

HOUSE BILL NO. 196

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON ENERGY

Introduced: 3/23/09

Referred: House Special Committee on Energy, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the alternative energy revolving loan fund; and providing for an**
2 **effective date."**

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

4 *** Section 1.** AS 45.88.010 is amended by adding a new subsection to read:

5 (e) The fund consists of

6 (1) money appropriated to the fund by the legislature;

7 (2) gifts, bequests, or contributions from other sources; and

8 (3) principal and interest payments or other income earned on loans or
9 investments in the fund and appropriated to the fund.

10 *** Sec. 2.** AS 45.88.030 is amended by adding new subsections to read:

11 (f) A loan must be secured by a mortgage or other security instrument in the
12 real property to be improved, and a first lien on the improvements financed under
13 AS 45.88.010.

14 (g) The interest rate

1 (1) may not exceed the maximum rate of eight percent a year and may
2 not be less than five percent a year;

3 (2) shall be established by the department based on the bank prime rate
4 listed in the Wall Street Journal during the previous quarter plus one percentage point,
5 set to the nearest one-half point for loans made; and

6 (3) set for a quarter remains in effect until the department changes the
7 rate.

8 * **Sec. 3.** AS 45.88.090(a) is amended to read:

9 (a) In AS 45.88.010 - 45.88.090, "alternative energy system"

10 (1) means a source of thermal, mechanical, or electrical energy **that**
11 [WHICH] is not dependent on oil or gas or a nuclear fuel for the supply of energy for
12 space heating and cooling, refrigeration and cold storage, electrical power, mechanical
13 power, or the heating of water;

14 (2) includes

15 (A) an alternative energy property as defined by 26 U.S.C.
16 48(a)(3)(A) (Sec. 301, P.L. 95-618, Internal Revenue Code);

17 (B) a method of architectural design and construction which
18 provides for the collection, storage, and use of direct radiation from the sun;

19 (C) a woodstove with a catalytic converter or a catalytic
20 converter for a wood stove; [AND]

21 (D) a steam, hot water, or ducted hot air central heating system
22 that uses wood or coal for fuel; **and**

23 **(E) a high efficiency wood pellet stove;**

24 (3) does not include

25 (A) a stove that uses only [WOOD,] coal, [OR] oil, **or**
26 **unprocessed wood** for fuel; or

27 (B) a fireplace or fireplace insert.

28 * **Sec. 4.** AS 45.88.010(c), 45.88.030(e), and 45.88.040(a) are repealed.

29 * **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).