CS FOR HOUSE BILL NO. 49(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 2/18/15
Referred: Finance

Sponsor(s): REPRESENTATIVES SEATON, Kreiss-Tomkins, Josephson, Gruenberg, Kito, Muñoz, Kawasaki, Ortiz, Edgmon

A BILL

FOR AN ACT ENTITLED

"An Act relating to corporations, including benefit corporations, and other entities; and providing for an effective date."

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

*** Section 1.** AS 10.06.633(a) is amended to read:

(a) A corporation may be dissolved involuntarily by the commissioner if

(1) the corporation is delinquent six months in filing its biennial report or in paying its biennial corporation tax or a penalty;

(2) the corporation has failed for 30 days to appoint and maintain a registered agent in the state;

(3) the corporation has failed for 30 days after change of its registered office or registered agent to file in the office of the commissioner a statement of the change;

(4) the corporation has failed for two years to complete dissolution under a certificate of election under AS 10.06.608 to dissolve;

(5) a vacancy on the board of the corporation is not filled within six months or the next annual meeting, whichever occurs first;

(6) a misrepresentation of material facts has been made in the application, report, affidavit, or other document submitted under this chapter; [OR]

(7) the corporation is 90 days delinquent in filing notice of change of an officer, director, alien affiliate, or five percent shareholder, as required by this chapter**; or**

(8) the corporation, if a benefit corporation, is delinquent six months or more in including its benefit report in its biennial report under AS 10.60.570 or in paying the fee established under AS 10.60.570 for including the benefit report in the biennial report; in this paragraph, "benefit corporation" and "benefit report" have the meanings given in AS 10.60.990.

*** Sec. 2.** AS 10 is amended by adding a new chapter to read:

Chapter 60. Benefit Corporations.

Article 1. Establishment and Termination.

Sec. 10.60.010. Establishment of benefit corporation. A business corporation may become a benefit corporation by

(1) including, at the time of the business corporation's organization under AS 10.06 or AS 10.45, in the business corporation's articles of incorporation a statement that the business corporation is a benefit corporation under this chapter; or

(2) amending its articles of incorporation to contain a statement that the business corporation is a benefit corporation under this chapter; the amendment shall be adopted by at least the minimum vote required under AS 10.60.700(a) for a status change.

Sec. 10.60.020. Approval where organic change. If an entity that was formed under the laws of this state is not a benefit corporation but is a party to a merger, consolidation, conversion, or interest or share exchange under AS 10.06 or AS 10.55, and the surviving, new, or resulting entity in the merger, consolidation, conversion, or interest or share exchange is a benefit corporation, the domestic entity shall approve, by at least the minimum vote required under AS 10.60.700(b) for a status change, the plan of merger, consolidation, conversion, or interest or share exchange.

Sec. 10.60.030. General public benefit purpose. (a) A benefit corporation shall have a purpose of creating general public benefit from the business and operations of the benefit corporation. That purpose is in addition to the benefit corporation's purpose under AS 10.06.005.

(b) The achievement of the general public benefit purpose under (a) of this section is determined after all of the effects of the business and operations of the benefit corporation are considered.

(c) The creation of general public benefit under (a) of this section is in the best interests of the benefit corporation.

Sec. 10.60.040. Specific public benefit purpose. (a) In addition to its general public benefit purpose, a benefit corporation may identify in its articles of incorporation one or more specific public benefit purposes.

(b) A benefit corporation may amend its articles of incorporation to add, amend, or delete a specific public benefit purpose. The benefit corporation shall adopt the amendment by at least the minimum vote required under AS 10.60.700(a) for a status change.

(c) The identification of a specific public benefit purpose under (a) of this section does not limit the benefit corporation's general public benefit purpose.

(d) A benefit corporation may further a specific public benefit by

(1) providing low-income or underserved individuals, families, or communities with beneficial products, services, or educational opportunities;

(2) promoting economic opportunity for individuals or communities beyond the creation of jobs in the normal course of business;

(3) improving human health;

(4) promoting the arts, sciences, or advancement of knowledge;

(5) increasing the flow of capital to entities with a purpose to benefit the public; or

(6) conferring another type of benefit on people or their surroundings.

(e) Pursuing a specific public benefit identified under this section is in the best interests of the benefit corporation.

Sec. 10.60.050. Professional corporations. A professional corporation under

AS 10.45 that is a benefit corporation does not violate AS 10.45 by having a general public benefit purpose or a specific public benefit purpose.

Sec. 10.60.060. Termination of benefit corporation status. (a) A benefit corporation may terminate its status as a benefit corporation and cease to be subject to this chapter by amending its articles of incorporation to delete the statement required by AS 10.60.010 to be in the articles of incorporation. The benefit corporation shall adopt the amendment by at least the minimum vote required under AS 10.60.700(a) for a status change.

(b) If a benefit corporation is a party to merger, consolidation, conversion, or interest or share exchange that would have the effect of terminating the status of a benefit corporation, the benefit corporation shall approve, by at least the minimum vote required under AS 10.60.700(a) for a status change, the plan of merger, consolidation, conversion, or interest or share exchange.

Sec. 10.60.070. Disposition of assets. If a benefit corporation transacts a sale, lease, exchange, or other disposition of all or substantially all of the assets of the benefit corporation, unless the transaction is in the usual and regular course of business, the benefit corporation shall approve the sale, lease, exchange, or other disposition of all or substantially all of the assets of the benefit corporation by at least the minimum vote required under AS 10.60.700(a) for a status change.

Article 2. Directors.

Sec. 10.60.100. Standard of conduct for directors. In discharging their duties and in considering the best interests of a benefit corporation, the board of directors, committees of the board, and individual directors of the benefit corporation

(1) shall consider the effects of an action or inaction on

(A) the shareholders of the benefit corporation;

(B) the employees and workforce of the benefit corporation, its subsidiaries, and its suppliers;

(C) the interests of customers to the extent they are beneficiaries of the general public benefit purpose or specific public benefit purpose of the benefit corporation;

(D) community and societal factors, including the interests of

each community in which offices or facilities of the benefit corporation, its subsidiaries, or its suppliers are located;

(E) local and global health;

(F) the short-term and long-term interests of the benefit corporation, including benefits that may accrue to the benefit corporation from its long-term plans and the possibility that those interests may be best served by the continued independence of the benefit corporation; and

(G) the ability of the benefit corporation to accomplish its general public benefit purpose and specific public benefit purpose, if any;

(2) may consider

(A) the resources, intent, and conduct of a person seeking to acquire control of the benefit corporation; and

(B) other pertinent factors or the interests of other groups the directors consider appropriate;

(3) are not required to give priority to a particular interest or factor referred to in (1) or (2) of this section over another interest or factor unless the benefit corporation has stated in its articles of incorporation its intention to give priority to certain interests or factors related to its accomplishment of its general public benefit purpose or of a specific public benefit purpose identified in its articles.

Sec. 10.60.110. Coordination with other corporate board requirements. The consideration of interests and factors in the manner required by AS 10.60.100 does not constitute a violation of AS 10.06.450.

Sec. 10.60.120. Exoneration from personal liability. Except as provided in the articles of incorporation, a director is not personally liable for monetary damages for

(1) an action or inaction in the course of performing the duties of a director under AS 10.60.100 if the director performed the duties of office in compliance with AS 10.06.450 and AS 10.60.100 - 10.60.140; or

(2) a failure of the benefit corporation to pursue or create a general public benefit or a specific public benefit.

Sec. 10.60.130. No duty to beneficiary. A director of a benefit corporation

does not have a duty arising from the person's status as a beneficiary to a person who is a beneficiary of the general public benefit purpose or a specific public benefit purpose of the benefit corporation.

Sec. 10.60.140. Business judgments. (a) A director of a benefit corporation who makes a business judgment in good faith fulfills the duty under AS 10.60.100 - 10.60.140 if the director

(1) is disinterested in the subject of the business judgment;

(2) is informed with respect to the subject of the business judgment to the extent the director reasonably believes to be appropriate under the circumstances; and

(3) reasonably believes that the business judgment is in the best interests of the benefit corporation; in this paragraph, "best interests" includes the creation of the general public benefit purpose and any specific public benefit purpose.

(b) When making a determination under (a) of this section, the director shall consider the interests and factors listed in AS 10.60.100.

Article 3. Benefit Director.

Sec. 10.60.150. Benefit director. The board of directors of a benefit corporation may include a director who

(1) is designated the benefit director; and

(2) has, in addition to the powers, duties, rights, and immunities of the other directors of the benefit corporation, the powers, duties, rights, and immunities provided in AS 10.60.150 - 10.60.220.

Sec. 10.60.160. Election of benefit director. The board of directors shall elect and may remove the benefit director in the manner provided by AS 10.06.453 - 10.06.463.

Sec. 10.60.170. Qualifications of benefit director. (a) The benefit director of a benefit corporation, except as provided in AS 10.60.210, shall be an individual who does not have a material relationship under AS 10.60.220 with the benefit corporation or a subsidiary of the benefit corporation. The benefit director may serve as the benefit officer at the same time as serving as the benefit director. The articles of incorporation or bylaws of a benefit corporation may prescribe additional qualifications of the

benefit director not inconsistent with this subsection.

(b) Serving as benefit director of a benefit corporation does not establish that an individual has a material relationship with the benefit corporation or a subsidiary of the benefit corporation.

Sec. 10.60.180. Compliance statement. The benefit director shall prepare, and the benefit corporation shall include in the benefit report to shareholders required by AS 10.60.500,

(1) the opinion of the benefit director on whether the benefit corporation acted in accordance with its general public benefit purpose and any specific public benefit purpose in all material respects during the period covered by the report;

(2) the opinion of the benefit director on whether the directors and officers complied with AS 10.60.100 and 10.60.230 during the period covered by the report; and

(3) if the benefit director believes the benefit corporation or its directors or officers failed to act or comply in the manner described in (1) or (2) of this section, a description of the ways in which the benefit corporation or its directors or officers failed to act or comply.

Sec. 10.60.190. Status of actions. The action or inaction of a benefit director in the capacity of a benefit director constitutes for all purposes an action or inaction of that individual in the capacity of a director of the benefit corporation.

Sec. 10.60.200. Exoneration from personal liability. Regardless of whether the articles of incorporation of a benefit corporation include a provision eliminating or limiting the personal liability of directors under AS 10.06.210, a benefit director is not personally liable for an action or omission when done in the capacity of a benefit director unless the action or omission constitutes self-dealing, willful misconduct, or a knowing violation of law.

Sec. 10.60.210. Professional corporations. The benefit director of a benefit corporation that is a professional corporation under AS 10.45 is not prohibited from having a material relationship under AS 10.60.220 with the benefit corporation or a subsidiary of the benefit corporation.

Sec. 10.60.220. Material relationship. When determining under AS 10.60.170 whether a benefit director of a benefit corporation has a material relationship with the benefit corporation or a subsidiary of the benefit corporation, a material relationship is conclusively presumed to exist if

(1) the individual is, or has been within the last three years, an employee other than a benefit officer of the benefit corporation or a subsidiary;

(2) an immediate family member of the individual is, or has been within the last three years, an executive officer other than a benefit officer of the benefit corporation or a subsidiary;

(3) there is beneficial or record ownership of five percent or more of the outstanding shares of the benefit corporation, calculated as if all outstanding rights to acquire equity interests in the benefit corporation had been exercised, by

(A) the individual; or

(B) an entity

(i) of which the individual is a director, an officer, or a manager; or

(ii) in which the individual owns beneficially or of record five percent or more of the outstanding equity interests, calculated as if all outstanding rights to acquire equity interests in the entity had been exercised.

Article 4. Officers.

Sec. 10.60.230. Standard of conduct for officers. An officer of a benefit corporation shall consider the interests and factors under AS 10.60.100 if the officer

(1) has discretion to act with respect to a matter; and

(2) reasonably believes that the matter identified under (1) of this section may have a material effect on the creation by the benefit corporation of general public benefit or a specific public benefit identified in the articles of incorporation of the benefit corporation.

Sec. 10.60.240. Coordination with other corporate officer requirements. The consideration of interests and factors under AS 10.60.230 by an officer of a benefit corporation does not constitute a violation of AS 10.06.483.

Sec. 10.60.250. Exoneration from personal liability. Except as provided in the articles of incorporation, an officer of a benefit corporation is not personally liable for monetary damages for

(1) an action or inaction as an officer in the course of performing the duties of an officer under AS 10.60.230 - 10.60.270 if the officer performs the duties of the position in compliance with AS 10.06.483 and this section; or

(2) a failure of the benefit corporation to pursue or create a general public benefit or a specific public benefit.

Sec. 10.60.260. No duty to beneficiary. An officer of a benefit corporation does not have a duty arising from the person's status as a beneficiary to a person who is a beneficiary of the general public benefit purpose or a specific public benefit purpose of the benefit corporation.

Sec. 10.60.270. Business judgment. An officer who makes a business judgment in good faith fulfills the duty under AS 10.60.230 - 10.60.270 if the officer

(1) is disinterested in the subject of the business judgment;

(2) is informed with respect to the subject of the business judgment to the extent the officer reasonably believes to be appropriate under the circumstances; and

(3) reasonably believes that the business judgment is in the best interests of the benefit corporation; in this paragraph, "best interests" includes the creation of the general public benefit purpose and any specific public benefit purpose.

Sec. 10.60.280. Benefit officer. A benefit corporation may designate an officer as the benefit officer of the benefit corporation. A benefit officer has the powers and duties of the benefit corporation that relate to the creation of a general public benefit and a specific public benefit, as the powers and duties are provided in the bylaws, or, absent controlling provisions in the bylaws, by resolutions or orders of the board of directors. A benefit officer shall prepare the benefit report required by AS 10.60.500.

Article 5. Actions and Claims.

Sec. 10.60.300. Actions and claims. Unless another provision of this chapter limits liability, a person identified under AS 10.60.320 may bring an action or assert a claim against a benefit corporation or its directors or officers with respect to

(1) a failure to pursue or create general public benefit or a specific public benefit set out in its articles of incorporation; or

(2) a violation of an obligation, duty, or standard of conduct under this chapter.

Sec. 10.60.310. Limitation on liability of benefit corporation. Notwithstanding AS 10.60.300, a benefit corporation is not liable for monetary damages under this chapter for a failure of the benefit corporation to pursue or create a general public benefit or a specific public benefit.

Sec. 10.60.320. Right to bring action. (a) An action under AS 10.60.300 may be commenced or maintained only

(1) directly by the benefit corporation; or

(2) derivatively under AS 10.06.435 by

(A) a person or group of persons that owned beneficially or of record at least two percent of the total number of the shares of the benefit corporation of a class or series outstanding at the time of the act or omission complained of;

(B) a director of the benefit corporation;

(C) a person or group of persons who owned beneficially or of record five percent or more of the outstanding equity interests in a person of which the benefit corporation is a subsidiary at the time of the act or omission complained of; or

(D) another person specified in the articles of incorporation or bylaws of the benefit corporation.

(b) In this section, a person is the beneficial owner of shares or equity interests if the shares or equity interests are held in a voting trust or by a nominee on behalf of the person.

Article 6. Reporting.

Sec. 10.60.500. Benefit report. As part of the biennial report required by AS 10.06.805, a benefit corporation shall prepare a biennial benefit report.

Sec. 10.60.510. Contents of report. The benefit report required by AS 10.60.500 must contain, for the period covered by the benefit report,

(1) a description of

(A) the ways in which the benefit corporation pursued the general public benefit and the extent to which the benefit corporation created general public benefit;

(B) the ways in which the benefit corporation pursued each specific public benefit identified in the articles of incorporation and the extent to which the benefit corporation created the specific public benefit;

(C) any circumstances that have hindered the creation by the benefit corporation of general public benefit or specific public benefit;

(D) the process and rationale for selecting or changing the third-party standard used to prepare the benefit report;

(2) an assessment of the overall performance of the general public benefit purpose by the benefit corporation against a third-party standard

(A) applied consistently with any application of that standard in prior benefit reports; or

(B) accompanied by an explanation of the reasons for

(i) any inconsistent application; or

(ii) the change to that standard from the one used in the immediately prior report;

(3) the name of the benefit director, if any, and the benefit officer, if any, and the address to which correspondence to each of them may be directed;

(4) the compensation paid by the benefit corporation to each director in the capacity of a director;

(5) the statement of the benefit director described in AS 10.60.180; and

(6) a statement of any connection between the organization that established the third-party standard or its directors, officers, or any holder of five percent or more of the governance interests in the organization and the benefit corporation or its directors, officers, or any holder of five percent or more of the outstanding shares of the benefit corporation, including any financial or governance relationship that might materially affect the credibility of the use of the third-party standard.

Sec. 10.60.520. Correspondence relating to change of benefit director. If, during the period covered by a benefit report, a benefit director resigned from or refused to stand for reelection to the position of benefit director, or was removed from the position of benefit director, and the benefit director furnished the benefit corporation with written correspondence concerning the circumstances surrounding the resignation, refusal, or removal, the benefit report must include that correspondence as an exhibit.

Sec. 10.60.530. Audit not required. A benefit corporation is not required to have the benefit report, including the assessment of the performance of the benefit corporation in the benefit report required by AS 10.60.510(2), audited or certified by a person without a connection to the benefit corporation.

Sec. 10.60.540. Delivery of benefit report to shareholders. A benefit corporation shall send its benefit report to each shareholder not later than the date that is 120 days after the end of the period covered by the benefit report.

Sec. 10.60.550. Internet website posting. If a benefit corporation has an Internet website, the benefit corporation shall post all of its benefit reports on the public portion of the website. The benefit corporation may omit from the benefit reports posted on the website the compensation paid to directors and financial or proprietary information included in the benefit report.

Sec. 10.60.560. Availability of copies of benefit report. If a benefit corporation does not have an Internet website, the benefit corporation shall provide a copy of its most recent benefit report, without charge, to any person who requests a copy, but the benefit corporation may omit the compensation paid to directors and financial or proprietary information included in the benefit report from the copy of the benefit report provided to the person.

Sec. 10.60.570. Filing of report; delinquency. (a) A benefit corporation shall include its benefit report in the biennial report that it files under AS 10.06.805, but the benefit corporation may omit the compensation paid to directors and financial or proprietary information included in the benefit report from the benefit report included in the biennial report. The department shall charge a fee established by the department for including the benefit report in the biennial report of the benefit corporation.

(b) If a benefit corporation is delinquent six months or more in including its benefit report in its biennial report under AS 10.60.570 or in paying the fee established under this section for including the benefit report in the biennial report, the delinquency constitutes a basis for involuntary dissolution of the benefit corporation under AS 10.06.633.

(c) A benefit corporation may submit its benefit report to the department electronically. The department may file in paper form, rather than electronic form, the benefit report portion of a biennial report filed with the department.

Article 7. Miscellaneous Provisions.

Sec. 10.60.700. Status change approval. (a) In addition to any other approval or vote required for the status change, to accomplish a status change of a benefit corporation,

(1) the benefit corporation shall allow all of the shareholders of each class or series to vote as a separate voting group on the status change, regardless of a limitation stated in the articles of incorporation or bylaws on the voting rights of a class or series; and

(2) in each class or series, at least two-thirds of all votes that the shareholders of that class or series are entitled to cast under (1) of this subsection on the status change must approve the status change.

(b) In addition to any other approval, vote, or consent required for the status change, to accomplish a status change of a domestic entity other than a business corporation,

(1) the domestic entity shall allow all of the equity holders to vote on or consent to the status change regardless of any otherwise applicable limitation on the voting or consent rights of a class or series of equity interests; and

(2) in each class or series of equity interest, at least two-thirds of all of the votes that the equity holders of that class or series are entitled to cast under (1) of this subsection must approve the status change.

(c) In (b) of this section, "equity holder" means a person who holds any class or series of equity interest in a domestic entity if the person is entitled to receive a distribution of any kind arising out of the equity interest.

Sec. 10.60.710. Shareholder dissent. In addition to the corporate actions to which a shareholder may dissent under AS 10.06.574(a), a shareholder of a business corporation may dissent under AS 10.06.574 - 10.06.582 if the business corporation amends its articles under AS 10.60.010(2) to become a benefit corporation.

Sec. 10.60.720. Third-party standard. In this chapter, whenever a third-party standard is used, the standard refers to a recognized standard for defining, reporting, and assessing corporate performance

(1) that is comprehensive because it assesses the effect of the benefit corporation and its operations on the interests listed in AS 10.60.100(1)(B) - (E);

(2) that is developed by a person that is not controlled by the benefit corporation;

(3) that is credible because it is developed by a person that

(A) has access to the expertise necessary to assess overall corporate performance; and

(B) uses an approach, including a reasonable public comment period, to develop the standard that is balanced and considers multiple concerns and interests;

(4) for which the following information about the standard is publicly available:

(A) the criteria considered when measuring the overall performance of a business;

(B) the relative weightings, if any, of the criteria in (A) of this paragraph;

(5) for which the following information about the development and revision of the standard is publicly available:

(A) the identity of the directors, officers, material owners, and governing body of the entity that developed and controls revisions to the standard;

(B) the process by which revisions to the standard and changes to the membership of the governing body are made;

(C) an accounting of the revenue and sources of financial

support for the entity, with sufficient detail to disclose any relationships that could reasonably be considered to present a potential conflict of interest.

Sec. 10.60.730. Tax exemptions. A benefit corporation may not claim a tax exemption under AS 43.20 (Alaska Net Income Tax Act) if the tax exemption is not also available to corporations that are not benefit corporations.

Sec. 10.60.740. Interpretation. The authorization under AS 10.60.010 to form a benefit corporation for a general public benefit purpose and the authorization under AS 10.60.040 for a benefit corporation to identify a specific public benefit purpose may not be interpreted to prevent a business entity that is formed under another law of this state from including in its general powers the consideration of, or donation to, a general public benefit purpose or a specific public benefit purpose.

Article 8. General Provisions.

Sec. 10.60.910. Regulations. The department may adopt regulations under AS 44.62 (Administrative Procedure Act) to implement this chapter.

Sec. 10.60.920. Application to business corporations generally. The existence of a provision of this chapter does not, by itself, suggest that a contrary or different rule of law applies to a business corporation that is not a benefit corporation. This chapter does not affect a statute or other law that applies to a business corporation that is not a benefit corporation.

Sec. 10.60.930. Applicable laws. Except as otherwise provided in this chapter, AS 10.06 applies to a benefit corporation. A benefit corporation may be simultaneously subject to this chapter and AS 10.45. The provisions of AS 10.06 and AS 10.45 are subject to this chapter.

Sec. 10.60.940. Consistency with chapter. A provision of the articles of incorporation or bylaws of a benefit corporation may not limit, be inconsistent with, or supersede a provision of this chapter.

Sec. 10.60.990. Definitions. In this chapter,

(1) "benefit corporation" means a business corporation that elects under AS 10.60.010 to become subject to this chapter;

(2) "benefit director" means the director designated as the benefit director of a benefit corporation under AS 10.60.150;

(3) "benefit officer" means the individual designated as the benefit officer of a benefit corporation under AS 10.60.280;

(4) "benefit report" means the benefit report required by AS 10.60.500;

(5) "business corporation" means a corporation organized under AS 10.06 or AS 10.45;

(6) "department" means the Department of Commerce, Community, and Economic Development;

(7) "general public benefit" means a material positive effect on people and their surroundings, taken as a whole, assessed against a third-party standard;

(8) "general public benefit purpose" means the public benefit purpose under AS 10.60.030;

(9) "specific public benefit" means a benefit that serves a public welfare, religious, charitable, scientific, literary, or educational purpose, or another purpose beyond the strict interest of the shareholders of the benefit corporation;

(10) "specific public benefit purpose" means a specific public benefit purpose that is identified as a public benefit purpose by a benefit corporation under AS 10.60.040(a) or (b);

(11) "status change" means

(A) an amendment of the articles of incorporation of a business corporation under AS 10.60.010(2);

(B) the approval of a plan of merger, consolidation, conversion, or interest or share exchange under AS 10.60.020;

(C) an amendment of the articles of incorporation of a benefit corporation under AS 10.60.040(b);

(D) the termination of benefit corporation status under AS 10.60.060; or

(E) a disposition of assets under AS 10.60.070;

(12) "subsidiary" means an entity in which a person owns beneficially or of record 50 percent or more of the outstanding equity interests calculated as if all outstanding rights to acquire equity interests in the entity had been exercised.

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

read:

TRANSITION: REGULATIONS. The Department of Commerce, Community, and Economic Development may adopt regulations necessary to implement this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before July 1, 2016.

*** Sec. 4.** Section 3 of this Act takes effect immediately under AS 01.10.070(c).

*** Sec. 5.** Except as provided in sec. 4 of this Act, this Act takes effect July 1, 2016.