

AMENDMENT #3

OFFERED IN THE SENATE
TO: CSSB 4002(FIN)

By Sen. Davis,
Wielechowski, Ellis,
French

- 1 Page 1, line 1, following "fund":
2 Insert "**and the bulk fuel revolving loan fund**"
3
4 Page 1, line 5, following "improvements;":
5 Insert "**relating to establishing a gas pipeline development fund in the Department**
6 **of Revenue;**"
7
8 Page 1, line 6, following "program;":
9 Insert "**relating to heating assistance;**"
10
11 Page 4, line 28, through page 5, line 2:
12 Delete all material and insert:
13 **** Sec. 8. AS 43.98 is amended by adding a new section to read:**
14 **Sec. 43.98.030. Gas pipeline development fund.** (a) A gas pipeline
15 development fund is established in the Department of Revenue as a separate fund to
16 finance a gas pipeline project in the state.
17 (b) The Department of Revenue shall administer the fund as a fund distinct
18 from other funds in the Department of Revenue. The fund consists of
19 (1) money appropriated to the fund by the legislature to provide for
20 development of a gas pipeline as determined by the legislature;
21 (2) gifts, bequests, contributions from other sources, and federal
22 money;
23 (3) interest earned on the fund balance; and

1 (4) investments to be managed by the Department of Revenue, which
2 shall be the fiduciary of the fund under AS 37.10.071.

3 (c) The fund is not a dedicated fund.

4 * Sec. 9. The uncodified law of the State of Alaska is amended by adding a new section to
5 read:

6 ALASKA RESOURCE REBATE PROGRAM ESTABLISHED. Because the recent
7 high cost of energy has simultaneously burdened consumers and provided additional revenue
8 to the state, the Alaska resource rebate program is established to provide residents with
9 resource rebates under sec. 10 of this Act to help offset those energy costs and to provide
10 persons with emergency energy relief under sec. 11 of this Act."

11
12 Renumber the following bill sections accordingly.

13
14 Page 5, line 29, through page 10, line 5:

15 Delete all material and insert:

16 "** Sec. 11. The uncodified law of the State of Alaska is amended by adding a new section to
17 read:

18 EMERGENCY ENERGY RELIEF. (a) The Alaska Energy Authority shall provide
19 persons with emergency energy relief payments to offset the cost of fuel or electricity used for
20 residences.

21 (b) Subject to (h) of this section, a person may receive an emergency energy relief
22 payment based on the amount that exceeds \$3.00 a gallon that the person pays for each gallon
23 of heating oil or propane delivered September 1, 2008, through March 31, 2009, and
24 September 1, 2009, through March 31, 2010, for a building in the state that is primarily used
25 for one or more residences. Payments may not be made for more than ~~600~~⁸⁵⁰ gallons of heating
26 oil or propane used for a single family residence during September 1, 2008, through
27 March 31, 2009, and ~~600~~⁸⁵⁰ gallons of heating oil or propane for a single family residence
28 during September 1, 2009, through March 31, 2010. Payments may not be made for more than
29 300 gallons of heating oil or propane for each unit in a multi-family building used for that
30 building during September 1, 2008, through March 31, 2009, and 300 gallons of heating oil or
31 propane for each unit in a multi-family building used for that building during September 1,

1 2009, through March 31, 2010.

2 (c) A customer may receive an emergency energy relief credit from a natural gas
3 supplier on the qualified distributor list prepared under (i) of this section. The credit is based
4 on the amount that exceeds \$3.00 an Mcf that the customer pays for each Mcf of natural gas
5 delivered September 1, 2008, through March 31, 2009, and September 1, 2009, through
6 March 31, 2010, for a building in the state that is primarily used for one or more residences.
7 The credit is limited to not more than 100 Mcf of natural gas used for a single family
8 residence, or 50 Mcf of natural gas used for each unit in a multi-unit structure, during
9 September 1, 2008, through March 31, 2009, and not more than 100 Mcf used for a single
10 family residence, or 50 Mcf used for each unit in a multi-unit structure, during September 1,
11 2009, through March 31, 2010. The natural gas supplier may submit to the authority its billing
12 statements for purchases of natural gas used to heat residences. The supplier shall also submit
13 customer and sales information that may be required by the authority with each billing
14 statement so that the authority may determine the amount to pay directly to the supplier to be
15 treated by the supplier as a credit to the natural gas customer. Thirty days after submitting a
16 billing statement to the authority, the supplier may submit the statement to the customer for
17 payment of that portion not paid by the authority and appearing on the billing statement as an
18 emergency energy relief credit. For purposes of calculating the credit amount, the amount a
19 customer pays for natural gas is based on the actual cost to the customer, including taxes,
20 regulatory and other charges, and cost adjustments. In this subsection, "multi-unit structure"
21 means a residential building containing at least four separate dwelling units.

22 (d) A person who heats with electricity a building or dwelling unit in the state that is
23 primarily used for a residence may receive an emergency energy relief payment to reimburse
24 the person for amounts the person pays for costs of electricity for that residence. The amount
25 of reimbursement equals five cents a kilowatt-hour for the cost of up to 2,300 kilowatt-hours
26 each month of electricity purchased between September 1, 2008, and March 31, 2009, both
27 inclusive, and for the cost of up to 2,300 kilowatt-hours each month of electricity purchased
28 between September 1, 2009, and March 31, 2010, both inclusive, except that no
29 reimbursement applies for the first 500 kilowatt-hours each month purchased during each of
30 those periods. To receive an emergency energy relief payment under this subsection, a person
31 shall provide proof that the building or dwelling unit is heated with electricity and shall meet

1 the requirements of (h) of this section.

2 (e) The amount of the payment or credit under (b), (c), or (d) of this section must
3 include an amount to reimburse the sales tax that the person paid for the fuel or electricity for
4 which the emergency energy relief payment or credit is made. The amount of reimbursement
5 for sales taxes included in the payment or credit must be based on the sales tax rate in effect
6 on the effective date of this section. A payment may not be made for fuel, and a credit may
7 not be given for electricity, used for a building owned by a governmental entity. A person
8 may apply for and receive more than one emergency energy relief payment or credit;
9 however, a person may not receive a payment or credit for more than one type of fuel
10 delivered or for electricity purchased September 1, 2008, through March 31, 2009, or for
11 more than one type of fuel delivered or electricity purchased September 1, 2009, through
12 March 31, 2010. If the authority estimates that appropriations to the authority are insufficient
13 to fully fund emergency energy relief, the authority may eliminate or reduce the payments and
14 credits under (b), (c), and (d) of this section on an equitable basis.

15 (f) A landlord or lessor that receives a payment under (b) or (d) of this section or a
16 credit under (c) of this section shall pass on a benefit to the landlord's or lessor's tenant by
17 lowering the amount of rent by the amount attributable to the tenant's unit. A landlord or
18 lessor may retain up to 10 percent of the payment or credit otherwise required to be passed on
19 to the tenant to cover administrative costs. Failure to comply with the requirement of this
20 subsection is a violation of AS 45.50.471. The authority may audit the books and records of a
21 landlord or lessor for compliance with this subsection.

22 (g) The authority

23 (1) shall administer this section, but may contract for the performance of some
24 or all of those administrative duties; AS 36.30 (State Procurement Code) does not apply to
25 contracts entered into by the authority under this paragraph;

26 (2) may adopt regulations under AS 44.62 to implement this section.

27 (h) A person who is an individual is eligible to receive a payment under (b) or (d) of
28 this section only if the individual is a state resident under AS 01.10.055. In addition, to
29 receive a payment under (b) or (d) of this section, a person shall

30 (1) apply, before July 1, 2010, for the payment on a form provided by the
31 authority;

1 (2) if the person is applying for payment for heating oil or propane, provide,
2 with each application, proof of purchase of fuel from a qualified distributor on the list
3 prepared under (i) of this section;

4 (3) if the person is applying for a payment for electricity, provide proof of
5 payment as required by the authority;

6 (4) verify that the fuel is used for a building that is primarily used for one or
7 more residences, identify the building, and identify the number of residential units in the
8 building;

9 (5) verify that the building is not owned by a government entity;

10 (6) supply other information that may be required by the authority.

11 (i) A business or other entity that supplies fuel for use in residential buildings may
12 apply in a manner required by the authority for inclusion on the qualified distributor list
13 prepared and kept updated by the authority under this subsection. As a condition of becoming
14 a qualified distributor, the business or other entity must submit a signed statement to the
15 authority, under penalty of unsworn falsification, on a form or in a format prescribed by the
16 authority, that the business or other entity will not increase its price for fuel solely in response
17 to this section, and that the business's or other entity's pricing policy will remain consistent
18 with prior practices and be based on the same criteria, as though this section had not been
19 enacted. The authority may audit a qualified distributor's books and records to confirm that
20 the statement made under this subsection is complete and accurate. If the distributor
21 reasonably believes a delivery of fuel is made to a building primarily used for one or more
22 residences, during September 1, 2008, through March 31, 2009, or during September 1, 2009,
23 through March 31, 2010, the distributor shall agree to identify the delivery as residential in a
24 manner prescribed by the authority. The distributor shall agree to submit to the authority its
25 billing statements for purchases of fuel for residences and related customer and sales
26 information that may be requested by the authority from time to time. The distributor shall
27 provide other information required by the authority.

28 (j) A person aggrieved by a decision of the authority regarding the person's eligibility
29 to receive emergency energy relief under this section, other than a determination based on
30 insufficient funding for emergency energy relief, may request a hearing before the office of
31 administrative hearings established under AS 44.64.

1 (k) A person is liable to the state for the value of emergency energy relief improperly
2 paid or credited under this section if the improper payment or credit was based on inaccurate
3 or false information provided by the person. In a civil action brought by the state to recover
4 from the person the value of the emergency energy relief improperly paid or credited, the state
5 may recover from the person the costs of investigation and prosecution of the civil action,
6 including attorney fees as determined under court rules.

7 (l) In determining the eligibility of an individual under a public assistance program
8 administered by the Department of Health and Social Services in which eligibility for
9 assistance is based on financial need, the Department of Health and Social Services may not
10 consider a payment or credit under this section as income or resources received by the
11 individual or by a member of the individual's household unless required to do so by federal
12 law. The Department of Health and Social Services shall notify all recipients of public
13 assistance of the effects of receiving emergency energy relief.

14 (m) An individual who is denied medical assistance under 42 U.S.C. 1396 - 1396v
15 (Title XIX, Social Security Act) solely because of the receipt of a payment or credit under this
16 section by the individual or by a member of the individual's household is eligible for state-
17 funded medical assistance under AS 47.25.120 - 47.25.300 (general relief assistance). The
18 individual is entitled to receive, for a period not to exceed four months, the same level of
19 medical assistance as the individual would have received under 42 U.S.C. 1396 - 1396v had
20 the emergency energy relief not been received.

21 (n) An individual who is denied assistance solely because a payment or credit under
22 this section received by the individual or by a member of the individual's household is
23 counted as income or resources under federal law is eligible for cash assistance under
24 AS 47.25.120 - 47.25.300 (general relief assistance). Notwithstanding the limit in
25 AS 47.25.130, the individual is entitled to receive, for a period not to exceed four months, the
26 same amount as the individual would have received under other public assistance programs
27 had the emergency energy relief not been received.

28 (o) A program that is established before the effective date of this section, that is
29 administered by the state or any of its instrumentalities or municipalities or by a Native
30 organization under AS 47.27.070, 47.27.200, or 47.27.300, and for which eligibility is based
31 on financial need may not consider a payment or credit under this section as income or

1 resources unless required to do so by federal law.

2 (p) A veteran or the spouse or dependent of a living or deceased veteran who is
3 denied or receives reduced disability payments solely because a payment or credit received
4 under this section by the individual is counted as income is eligible for cash assistance under
5 AS 47.25.120 - 47.25.300 (general relief assistance). Notwithstanding the limit in
6 AS 47.25.130, the veteran or the spouse or dependent of a living or deceased veteran is
7 entitled to receive the same amount as the individual would have received under 38 U.S.C.
8 1315, 1513, 1521, 1541, and 1542 had the emergency energy relief not been received.

9 (q) Notwithstanding any contrary provision of state law, a payment under this section
10 is exempt from levy, execution, garnishment, or any other remedy for debt collection until
11 after the payment has been received by the person. No other exemption applies to emergency
12 energy relief payments received under this section.

13 (r) A form provided by the authority under (h) of this section must include a warning
14 that the submission of incomplete or inaccurate information is punishable as unsworn
15 falsification in the second degree under AS 11.56.210.

16 (s) A person is guilty of a class A misdemeanor if the person

17 (1) uses heating oil, propane, or electricity, payment for which has been
18 partially reimbursed with a payment under this section,

19 (A) for a purpose other than use in a building that is primarily used for
20 one or more residences; or

21 (B) for a building that is owned by a governmental entity; or

22 (2) resells heating oil or propane, payment for which has been partially
23 reimbursed with a payment under (b) of this section.

24 (t) In this section,

25 (1) "authority" means the Alaska Energy Authority created under
26 AS 44.83.020;

27 (2) "fuel" means heating oil, natural gas, or propane.

28 * **Sec. 12.** AS 42.45.110(k) is repealed June 30, 2010.

29 * **Sec. 13.** AS 42.45.115 is repealed.

30 * **Sec. 14.** Sections 11(a) - (e), (g) - (i), (l) - (r), and (t) of this Act are repealed September 1,
31 2010.

- 1 * **Sec. 15.** Sections 1 and 7 - 11 of this Act take effect immediately under AS 01.10.070(c).
- 2 * **Sec. 16.** Sections 2, 4, 5, 12, and 13 of this Act take effect October 1, 2008.
- 3 * **Sec. 17** Sections 3 and 6 of this Act take effect June 30, 2010."