

SENATE BILL NO. 99

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY SENATOR MCGUIRE

Introduced: 4/5/13

Referred: Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 **"An Act correcting a reference to the Alaska Industrial Development and Export**
2 **Authority revolving fund; limiting the use of the Alaska Industrial Development and**
3 **Export Authority sustainable energy transmission and supply development fund for**
4 **certain loans and loan guarantees and allowing the development fund to be used as**
5 **security for a bond guarantee; and amending the definition of 'qualified energy**
6 **development.'"**

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

8 *** Section 1.** AS 44.88.660 is amended to read:

9 **Sec. 44.88.660. Alaska Industrial Development and Export Authority**
10 **sustainable energy transmission and supply development fund.** The Alaska
11 Industrial Development and Export Authority sustainable energy transmission and
12 supply development fund is established in the authority. The development fund
13 consists of appropriations made to the development fund by the legislature, money or

other assets transferred to the development fund by the authority, and unrestricted loan repayments, interest, or other income earned on loans, investments, or assets of the development fund. The development fund is not an account in the revolving [LOAN] fund established in AS 44.88.060, and the authority shall account for the development fund separately from the revolving fund. The authority may create additional accounts in the development fund. Subject to agreements made with the holders of the authority's bonds or with other persons, the authority may transfer amounts in an account in the development fund to another account in the development fund. Amounts deposited in the development fund may be pledged to the payment of bonds of the authority or expended for the purposes of AS 44.88.650 - 44.88.690. The authority has the powers and responsibilities established in AS 37.10.071 with respect to the investment of amounts held in the development fund.

* **Sec. 2.** AS 44.88.690(a) is amended to read:

(a) Unless the authority has obtained legislative approval by law, the authority may not use the Alaska Industrial Development and Export Authority sustainable energy transmission and supply development fund established in AS 44.88.660 to make [FINANCE OR PARTICIPATE IN FINANCING OF]

(1) a loan for more than one-third of the capital cost of qualified energy development; or

(2) a loan guarantee if the amount of the guarantee [THAT] exceeds \$20,000,000.

* **Sec. 3.** AS 44.88.690 is amended by adding a new subsection to read:

(c) Notwithstanding (a) of this section, the authority may use the Alaska Industrial Development and Export Authority sustainable energy transmission and supply development fund established in AS 44.88.660 as security for a bond guarantee.

* **Sec. 4.** AS 44.88.900(13) is amended to read:

(13) "qualified energy development" means a development [PROJECT] in the state that involves

(A) transmission, generation, conservation, storage, or distribution of heat or electricity;

- 1 (B) liquefaction, regasification, distribution, storage, or use of
- 2 natural gas except a natural gas pipeline project for transporting natural gas
- 3 from the North Slope or Cook Inlet to market;
- 4 (C) distribution or storage of refined petroleum products;