

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

IN THE HOUSE

BY MR. CASHEL

HOUSE BILL NO. 328

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIRST LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the policy of the State of Alaska in connection with temporary industrial tax incentives; amending Ch. 129, SLA 1957; and providing for an effective date."

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

Section 1. Subsec. (d)(2), Sec. 2, Ch. 129, SLA 1957 is amended to read as follows:

(2) Any industrial unit established after the effectiveness of this Act, having as its objective the production on a commercial scale in Alaska of any designated article, and which, in the judgment of the Board:

(1) is established in good faith and with a permanent character; and

(ii) produces, or will produce, on a sustained basis, within a reasonable period of time, a substantial amount of one or more designated articles additional to the amount of the same articles theretofore being produced by other industrial units in operation in Alaska; provided, that in determining the amount of the production in Alaska of such articles, the Board shall use the average production in Alaska of such articles for the three calendar years immediately preceding the effective date of this Act; and [.]

1 (iii) is attempting in good faith to hire
2 Alaskans if qualified and available; provided that
3 minimum wage scales acceptable to Alaskans, if found to
4 be fair by the Board, will not constitute reasons for
5 disqualifying Alaskans or determining that Alaskans are
6 not available.

7 Sec. 2. Subsec. (d)(3), Sec. 2, Ch. 129, SLA 1957 is
8 amended to read as follows:

9 (3) Any industrial unit established prior to the
10 enactment of this Act, engaged in the production of a desig-
11 nated article in Alaska on a commercial scale provided that,

12 (1) tax exemption has been granted to a new
13 industrial unit under the terms of this Act, to produce
14 the same designated article, and

15 (ii) the new industrial unit has begun pro-
16 duction on a commercial scale, and [.]

17 (iii) the new industrial unit is attempting
18 to comply with the provisions of Subsec. (d)(2)(iii) of
19 this section.

20 Sec. 3. Subsec. (d)(1), Sec. 5, Ch. 129, SLA 1957 is
21 amended to read as follows:

22 (1) Permissive revocation. The Board may decree
23 such revocation in the following cases:

24 (A) When the person to whom the exemption has
25 been granted fails to comply with any of the obligations
26 imposed on him by this Act, by the regulations promul-
27 gated hereunder, or by the terms of the declaration of
28 exemption;

29 (B) When the person to whom the exemption has

1 been granted either does not commence or fails to com-
2 plete the construction of the installations necessary
3 for the production of the manufactured products which
4 he proposes to produce or fails to commence such pro-
5 duction, within the periods fixed for such purposes in
6 the grant of exemption, which periods may be extended
7 by the Board whenever, in its judgment, just cause
8 exists therefor, provided that no period shall be
9 originally fixed in excess of 3 years from the date of
10 the exemption grant for the commencement of operations;
11 [AND]

12 (C) When the person to whom the exemption
13 has been granted discontinues production on a commercial
14 scale or operations in any business eligible under
15 paragraphs (1), (2), (3), (5) or (6) of Section 2(d) for
16 more than thirty (30) days without the authorization of
17 the Board. The Board shall authorize such discontinu-
18 ances for periods of more than thirty (30) days when
19 they are the result of causes beyond the control of
20 such person; and [.]

21 (D) When the person to whom the exemption has
22 been granted has followed a policy of hiring employees
23 from other states or countries when Alaskans are avail-
24 able and qualified.

25 The permissive revocation shall be effective from
26 the date when the grantee of the tax exemption incurred in
27 the fault on which the order of revocation is predicated.

28 Sec. 4. This Act takes effect on the day after its passage
29 and approval or on the day it becomes law without such approval.