

CS FOR HOUSE BILL NO. 48(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 2/7/07

Referred: Finance

Sponsor(s): REPRESENTATIVES SEATON AND KELLY

A BILL

FOR AN ACT ENTITLED

1 "An Act amending the powers of the board of trustees of the Alaska Retirement
2 Management Board to authorize purchase and sale of transferable tax credit certificates
3 issued in conjunction with the production tax on oil and gas; and providing for an
4 effective date."

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

6 * **Section 1.** AS 37.10.220(b) is amended to read:

7 (b) The board may

8 (1) employ outside investment advisors to review investment policies;

9 (2) enter into an agreement with the fiduciary of another state fund in
10 order to assume the management and investment of those assets;

11 (3) contract for other services necessary to execute the board's powers
12 and duties;

13 (4) enter into confidentiality agreements that would exempt records
14 from AS 40.25.110 and 40.25.120 if the records contain information that could affect

1 the value of investment by the board or that could impair the ability of the board to
2 acquire, maintain, or dispose of investments;

3 (5) purchase transferable tax credit certificates issued under
4 AS 43.55.023 and 43.55.025 for 92 percent of the face value of a certificate, and
5 sell transferable tax credit certificates to the Department of Revenue under
6 AS 43.55.023(f) and 43.55.025 for a cash refund of the full face value of the
7 certificate; under this paragraph, the board

8 (A) may

9 (i) engage in the purchase and sale of transferable
10 tax credits notwithstanding AS 43.55.023(f) requiring written
11 application for a cash refund by the person to whom a transferable
12 tax credit certificate has been issued under AS 43.55.023(d) before
13 the department issues the cash refund for a certificate; and

14 (ii) sell a transferable tax credit certificate only if the
15 commissioner of revenue determines that economic conditions are
16 acceptable for the state to purchase and pay for the credit; and

17 (B) shall apply the proceeds from a sale made under this
18 paragraph to defray the unfunded pension liabilities of the systems for
19 which the board has responsibility.

20 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).