

1 IN THE HOUSE

BY COMMERCE AND
LABOR COMMITTEE

2 CS FOR HOUSE BILL NO. 328

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - SECOND SESSION

5 A BILL

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

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

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

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

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

20 (1i) produces, or will produce, on a sus-
21 tained basis, within a reasonable period of time, a sub-
22 stantial amount of one or more designated articles addi-
23 tional to the amount of the same articles theretofore
24 being produced by other industrial units in operation
25 in Alaska; provided, that in determining the amount of
26 the production in Alaska of such articles, the Board
27 shall use the average production in Alaska of such
28 articles for the three calendar years immediately pre-
29 ceding the effective date of this Act; and [.]

1 to read as follows:

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

4 (A) When the person to whom the exemption
5 has been granted fails to comply with any of the obliga-
6 tions imposed on him by this Act, by the regulations
7 promulgated hereunder, or by the terms of the declaration
8 of exemption;

9 (B) When the person to whom the exemption
10 has been granted either does not commence or fails to
11 complete the construction of the installations neces-
12 sary for the production of the manufactured products
13 which he proposes to produce or fails to commence such
14 production, within the periods fixed for such purposes
15 in the grant of exemption, which periods may be extended
16 by the Board whenever, in its judgment, just cause exists
17 therefor, provided that no period shall be originally
18 fixed in excess of 3 years from the date of the exemption
19 grant for the commencement of operations. [; AND]

20 (C) When the person to whom the exemption
21 has been granted discontinues production on a commercial
22 scale or operations in any business eligible under para-
23 graphs (1), (2), (3), (5) or (6) of Section 2(d) for
24 more than thirty (30) days without the authorization of
25 the Board. The Board shall authorize such discontinuances
26 for periods of more than thirty (30) days when they are
27 the result of causes beyond the control of such person.

28 (D) When the person to whom the exemption
29 has been granted has followed a policy of hiring em-

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ployees from other states or countries when Alaskans
are available and qualified.

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

Sec. 5. Subsec. (e), Sec. 5, Ch. 129 is amended to add new
Subsecs. (3) and (4) as follows:

(3) Payroll reports. Any natural or artificial
person covered by the benefits of this Act shall also submit
to the Board upon forms prescribed by the Board, a list of
all employees, date of hire, place of hire, and work classi-
fication of the employees; the report shall be submitted
quarterly in each and every quarter of the employer's fiscal
year. The employer shall make available to the Board, upon
the Board's request, all payroll records and further shall
allow the Board or its representatives to copy such records
at any reasonable time.

(4) Penalties. Any person or persons who shall
intentionally commit or attempt to commit, on their own behalf
or on behalf of any other person or persons, a breach of the
provisions of this section shall be punished as prescribed
by Subsec. (d) (2) of this section.

Sec. 6. This Act takes effect on the day after its passage
and approval or on the day it becomes law without such approval.