4 agency under other law.

5 * **Sec. 52.** AS 41.21.025(b) is amended to read:

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

13 * **Sec. 53.** AS 43.50.460(d) is amended to read:

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

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

19 (2) has

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

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

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

27 * **Sec. 54.** AS 43.98.015(a) is amended to read:

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

1 subject to any form of state or local taxation.

2 * **Sec. 55.** AS 43.98.015(b) is amended to read:

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

9 * **Sec. 56.** AS 44.27.056 is amended to read:

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

13 * **Sec. 57.** AS 44.29.210(a) is amended to read:

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

18 * **Sec. 58.** AS 44.29.210(c) is amended to read:

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

23 * **Sec. 59.** AS 44.42.065(a) is amended to read:

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

27 * **Sec. 60.** AS 44.62.350(c) is amended to read:

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

1 * **Sec. 61.** AS 44.83.425 is amended to read:

2 **Sec. 44.83.425. Definitions.** In AS 44.83.382 - 44.83.425 [AS 44.83.380 -
3 44.83.425],

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

6 (2) "fund" means the power development fund established by
7 AS 44.83.382;

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

13 * **Sec. 62.** AS 44.88.085(c) is amended to read:

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

16 * **Sec. 63.** AS 45.55.138 is amended to read:

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

21 * **Sec. 64.** AS 45.57.090 is amended to read:

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

1 be served by being mailed by the commissioner or any of the commissioner's staff by
2 registered or certified mail addressed to the offeror at the latest address on file.

3 * **Sec. 65.** AS 46.03.822(c) is amended to read:

4 (c) For purposes of (b)(1)(B) of this section, a third party or an agent of a third
5 party is in privity of contract with the person who is otherwise liable, if the third party
6 or its agent and the person are parties to a land contract, deed, or other instrument
7 transferring title or possession of the real property on which the facility in question is
8 located, unless that property was acquired by the person after the disposal or
9 placement of the hazardous substance on, in, or at the facility, and the person
10 establishes that the person has satisfied the requirements of (b)(1)(B) of this section
11 and establishes that

12 (1) at the time the person acquired the facility the person did not know
13 and had no reason to know that a hazardous substance that is the subject of the release
14 or threatened release was disposed of on, in, or at the facility;

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

18 (3) the person is a corporation organized under **43 U.S.C. 1601 et seq.**
19 [43 U.S.C. 1601 - 1629e] (Alaska Native Claims Settlement Act) that acquired the
20 facility under those sections;

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

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

24 * **Sec. 66.** AS 46.14.010(b) is amended to read:

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

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

31 (2) a regulation that establishes an ambient air quality standard or

1 emission standard that is more stringent than a corresponding federal standard;

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

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

8 * **Sec. 67.** AS 46.14.010(c) is amended to read:

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

11 (1) find in writing that exposure profiles and either meteorological
12 conditions or **emissions** [EMISSION] unit characteristics in the state or in an area of
13 the state reasonably require the ambient air quality standard, or emission standard to
14 protect human health and welfare or the environment; this paragraph does not apply to
15 a regulation under (b)(3) of this section;

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

18 (3) prepare a written analysis of the economic feasibility of the
19 proposal.

20 * **Sec. 68.** AS 46.14.010(d) is amended to read:

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

26 * **Sec. 69.** AS 46.14.010(e) is amended to read:

27 (e) When incorporated into more than one permit, emission standards and
28 limitations, emissions monitoring and reporting requirements, and compliance
29 verification requirements that are generally applicable statewide or are generally
30 applicable to individual **emissions** [EMISSION] unit or stationary source types shall
31 be adopted in regulation unless they have been requested by the owner and operator to

1 whom the permit is issued. The department shall, by regulation, adopt a standard,
 2 limitation, or requirement described in this subsection as soon as its general
 3 applicability is reasonably foreseeable.

4 * **Sec. 70.** AS 46.14.010(f) is amended to read:

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

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

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

14 * **Sec. 71.** AS 46.14.020 is amended to read:

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

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

31 * **Sec. 72.** AS 46.14.130(b) is amended to read:

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

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

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

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

13 (4) contains another stationary source designated by the federal
 14 administrator by regulation.

15 * **Sec. 73.** AS 46.14.180 is amended to read:

16 **Sec. 46.14.180. Monitoring.** Monitoring by the owner and operator of stack
 17 emissions or ambient air quality shall be required by the department only for purposes
 18 of demonstrating compliance with applicable permit program requirements.
 19 Monitoring requirements must be reasonable and based on test methods, analytical
 20 procedures, and statistical conventions approved by the federal administrator or the
 21 department or otherwise generally accepted as scientifically competent. Unless
 22 otherwise agreed to by the owner and operator and the department,

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

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

28 * **Sec. 74.** AS 46.14.190(a) is amended to read:

29 (a) Except as provided in (b) of this section, the department shall issue only a
 30 single operating permit to a stationary source, regardless of whether the stationary
 31 source contains a single emissions [EMISSION] unit or multiple emissions

1 [EMISSION] units.

2 * **Sec. 75.** AS 46.14.210 is amended to read:

3 **Sec. 46.14.210. General operating permits.** After notice and opportunity for
4 public comment and hearing, the department may, unless the permit is disapproved by
5 the federal administrator, establish a general operating permit that would be applicable
6 to more than one stationary source determined by the department to be similar in
7 **emissions** [EMISSION] unit structure. A general operating permit must contain
8 provisions that meet the requirements of this chapter that are applicable to operating
9 permits. A general operating permit issued to a particular person takes effect when the
10 person's application is determined to be complete unless the department notifies the
11 applicant that the general permit is not applicable to the person's stationary source.

12 * **Sec. 76.** AS 46.14.250(c) is amended to read:

13 (c) For a stationary source that begins operation during a fiscal year, the
14 department shall prorate the first year's fee to cover the time period occurring before
15 the next annual payment date. The owner or operator shall pay the initial emission fee
16 upon commencement of lawful stationary source operation unless authorized to pay by
17 installments under (b) of this section. The first year's emission fee may not duplicate a
18 fee paid by a permittee under AS 44.46.025 for the same **emissions** [EMISSION] units
19 for the same time period. If the fees would otherwise be duplicative, the department
20 shall provide a credit toward the emission fee in the amount of the unused balance of
21 the fee collected under AS 44.46.025. The unused balance to be credited shall be
22 based on prorating the total original fee under AS 44.46.025 for the time period for
23 which an emission fee applies.

24 * **Sec. 77.** AS 46.14.250(f) is amended to read:

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

30 (1) fees assessed;

31 (2) alternative fee rates or formulas;

1 (3) types, sizes, or categories of stationary sources, their respective
2 emission quantities, and their previous or proposed fee burden;

3 (4) apparent inequities encountered in the initial fee rate;

4 (5) total costs incurred or anticipated to be incurred under (h) of this
5 section; and

6 (6) other factors that ensure fair distribution of the costs described in
7 (h) of this section.

8 * **Sec. 78.** AS 46.14.400(c) is amended to read:

9 (c) If the department finds that the location, character, or extent of particular
10 concentrations of population, air pollutant emissions [EMISSION] units, the
11 geographic, topographic, or meteorological considerations, or a combination of these
12 factors make impracticable the maintenance of appropriate levels of air quality without
13 an areawide air pollution control program, the department may determine the
14 boundaries within which a local air quality control program is necessary and direct
15 that a local air quality control program spanning those boundaries is the only
16 acceptable alternative to direct state administration.

17 * **Sec. 79.** AS 46.14.400(f) is amended to read:

18 (f) A municipality or a local air quality district administering a program under
19 this section shall administer its local air quality control program according to this
20 chapter, regulations adopted under those sections, and its cooperative agreement under
21 (d) of this section. A municipality or local air quality district's program may, upon a
22 finding by the local agency and an affirmative agreement by the department, establish
23 a more stringent requirement than the stationary emissions [EMISSION] unit permit
24 program authorized under this chapter if public health or air quality effects provide a
25 reasonable basis to regulate the emissions [EMISSION] unit with the additional or
26 more stringent requirement and the municipality or district has used procedures
27 substantially equivalent to those required under AS 46.14.010 - 46.14.015 before
28 establishing the more stringent requirement. This subsection does not prohibit a
29 municipality or local air quality control district from establishing a mobile source
30 emissions program more stringent than the state program without making findings of
31 public health or air quality effects or using procedures substantially equivalent to those

1 required under AS 46.14.010 - 46.14.015. In this subsection, "mobile source" does not
2 include tank vessels or other watercraft.

3 * **Sec. 80.** AS 46.14.410(e) is amended to read:

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

13 * **Sec. 81.** AS 46.14.515(a) is amended to read:

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

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

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

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

24 * **Sec. 82.** AS 46.14.540(a) is amended to read:

25 (a) When the commissioner finds that an act of God, act of war, act of
26 terrorism, or similar catastrophe necessitates emergency use of an unpermitted
27 **emissions** [EMISSION] unit or emergency use of a permitted **emissions** [EMISSION]
28 unit in a manner not authorized by the permit, the commissioner may waive
29 procedural requirements of this chapter and issue an order to authorize emergency use
30 of the **emissions** [EMISSION] unit. When acting under this section, the commissioner
31 shall impose conditions necessary to protect life, human health, welfare, property, and

1 the environment and may impose other conditions the commissioner finds necessary
2 and appropriate.

3 * **Sec. 83.** AS 46.14.560 is amended to read:

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

12 * **Sec. 84.** AS 46.14.990(11) is amended to read:

13 (11) "**emissions** [EMISSION] unit" has the meaning given in 40
14 C.F.R. 51.166(b);

15 * **Sec. 85.** AS 46.14.990(20) is amended to read:

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

19 * **Sec. 86.** AS 46.14.990(21) is amended to read:

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

23 * **Sec. 87.** AS 46.15.165(c) is amended to read:

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

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

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

30 (3) serve the order on any person who owns or claims land within the
31 adjudication area if the land is held in trust by the United States for the person or if the

1 patent, deed, or certificate to the land from the United States was issued under 25
 2 U.S.C. 334 (Indian General Allotment Act of February 8, 1887, 24 Stat. 389, as
 3 amended and supplemented), 25 U.S.C. 372 (the Allotment Act of June 25, 1910, 36
 4 Stat. 855), 43 U.S.C. 270-1, 270-2 (the Allotment Act of May 17, 1906, 34 Stat. 197),
 5 any other allotment act, or the Alaska Native Townsite Act of May 25, 1926, 44 Stat.
 6 629, and serve the order on the United States on behalf of the person;

7 (4) serve the order on the United States and the appropriate governing
 8 body of the Annette Island Reserve established by 25 U.S.C. 495 (the Act of March 3,
 9 1891, 26 Stat. 1101) if the land or water, including hydrologically interconnected
 10 water, of the Annette Island Reserve is within the adjudication area;

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

13 (6) serve the regional corporation and village corporation established
 14 under **43 U.S.C. 1601 et seq.** [43 U.S.C. 1601 - 1628] (Alaska Native Claims
 15 Settlement Act) that has a pending land selection or has acquired ownership to land
 16 under that act that is located within the adjudication area; and

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

20 * **Sec. 88.** AS 47.07.020(b) is amended to read:

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

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

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

31 (3) persons under [AGE] 21 **years of age** who are under supervision of

1 the department, for whom maintenance is being paid in whole or in part from public
2 funds, and who are in foster homes or private child-care institutions;

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

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

13 (6) persons in a medical or intermediate care facility whose income
14 while in the facility does not exceed \$1,656 a month but who would not be eligible for
15 an optional state supplementary payment if they left the hospital or other facility;

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

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

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

28 (10) persons under [AGE] 21 years of age not covered under (a) of
29 this section who the department has determined cannot be placed for adoption without
30 medical assistance because of a special need for medical or rehabilitative care and who
31 the department has determined are hard-to-place children eligible for subsidy under

1 AS 25.23.190 - 25.23.210;

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

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

8 (B) the department has determined that

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

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

13 (iii) the estimated amount that would be spent for
14 medical assistance for their individual care outside an institution is not
15 greater than the estimated amount that would otherwise be expended
16 individually for medical assistance within an appropriate institution;

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

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

22 (12) disabled persons, as described in 42 U.S.C.
23 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under
24 applicable federal regulations or guidelines, is less than 250 percent of the official
25 poverty line applicable to a family of that size according to the federal Office of
26 Management and Budget, and who, but for earnings in excess of the limit established
27 under 42 U.S.C. 1396d(q)(2)(B), would be considered to be individuals with respect to
28 whom a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c; a
29 person eligible for assistance under this paragraph who is not eligible under another
30 provision of this section shall pay a premium or other cost-sharing charges according
31 to a sliding fee scale that is based on income as established by the department in

1 regulations;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29 * **Sec. 89.** AS 47.08.060(c) is amended to read:

30 (c) In applying the formula to determine the applicant's share, the total gross
31 income and the total assets of the family of the applicant may be taken into account,

1 with the following exceptions:

- 2 (1) the applicant's permanent place of abode;
- 3 (2) one noncommercial vehicle;
- 4 (3) tools, equipment, vehicles and other assets required in a trade or
5 business;
- 6 (4) ordinary household and personal effects;
- 7 (5) \$1,000 of liquid assets;
- 8 (6) all nonliquid assets unless this exclusion would bring about an
9 inequitable result; however, all income derived from this property shall be taken into
10 consideration in determining the recipient's gross income;
- 11 (7) inalienable shares in a Native corporation created under **43 U.S.C.**
12 **1601 et seq.** [43 U.S.C. 1601-1628] (Alaska Native Claims Settlement Act), for the
13 period of their inalienability as specified in the Act;
- 14 (8) Alaska longevity bonus payments;
- 15 (9) any other assets specifically restricted for the use of the recipient
16 by state or federal law.

17 * **Sec. 90.** AS 47.55.020(d) is amended to read:

18 (d) Notwithstanding AS 47.55.070 and (b) of this section, a resident of a home
19 whose income, assets, and other resources are insufficient to pay the monthly rate set
20 under AS 47.55.030(b), and who does not have private insurance to cover the cost of
21 care, qualifies for payment assistance if the resident is otherwise in compliance with
22 requirements under this chapter. The amount of payment assistance equals the amount
23 needed, when added to other income and assets of the resident, to pay the monthly rate
24 set under AS 47.55.030(b). Payment assistance received by a home resident is a debt
25 to the state. In determining the amount of payment assistance for which a home
26 resident qualifies, the following income, assets, and other resources of the resident
27 shall be disregarded:

- 28 (1) income from any source in an amount up to \$100 a month as
29 established by the department by regulation;
- 30 (2) the following assets received under **43 U.S.C. 1601 et seq.** [43
31 U.S.C. 1601 - 1629g] (Alaska Native Claims Settlement Act):

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

3 (B) stock;

4 (C) noncash dividends from stock; and

5 (D) land;

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

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

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

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

13 (7) an amount, determined by the department by regulation, that is
14 sufficient for burial expenses of the resident, the resident's spouse, and dependents of
15 the resident;

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

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

20 * **Sec. 91.** AS 14.08.031(d); AS 18.50.950(4); and AS 46.14.250(e) are repealed.

21 * **Sec. 92.** This Act takes effect immediately under AS 01.10.070(c).