

HOUSE CS FOR CS FOR SENATE BILL NO. 4002(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FOURTH SPECIAL SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 8/5/08

Referred: Today's Calendar

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

A BILL

FOR AN ACT ENTITLED

1 "An Act amending the bulk fuel bridge loan fund and the bulk fuel revolving loan fund;
2 relating to Alaska resource rebates, and increasing the amount of the 2008 permanent
3 fund dividend to provide that rebate; suspending the motor fuel tax; eliminating the
4 authority to make certain provisions of the heating assistance program retroactive to
5 November 1, 2007; and providing for an effective date."

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

7 * **Section 1.** AS 29.60.660(c) is amended to read:

8 (c) Loans made from the bulk fuel bridge loan fund to one borrower in a fiscal
9 year

10 (1) may not exceed \$750,000 [\$500,000]; and

11 (2) shall be repaid within one year after the date of the award.

12 * **Sec. 2.** AS 42.45.250(e) is amended to read:

13 (e) Loans made from the bulk fuel revolving loan fund to one borrower in any

1 fiscal year

2 (1) may not exceed \$750,000 [\$500,000], or, if the borrower is a
 3 cooperative corporation organized under AS 10.15 or an electric cooperative
 4 organized under AS 10.25 and uses the loan to purchase bulk fuel on behalf of more
 5 than one community, may not exceed the lesser of \$750,000 [\$500,000] multiplied by
 6 the number of communities on whose behalf the bulk fuel is to be purchased, or
 7 \$1,800,000;

8 (2) shall be repaid in one year or less; and

9 (3) may not exceed 90 percent of the wholesale price of the fuel
 10 purchased.

11 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
 12 read:

13 ALASKA RESOURCE REBATE. (a) To provide residents of the state with an Alaska
 14 resource rebate, the amount of the 2008 permanent fund dividend shall be increased. After
 15 calculating the amount of the 2008 dividend under AS 43.23.025, the commissioner of
 16 revenue shall add \$1,200 to determine the total amount of that dividend. An individual may
 17 elect not to receive the \$1,200 resource rebate authorized under this subsection. An individual
 18 who elects not to receive the \$1,200 resource rebate may provide notice of the election on a
 19 form provided by the Department of Revenue. Notice must be postmarked or received by the
 20 Department of Revenue not later than September 2, 2008.

21 (b) A veteran or the spouse or dependent of a living or deceased veteran who did not
 22 apply for the 2008 permanent fund dividend and is eligible for veterans' benefits under 38
 23 U.S.C. 1315, 1513, 1521, 1541, and 1542 may apply to the Department of Revenue for a
 24 \$1,200 Alaska resource rebate payment for 2008. The individual shall apply on a form
 25 provided by the department not later than October 1, 2008, and shall demonstrate that the
 26 individual would have been eligible to receive a 2008 permanent fund dividend under
 27 AS 43.23, except that the individual did not apply for that dividend.

28 (c) A veteran or the spouse or dependent of a living or deceased veteran who is
 29 eligible for veterans' benefits under 38 U.S.C. 1315, 1513, 1521, 1541, and 1542 who is
 30 denied or receives reduced payments under those provisions or reduced health care benefits
 31 solely because the \$1,200 increase in the dividend under (a) of this section or the \$1,200

1 payment under (b) of this section received by the individual is counted as income is eligible
 2 for cash assistance under AS 47.25.120 - 47.25.300 (general relief assistance).
 3 Notwithstanding the limit in AS 47.25.130, the individual is entitled to receive the same
 4 amount as the individual would have received under 38 U.S.C. 1315, 1513, 1521, 1541, and
 5 1542 and as a health care benefit as a result of being eligible under 38 U.S.C. 1315, 1513,
 6 1521, 1541, and 1542, had the \$1,200 increase or payment not been received under (a) or (b)
 7 of this section.

8 (d) Subject to appropriation, the amount necessary for resource rebates to increase
 9 2008 permanent fund dividends under (a) of this section shall be transferred from the general
 10 fund to the dividend fund (AS 43.23.045).

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

13 **SUSPENSION OF THE MOTOR FUEL TAX.** (a) Notwithstanding any other
 14 provision of law, the motor fuel tax imposed under AS 43.40.010 is suspended and may not
 15 be collected for a period beginning September 1, 2008, and ending August 31, 2009.

16 (b) Every person subject to AS 43.40.010(c) in the fiscal year that precedes the
 17 suspension established in (a) of this section shall submit a monthly report, under penalty of
 18 unsworn falsification, on a form or in a format prescribed by the Department of Revenue
 19 showing all sales or transfers of gasoline, diesel, and aviation fuel during the month. The
 20 department may require that invoices be attached to the report supporting all sales and
 21 transfers of gasoline, diesel, and aviation fuel in the state. The report is due to the Department
 22 of Revenue on the last day of the month following the month in which sales or transfers of
 23 gasoline, diesel, or aviation fuel were made. The Department of Revenue may assess a penalty
 24 of up to \$5,000 against any person that fails to file a monthly report or provide the supporting
 25 invoices as required by this subsection.

26 (c) The Department of Revenue may adopt regulations under AS 44.62 to implement
 27 this section.

28 * **Sec. 5.** Sections 9 and 11, ch. 31, SLA 2008, are repealed.

29 * **Sec. 6.** Section 4(a) of this Act is repealed August 31, 2009.

30 * **Sec. 7.** Section 4(b) and (c) of this Act are repealed October 1, 2009.

31 * **Sec. 8.** This Act takes effect immediately under AS 01.10.070(c).