

Original sponsor: Rules Committee by
request of the Legislative Council

Offered: 5/25/76
Referred: Rules

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 724 am H

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making corrective amendments in the Alaska
7 Statutes as recommended by the revisor of statutes;
8 and providing for an effective date."

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

10 * Section 1. AS 14.17.140 is amended to read:

11 Sec. 14.17.140. DETERMINATION OF FULL AND TRUE VALUE BY DEPARTMENT
12 OF COMMUNITY AND REGIONAL AFFAIRS. To determine the equalized percent-
13 age to be applied to basic need under sec. 21 of this chapter, and the
14 matching ratio for required local effort under sec. 71 of this chapter,
15 the Department of Community and Regional Affairs, in consultation with
16 the assessor for each district, shall determine the full value of the
17 taxable real and personal property in each district. Exemptions granted
18 under ch. 129, SLA 1957, known as the Alaska Industrial Incentive Act
19 (AS 43.25), shall be honored. If there is no local assessor or current
20 local assessment for a district, then the Department of Community and
21 Regional Affairs shall make the determination of full value from infor-
22 mation available. In making the determination, the Department of
23 Community and Regional Affairs shall be guided by AS 29.53.060 [AS 29.-
24 10.396]. The determination of full value shall be made before October 1
25 and sent by certified mail, return receipt requested, before that date
26 to the president of the school board in each district. Duplicate copies
27 shall be sent to the commissioner. The governing body of the borough or
28 city which is the district may obtain judicial review of the determina-
29 tion by filing a motion in the superior court of the judicial district

1 in which the district is located within 30 days after receipt of the
2 determination. The superior court may modify the determination of the
3 Department of Community and Regional Affairs only upon a finding of
4 abuse of discretion or upon a finding that there is no substantial
5 evidence to support the determination.

6 * Sec. 2. AS 16.05.251(12) is amended to read:

7 (12) establishment of the times and dates during which the
8 issuance of fishing licenses, permits and registrations and the transfer
9 of permits [PERMIT] and registrations between registration areas is
10 allowed; however, this paragraph does not apply to permits issued or
11 transferred under ch. 43 of this title.

12 * Sec. 3. AS 29.13.100(35) is amended to read:

13 (35) AS 29.58.345 [AS 29.58.340] - 29.58.350 (bonded debt for
14 school construction)

15 * Sec. 4. AS 29.58.350(a) is amended to read:

16 (a) To guarantee payment by the state of the principal and inter-
17 est of bonds issued under the enabling authority of sec. 345 [SEC. 340]
18 of this chapter, there is in the Department of Community and Regional
19 Affairs a special fund called the local school bond guarantee fund in
20 which there shall be deposited all money appropriated by the legislature
21 for the purpose of the fund and other money which may be made available
22 for the purpose of the fund from any other source. Money in the fund
23 shall be held and applied solely to further guarantee and provide an
24 additional pledge of payment of all bonds issued under the provisions of
25 sec. 345 [SEC. 340] of this chapter. Money shall not be withdrawn from
26 the fund if a withdrawal would reduce the amount in the fund to an
27 amount equal to less than the "maximum debt service reserve" (as defined
28 in this section), except for payment of interest then due and payable on
29 bonds and the principal of bonds then maturing and payable and for the

1 retirement of bonds in accordance with the terms of a contract between
2 the municipality and its bondholders and for the payments on account of
3 which interest or principal or retirement of bonds other money is not
4 then available in accordance with the terms of the contract. In this
5 section "maximum debt service reserve" means, as of any date of computa-
6 tion, the largest amount of money required by the terms of all contracts
7 between municipalities and their bondholders as to bonds issued under
8 sec. 345 [SEC. 340] of this chapter to be raised in any succeeding
9 calendar year for the payment of interest on and maturing principal of
10 outstanding bonds and payments required by the terms of the contracts to
11 sinking funds established for the payment or redemption of the bonds,
12 all calculated on the assumption that bonds will cease to be outstanding
13 after the date of the computation by reason of the payment of bonds at
14 their respective maturities and the payments of the required money to
15 sinking funds and the application of the money in accordance with the
16 terms of the contracts to the retirement of bonds.

17 * Sec. 5. AS 38.05.182 is amended to read:

18 Sec. 38.05.182. ROYALTY ON NATURAL RESOURCES. Any royalty pro-
19 vided for in secs. 135 - 181 of this chapter may be taken in kind rather
20 than in money if the commissioner, with the consent of the Alaska
21 Royalty Oil and Gas Development Advisory Board [BOARD], determines that
22 the taking in kind would be in the best interest of the state. The
23 consent of the board is required only with respect to oil and gas
24 royalty-in-kind under sec. 183 of this chapter.

25 * Sec. 6. AS 38.05.347 is repealed.

26 * Sec. 7. AS 39.35.680(14) is amended to read:

27 (14) "peace officer and fireman" means an employee who is
28 employed full time in the state as a peace officer, chief of police,
29 correctional officer, correctional superintendent, fish and game field

1 biologist or [AND] technician, fireman or fire chief;

2 * Sec. 8. AS 39.37.040(a) is amended to read:

3 (a) An elected public officer may voluntarily retire at any time
4 and shall have a vested right to his accrued retirement pay if he has
5 served five years or more. Retirement pay shall not begin until he has
6 reached age 60, except that an actuarially equivalent retirement pay may
7 be begun after he has reached age 55 or upon attaining 20 years of
8 creditable service. The provisions of sec. 30 [SEC. 20] of this chapter
9 are an exception to this rule.

10 * Sec. 9. AS 43.05.150(e) is repealed.

11 * Sec. 10. AS 43.75.130 is amended to read:

12 Sec. 43.75.130. REFUND TO LOCAL GOVERNMENTS. The commissioner of
13 revenue shall pay to each organized borough and each city of the first
14 class [, SECOND, AND THIRD CLASSES] 10 per cent of the amount of tax
15 revenue collected in the borough or city from taxes levied by secs. 10 -
16 90 of this chapter.

17 * Sec. 11. AS 43.75.135 is amended to read:

18 Sec. 43.75.135. ADDITIONAL REFUND TO BOROUGHES AND CITIES. In
19 addition to the payment allowed in sec. 130 of this chapter, the commis-
20 sioner of revenue shall pay to each organized borough 10 per cent of the
21 amount of tax revenue collected in the borough from taxes levied by
22 secs. 10 - 90 of this chapter and shall pay to each city of the first
23 class [, SECOND, AND THIRD CLASSES] located in the unorganized borough
24 10 per cent of the amount of the tax revenue collected in the city from
25 taxes levied by secs. 10 - 90 of this chapter.

26 * Sec. 12. AS 44.33.160 is amended to read:

27 Sec. 44.33.160. LIMITATIONS ON MATCHING MONEY. An applicant that
28 is qualified to participate under sec. 150 [SEC. 190] of this chapter
29 may receive one dollar in state matching money for each dollar expended

1 or committed by the applicant for tourist attractions within the limits
2 of available state appropriations and considering the needs of other
3 qualified applicants.

4 * Sec. 13. AS 44.62.330(a)(5) is repealed.

5 * Sec. 14. AS 45.55.130(12) is amended to read:

6 (12) "security" means a note; stock; treasury stock; bond; de-
7 benture; evidence of indebtedness; certificate of interest or participa-
8 tion in any profit-sharing agreement; collateral-trust certificates;
9 preorganization certificate or subscription; transferable share; invest-
10 ment contract; voting-trust certificate; certificate of deposit for a
11 security; a certificate of interest or participation in an oil, gas, or
12 mining title or lease or in payments out of production under the title
13 or lease or in any sale of or indenture or bond or contract for the con-
14 veyance of land or any interest in land; an option on a contract for the
15 future delivery of agricultural or mineral commodities or any other
16 commodity offered or sold to the public and not regulated by the Commo-
17 dity Futures Trading Commission [COMMODITY EXCHANGE AUTHORITY OF THE
18 UNITED STATES DEPARTMENT OF AGRICULTURE]; however, the contract or
19 option is not subject to the provisions of sec. 70 of this chapter if it
20 is sold or purchased on the floor of a bona fide exchange or board of
21 trade and offered or sold to the public by a broker-dealer or agent
22 registered under this chapter; investment of money or money's worth
23 including goods furnished or services performed in the risk capital of a
24 venture with the expectation of some benefit to the investor where the
25 investor has no direct control over the investment or policy decision of
26 the venture; or, in general, any interest or instrument commonly known
27 as a "security," or any certificate of interest or participation in,
28 temporary or interim certificate for, receipt for, guarantee of, or
29 warrant or right to subscribe to or purchase, any of the foregoing;

1 "security" does not include an insurance or endowment policy or annuity
2 contract under which an insurance company promises to pay a fixed sum of
3 money either in a lump sum or periodically for life or for some other
4 specified period;

5 * Sec. 15. AS 45.55.140(b)(7)(B) is amended to read:

6 (B) the issuer first files a notice specifying the terms
7 of the offer and the administrator does not by order disallow the
8 exemption within the next five full business days;

9 * Sec. 16. AS 45.86.030 is amended to read:

10 Sec. 45.86.030. LOAN FUND SOURCE. Receipts from mineral rentals
11 and royalties [AND FROM THE ALASKA MINERAL LEASE BONUS PERMANENT FUND,]
12 shall be appropriated annually and deposited in the water resources
13 revolving loan fund.

14 * Sec. 17. AS 06.05.065(a) is amended to read:

15 (a) No officer or employee of the department [DEPARTMENT OF
16 COMMERCE] who deals with the regulation of lending institutions, or
17 special agent selected by the department to do work relating to lending
18 institutions may be an officer, employee, director, trustee, attorney,
19 stockholder, or partner of a lending institution, or receive directly or
20 indirectly a payment or gratuity from a lending institution. No person
21 subject to this section may borrow money from a lending institution ex-
22 cept as provided in this statute.

23 * Sec. 18. AS 06.05.235(a), (b) and (c) are amended to read:

24 (a) It is unlawful for a corporation, foreign or domestic, to own,
25 control or hold with power to vote, 10 per cent or more of the capital
26 stock of a corporation subject to this chapter. Nothing in this section
27 prohibits a corporation from qualifying as a domestic bank holding
28 company as provided in (b) of this section. However, when it becomes a
29 bona fide necessity to avoid loss for a creditor corporation to accept

1 shares of stock in the regulated corporation in payment of indebtedness
2 owing to the creditor corporation, shares of stock may be so accepted,
3 but in this case the shares of the regulated corporation shall be dis-
4 posed of in accordance with regulations of the commissioner [OF COMMERCE].

5 (b) A domestic bank holding company, as defined in sec. 540 of
6 this chapter organized under AS 10.05, which maintains its principal
7 office and place of business in this state and conducts its principal
8 operations in this state may acquire and own all or any portion of the
9 voting shares or other capital stock of, or all or substantially all of
10 the assets of, a corporation which is subject to the regulations of the
11 commissioner [OF COMMERCE] under the provisions of this chapter. The
12 holding company may be required to post a bond in an amount equal to the
13 par value of the stock held by it with the commissioner [OF COMMERCE]
14 under the conditions he may prescribe to assure full protection to the
15 public. The holding company shall be subject to an examination by the
16 commissioner [OF COMMERCE] or a competent person designated by him when
17 the commissioner considers it necessary, but not less than once each
18 year. The actual cost of each examination shall be paid to the commis-
19 sioner by the holding company examined, and the commissioner may main-
20 tain an action for the recovery of this cost in court.

21 (c) The commissioner [OF COMMERCE] may promulgate regulations
22 regulating domestic bank holding companies to insure financially sound
23 banking organization and practice.

24 * Sec. 19. AS 06.05.540(5) and (8) are amended to read:

25 (5) "commissioner" means the commissioner of commerce and
26 economic development;

27 (8) "department" means the Department of Commerce and
28 Economic Development;

29 * Sec. 20. AS 06.10.030 is amended to read:

1 Sec. 06.10.030. FILING STATEMENT. Prior to engaging in this
2 state in any of the activities specified in sec. 20 of this chapter, a
3 foreign bank shall execute and file with the commissioner of commerce
4 and economic development a statement. The statement shall list its
5 name, state of incorporation or organization and principal place of
6 business and shall appoint irrevocably the commissioner of commerce and
7 economic development and his successors its agents upon whom may be
8 served process against it in any proceeding or cause of action arising
9 out of its engaging in this state in any of the activities referred to
10 in the preceding section. Until the statement is filed the immunities
11 provided by this chapter do not become operative, but failure to file
12 the statement has no other effect.

13 * Sec. 21. AS 06.15.010 is amended to read:

14 Sec. 06.15.010. DECLARATION OF POLICY. In providing authority for
15 the establishment of mutual savings banks it is the intent of the
16 legislature to make available the benefits of mutual savings banking,
17 thereby encouraging the practice of thrift and promoting the accumulation
18 of funds for investment to develop the economy. For the accomplishment
19 of these purposes, the legislature intends by this chapter to vest in
20 mutual banks those powers generally possessed by state-chartered mutual
21 savings banks and to grant authority to the Department of Commerce and
22 Economic Development to define powers and to promulgate rules and regu-
23 lations designed to enable mutual savings banks to perform their func-
24 tions and to carry out the above purposes, subject to the provisions of
25 the Alaska Banking Code (AS 06.05) which are not inconsistent with this
26 chapter.

27 * Sec. 22. AS 06.15.370(1) is amended to read:

28 (1) "department" means the Department of Commerce and
29 Economic Development;

1 * Sec. 23. AS 06.20.010 is amended to read:

2 Sec. 06.20.010. LICENSE REQUIRED. No person may engage in the
3 business of making loans of money, credit, goods, or things in action in
4 the amount or of the value of \$1,500 or less and charge, contract for,
5 or receive on the loan a greater rate of interest, discount, or consider-
6 ation than the lender would be permitted by law to charge if he were not
7 a licensee hereunder, except as authorized by this chapter and without
8 first obtaining a license from the Department of Commerce and Economic
9 Development, hereinafter called the department.

10 * Sec. 24. AS 06.25.020(3) is amended to read:

11 (3) One copy, together with a certified copy of the bylaws of
12 the trust company, is filed with the department [DEPARTMENT OF COMMERCE].

13 * Sec. 25. AS 06.25.030 is amended to read:

14 Sec. 06.25.030. AMENDMENT OF ARTICLES OF INCORPORATION. A trust
15 company may amend its articles of incorporation in any manner not incon-
16 sistent with this chapter by a vote of its stockholders representing
17 two-thirds of the capital stock at a regular meeting or at a special
18 meeting called for that purpose. A certificate of the fact and terms
19 of amendment shall be executed in quadruplicate by a majority of the
20 directors and filed in the same manner as the original articles. A
21 reduction of capital stock may not be made to an amount less than is
22 required in this chapter for capital, and no reduction is valid, or
23 warrants the cancellation of stock certificates, or diminishes the
24 liability of stockholders until the reduction is approved in writing by
25 the department [DEPARTMENT OF COMMERCE].

26 * Sec. 26. AS 06.25.050(a)(1), (2), (3) and (4) are amended to read:

27 (1) All of the capital stock shall be fully paid in cash, and
28 the affidavit of the president and treasurer, or the president and
29 cashier of the trust company, setting forth the fact that it has been

1 paid, subscribed and sworn to before some person authorized to administer
2 oaths, shall be filed with the department [DEPARTMENT OF COMMERCE].

3 (2) A complete and correct list of stockholders, showing the
4 name, address, and the amount of stock held by each, verified by the
5 oath of the president and treasurer or president and cashier, or by oath
6 of any two officers of the trust company, shall be filed with the
7 department [DEPARTMENT OF COMMERCE].

8 (3) A deposit of securities shall be made with the Department
9 of Revenue as provided by this chapter and the regulations of the
10 Department of Commerce and Economic Development.

11 (4) A certificate of authority is issued by the department
12 [DEPARTMENT OF COMMERCE] to the trust company, authorizing it to engage
13 in business.

14 * Sec. 27. AS 06.25.060 is amended to read:

15 Sec. 06.25.060. PENALTY FOR FALSE REPRESENTATION. Any person who
16 makes or subscribes an affidavit required by sec. 50 of this chapter
17 which is false, or who makes, prepares or submits or files with the
18 department [DEPARTMENT OF COMMERCE] a list of the stockholders which is
19 incorrect, incomplete or false, or who wilfully aids, abets, procures,
20 encourages or induces another to make or subscribe to a false affidavit,
21 or to make, prepare, submit or file an incorrect, incomplete or false
22 list, is guilty of a felony and upon conviction is punishable by a fine
23 of not less than \$1,000 nor more than \$5,000, or by imprisonment for not
24 less than one year nor more than five years, or by both.

25 * Sec. 28. AS 06.25.080 is amended to read:

26 Sec. 06.25.080. POWERS UNDER GENERAL CORPORATION LAW. Subject to
27 the limitations of law and regulations of the department [DEPARTMENT OF
28 COMMERCE], a trust company has the powers conferred by the general
29 corporation laws of the state.

1 * Sec. 29. AS 06.25.100 is amended to read:

2 Sec. 06.25.100. BANKING PRIVILEGES. A trust company may discount
3 and negotiate promissory notes, drafts, bills of exchange and other
4 evidences of indebtedness, buy and sell exchange, coin, and bullion,
5 lend money on real or personal securities, and receive deposits of money,
6 securities or other personal property from any person or corporation
7 upon any terms which the trust company may prescribe and which are not
8 in violation of the laws of the state or the regulations of the depart-
9 ment [DEPARTMENT OF COMMERCE].

10 * Sec. 30. AS 06.25.110 is amended to read:

11 Sec. 06.25.110. DEALING IN REAL ESTATE. A trust company may
12 lease, hold, purchase and convey real property necessary in the trans-
13 action of its business or which the purposes of the corporation may
14 require or which it acquires in satisfaction of debts due, to secure
15 debts, or through sales under any judgment, decree or mortgage held by
16 it, and the real estate shall be held, managed and disposed of as pro-
17 vided in sec. 240 of this chapter and the regulations of the department
18 [DEPARTMENT OF COMMERCE].

19 * Sec. 31. AS 06.25.220 is amended to read:

20 Sec. 06.25.220. LAW GOVERNING. The powers specified in secs. 80 -
21 210 of this chapter shall be exercised under restrictions, rules and
22 regulations promulgated by the department [DEPARTMENT OF COMMERCE] for
23 the regulation of trust companies.

24 * Sec. 32. AS 06.25.230 is amended to read:

25 Sec. 06.25.230. DEPOSIT OF SECURITIES WITH DEPARTMENT OF REVENUE.
26 A trust company shall keep on deposit with the Department of Revenue
27 interest [AND] or dividend bearing stocks or bonds of the United States
28 or of the State of Alaska, or of any city of this state, or such other
29 interest [AND] or dividend bearing stocks, bonds or securities approved

1 by the Department of Commerce and Economic Development, in value of 20
2 per cent of its capital stock. The securities so deposited may not be of
3 less value than \$5,000. The securities shall be registered in the name
4 of the Department of Revenue, in trust for the creditors of and deposi-
5 tors with the trust company, subject to sale and transfer and to the
6 disposal of the proceeds thereof, by the Department of Revenue, only on
7 the order of a court of competent jurisdiction. The trust company, so
8 long as it continues solvent and complies with the laws of the state,
9 may be permitted by the Department of Commerce and Economic Development
10 to collect the interest and dividends on the securities and from time to
11 time exchange the securities for others of equal value. All securities
12 before they may be accepted by the Department of Revenue for filing
13 under this section shall be approved by the Department of Commerce and
14 Economic Development. A trust company that is a member of the Federal
15 Deposit Insurance Corporation or whose deposits are insured in whole or
16 in part by an agency of the United States is exempt from the requirements
17 of this section.

18 * Sec. 33. AS 06.25.240(b)(2) is amended to read:

19 (2) the department [DEPARTMENT OF COMMERCE], upon written
20 application by the board of directors of the trust company, extends the
21 time within which the sale may be made.

22 * Sec. 34. AS 06.25.270(a) is amended to read:

23 (a) Whenever the department [DEPARTMENT OF COMMERCE] makes demand
24 upon a trust company to make good an impairment of capital, the directors
25 of the trust company shall immediately serve notice of the demand and
26 the amount of the assessment upon each stockholder by a written or
27 printed notice mailed to each stockholder at his place of residence or
28 served upon him personally.

29 * Sec. 35. AS 06.25.280(b) is amended to read:

1 (b) Directors shall be elected by the stockholders and hold office
2 for one year or until their successors are elected and qualified. A
3 majority of the board of directors shall be bona fide residents of the
4 state and a majority constitutes a quorum for the transaction of busi-
5 ness. The first board of directors shall be elected at the meeting held
6 before the trust company is authorized by the department [DEPARTMENT OF
7 COMMERCE] to do business, and thereafter at the annual meeting of the
8 stockholders, which shall be held at the times and places designated in
9 the bylaws. If for any reason no election is held at the times and
10 places designated in the bylaws, an election may be held at an adjourned
11 meeting or at a subsequent special meeting called for that purpose.
12 Notice of the special meeting shall be given in the manner prescribed in
13 this chapter or the bylaws of the trust company. At all meetings of the
14 stockholders each share is entitled to one vote and any stockholder may
15 vote by proxy in writing duly executed by him.

16 * Sec. 36. AS 06.25.300 is amended to read:

17 Sec. 06.25.300. OATH OF DIRECTORS. Each director shall take an
18 oath that he will, so far as his duty devolves of him, diligently and
19 honestly administer the affairs of the trust company, and will not
20 knowingly violate, or willingly permit to be violated, any provision of
21 law applicable to the trust company, and that he is the owner in good
22 faith and in his own right of at least the number of shares of stock
23 required by sec. 280 of this chapter, subscribed by him or standing in
24 his name on the books of the trust company and that the stock is not
25 hypothecated, or in any way pledged as security for any loan or debt,
26 and, in case of re-election or reappointment, that the stock was not
27 hypothecated, or in any way pledged as security for any loan or debt
28 during his previous term. The oath shall be subscribed by the director
29 and certified by an officer authorized by law to administer oaths, and

1 immediately filed with the department [DEPARTMENT OF COMMERCE].

2 * Sec. 37. AS 06.25 is amended by adding a new section to read:

3 ARTICLE 4. GENERAL PROVISIONS.

4 Sec. 06.25.350. DEFINITIONS. In this chapter, "department" means
5 the Department of Commerce and Economic Development.

6 * Sec. 38. AS 06.30.005 is amended to read:

7 Sec. 06.30.005. DIVISION OF SAVINGS ASSOCIATION. There is created
8 a division of savings associations in the Department of Commerce and
9 Economic Development. The commissioner of commerce and economic
10 development shall administer the division. The commissioner may appoint
11 a director of savings associations to act under his direction.

12 * Sec. 39. AS 08.01.050 is amended to read:

13 Sec. 08.01.050. ADMINISTRATIVE DUTIES OF DEPARTMENT. The Depart-
14 ment of Commerce and Economic Development shall provide the following
15 administrative and budgetary services for the boards:

- 16 (1) collect fees and issue receipts;
- 17 (2) maintain records and files;
- 18 (3) issue and receive application forms;
- 19 (4) notify applicants of acceptance or rejection of appli-
20 cants as determined by the board;
- 21 (5) designate dates examinations are to be held and notify
22 applicants;
- 23 (6) publish notice of examination;
- 24 (7) arrange space for holding examinations;
- 25 (8) notify applicants of results of examinations;
- 26 (9) issue licenses and certificates or temporary licenses or
27 certificates as authorized by the board;
- 28 (10) issue duplicate licenses or certificates upon proof of
29 loss of the original and payment of a fee of \$2;

1 (11) notify licensees of renewal dates at least 30 days before
2 the expiration date of their licenses;

3 (12) compile and maintain current a register of licenses;

4 (13) answer routine inquiries;

5 (14) maintain files relating to individual licensees;

6 (15) arrange for printing and advertising;

7 (16) purchase supplies;

8 (17) employ secretarial help when needed;

9 (18) perform other services which may be requested by the
10 board.

11 * Sec. 40. AS 08.01.110(2) is amended to read:

12 (2) "department" means the Department of Commerce and
13 Economic Development.

14 * Sec. 41. AS 08.18.171(1) is amended to read:

15 (1) "commissioner," unless the text reads otherwise, means
16 the commissioner of the Department of Commerce and Economic Development;

17 * Sec. 42. AS 08.24.011 is amended to read:

18 Sec. 08.24.011. COLLECTION AGENCY BOARD. There is created a Col-
19 lection Agency Board consisting of three members, two of whom shall be
20 appointed by the governor. The board shall consist of two persons en-
21 gaged in the collection agency business within the state and licensed
22 under this chapter. The third member shall be designated by the commis-
23 sioner of commerce and economic development from his staff.

24 * Sec. 43. AS 08.24.160 is amended to read:

25 Sec. 08.24.160. FORM OF BOND. The bond required by secs. 140 and
26 150 of this chapter shall be in the form substantially as follows:

27 BOND

28 Know all Men by These Presents that we,....., as
29 principal, and.....as surety, are held and firmly bound to

1 the State of Alaska, in the penal sum of \$....., lawful money
2 of the United States, for the payment of which we bind ourselves,
3 our heirs, executors, administrators, successors and assigns
4 jointly and severally.

5 The condition of this obligation is such that whereas, the
6 bonded principal, named above, has applied to the Department of
7 Commerce and Economic Development of the State of Alaska for a
8 collection agency license under the provisions of AS 08.24
9 and is required by the provisions of that law to furnish a bond
10 conditioned as herein set out.

11 Now, therefore, if....., within 30 days after the
12 close of each fiscal or calendar month, reports and pays to
13 customers the net proceeds due and payable of all collections
14 made during that calendar or fiscal month which exceed \$20,
15 and strictly, honestly and faithfully complies with the provi-
16 sions of AS 08.24 and all amendments to it and regulations
17 adopted under it, then this obligation is void, otherwise to
18 remain in full force and effect.

19 This bond becomes effective on the day of.....,
20 19.... . The surety may be relieved of future liability under
21 it by giving 60 days' written notice to the principal and to
22 the Department of Commerce and Economic Development of the State
23 of Alaska.

24 This bond is one continuing obligation and the liability
25 of the surety for the aggregate of all claims which may arise
26 under it may in no event exceed the amount of the penalty set
27 out in it.

28 IN WITNESS WHEREOF we have hereunto set our hands and
29 seals at, Alaska, this day of, 19... .

1 (SEAL)Principal

2 (SEAL)Surety

3 * Sec. 44. AS 08.24.210 is amended to read:

4 Sec. 08.24.210. ANNUAL STATEMENT OF COLLECTION. Each collection
5 agency licensee shall, not later than January 31 of each calendar year,
6 file with the department a verified annual statement for the preceding
7 calendar year, showing the respective amounts of all customers' money
8 collected by the licensee during the preceding calendar year, which has
9 not previously been remitted to the customers entitled to it or properly
10 accounted for, and showing also the amounts of money which the licensee
11 has on deposit in a bank or in the licensee's possession for the purpose
12 of liquidating any and all amounts due to customers. The statement
13 shall contain the name and address of the bank. The annual statement
14 shall be made substantially in the following form:

15 ANNUAL STATEMENT TO DEPARTMENT OF COMMERCE
16 AND ECONOMIC DEVELOPMENT

17 Pursuant to AS 08.24.210 the undersigned,,
18 licensed under AS 08.24 to conduct a collection agency business,
19 hereby declares that the amount of money collected during the
20 preceding calendar year by the undersigned, as a licensee
21 under AS 08.24, which has not been remitted to a customer or
22 properly accounted for is \$.....; and that the amount on de-
23 posit with all banks for the purpose of liquidating all amounts
24 to customers is \$..... .

25 The attached schedule contains a true statement of the name
26 and address of each customer of the undersigned to whom there
27 was due or owing at the end of the preceding calendar year on
28 account of collections made during the preceding calendar year
29 the aggregate sum of \$20 or more.

1 IN WITNESS WHEREOF, the undersigned has executed this
2 statement on this day of, 19.... .

3 (name of licensee)

4 (signature)

5 (capacity)

6 VERIFICATION

7 STATE OF ALASKA)

8 ss

9 THIRD DISTRICT)

10 I, the undersigned, being first sworn, do on oath depose
11 and say: That I executed the within annual statement as the
12 licensee named in it or on behalf of the licensee named in it,
13 as the operator, director, or officer of the licensee named in it,
14 as indicated in it; that I have read the statement and know
15 its contents; and that the statement is true.

16

17 Subscribed and sworn to before me this day of
18, 19

19 Notary Public in and for Alaska

20 My commission expires:

21 * Sec. 45. AS 08.24.380(2) is amended to read:

22 (2) "department" means the Department of Commerce and
23 Economic Development;

24 * Sec. 46. AS 08.48.071(a) is amended to read:

25 (a) The following record of the board's proceedings and of all
26 applications for registration or authorization shall be kept by the
27 Department of Commerce and Economic Development under AS 08.01.050:

28 (1) the name, age and last known address of each applicant;

29 (2) the date of application;

- 1 (3) the place of business of the applicant;
2 (4) the education, experience and other qualifications;
3 (5) the type of examination required;
4 (6) whether or not the applicant was rejected;
5 (7) whether or not a certificate of registration or authori-
6 zation was granted or endorsed;
7 (8) the date of the action of the board;
8 (9) other action taken by the board;
9 (10) other information which may be considered necessary by
10 the board.

11 * Sec. 47. AS 08.54.200(e) is amended to read:

12 (e) If the board revokes a license it shall notify the Department
13 of Revenue, and the person whose license has been revoked shall return
14 the license to the Department of Commerce and Economic Development.

15 * Sec. 48. AS 08.62.200(2) and (3) are amended to read:

16 (2) "commissioner" means the commissioner of the Department
17 of Commerce and Economic Development;

18 (3) "department" means the Department of Commerce and
19 Economic Development;

20 * Sec. 49. AS 08.68.111(a) is amended to read:

21 (a) The Department of Commerce and Economic Development, in con-
22 sultation with the Board of Nursing, shall employ a licensed, registered
23 nurse, who is not a member of the board, to serve as executive officer
24 of the board.

25 * Sec. 50. AS 08.70.090 is amended to read:

26 Sec. 08.70.090. APPLICATION. Applicants shall file applications
27 with the Department of Commerce and Economic Development on forms pro-
28 vided by the department. Information requested on the forms shall be
29 given under oath.

1 * Sec. 51. AS 08.70.180(2) is amended to read:

2 (2) "department" means the Department of Commerce and
3 Economic Development;

4 * Sec. 52. AS 08.71.240(2) is amended to read:

5 (2) "department" means the Department of Commerce and
6 Economic Development;

7 * Sec. 53. AS 08.72.300(6) is amended to read:

8 (6) "department" means the Department of Commerce and
9 Economic Development.

10 * Sec. 54. AS 08.84.100(a) is amended to read:

11 (a) A registered physical therapist or physical therapy assistant
12 shall renew his registration biennially with the Department of Commerce
13 and Economic Development on or before the date set by the department
14 under AS 08.01.100(a). If the registration is not renewed on or before
15 that date, it lapses.

16 * Sec. 55. AS 08.86.230(4) is amended to read:

17 (4) "department" means the Department of Commerce and
18 Economic Development;

19 * Sec. 56. AS 08.88.031 is amended to read:

20 Sec. 08.88.031. EXECUTIVE SECRETARY OF COMMISSION. The commis-
21 sioner of commerce and economic development shall appoint a full-time
22 staff administrator and delineate his authority and duties. He shall
23 serve as the executive secretary of the Real Estate Commission.

24 * Sec. 57. AS 08.88.061 is amended to read:

25 Sec. 08.88.061. ASSISTANTS. The commission, with the approval of
26 the commissioner of commerce and economic development, may employ
27 assistants to

28 (1) prepare questions on examinations;

29 (2) grade examinations;

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(3) investigate alleged violations of this chapter.

* Sec. 58. AS 08.88.431(3) is amended to read:

(3) "department" means the Department of Commerce and Economic Development;

* Sec. 59. AS 08.98.030 is amended to read:

Sec. 08.98.030. EXECUTIVE SECRETARY OF BOARD. The commissioner of commerce and economic development is the executive secretary of the board.

* Sec. 60. AS 08.98.250(3) is amended to read:

(3) "department" means the Department of Commerce and Economic Development.

* Sec. 61. AS 10.05.051(b) is amended to read:

(b) If the commissioner [OF COMMERCE] finds that the verified statement complies with this chapter, he shall file it in his office. The change becomes effective when the statement is filed.

* Sec. 62. AS 10.05.825(1) and (3) are amended to read:

(1) "commissioner" means the commissioner of commerce and economic development;

(3) "department" means the Department of Commerce and Economic Development;

* Sec. 63. AS 10.10.010 is amended to read:

Sec. 10.10.010. INCORPORATORS. Three or more persons, who are residents of this state, who desire to create an industrial development corporation under this chapter for the purpose of promoting, developing, and advancing the prosperity and economic welfare of the state and, to that end, to exercise the powers and privileges provided in this chapter, may be incorporated by filing articles of incorporation in the office of the commissioner [OF COMMERCE] as provided in this chapter.

* Sec. 64. AS 10.10.020 is amended to read:

1 Sec. 10.10.020. ASSISTANCE OF COMMISSIONER [OF ECONOMIC DEVELOP-
2 MENT]. The commissioner [OF ECONOMIC DEVELOPMENT] shall assist the
3 incorporators in forming the corporation and shall meet with and advise
4 the corporation's board of directors.

5 * Sec. 65. AS 10.10.030(b) and (c) are amended to read:

6 (b) The articles of incorporation shall be in writing subscribed
7 by not less than three natural persons competent to contract and acknow-
8 ledged by each of the subscribers before an officer authorized to take
9 acknowledgments and filed in duplicate originals in the office of the
10 commissioner [OF COMMERCE] for approval.

11 (c) The commissioner [OF COMMERCE] may not approve articles of
12 incorporation for a corporation organized under this chapter until a
13 total of at least seven financial institutions authorized to do business
14 within this state have agreed in writing to become members of the cor-
15 poration, and the agreement in writing is filed with the commissioner
16 [OF COMMERCE] together with the articles of incorporation. When the
17 articles of incorporation have been filed in the office of the commis-
18 sioner [OF COMMERCE] and approved by him, he shall

19 (1) endorse on each duplicate original the word "filed," and
20 the date of the filing;

21 (2) file one duplicate original in his office;

22 (3) issue a certificate of incorporation and affix the other
23 duplicate original to it;

24 (4) return to the incorporators or their representative the
25 certificate of incorporation, together with the duplicate original of
26 the articles of incorporation affixed.

27 * Sec. 66. AS 10.10.040(8) is amended to read:

28 (8) to cooperate with and avail itself of the facilities of
29 the United States Department of Commerce, the state Department of

1 Commerce and Economic Development, and any other state or federal
2 governmental agencies; and to cooperate with and assist, and otherwise
3 encourage organizations in the various communities of the state in the
4 promotion, assistance, and development of the business prosperity and
5 economic welfare of such communities or of this state or of any part of
6 the state;

7 * Sec. 67. AS 10.10.110(b) and (c) are amended to read:

8 (b) Within 30 days after a meeting at which an amendment of the
9 articles of incorporation has been adopted, articles of amendment signed
10 and sworn to by the president, treasurer, and a majority of the direc-
11 tors, setting out the amendment and adoption of the amendment, shall be
12 submitted in duplicate originals to the commissioner [OF COMMERCE] who
13 shall examine them, and if he finds that they conform to the require-
14 ments of this chapter, shall

15 (1) endorse on each duplicate original the word "filed," and
16 the date of the filing;

17 (2) file one duplicate original in his office;

18 (3) issue a certificate of amendment and affix the other
19 duplicate original to it;

20 (4) return to the corporation or its representative the
21 certificate of amendment, together with the duplicate articles of amend-
22 ment affixed.

23 (c) Upon the issuance of a certificate of amendment by the commis-
24 sioner [OF COMMERCE], the amendment becomes effective.

25 * Sec. 68. AS 10.10.210 is amended by adding a new paragraph to read:

26 (6) "commissioner" means the commissioner of commerce and
27 economic development.

28 * Sec. 69. AS 10.15.595(3) and (7) are amended to read:

29 (3) "commissioner" means the commissioner of commerce and

1 economic development;

2 (7) "department" means the Department of Commerce and
3 Economic Development;

4 * Sec. 70. AS 10.20.036(b) is amended to read:

5 (b) If the commissioner [OF COMMERCE] finds that the verified
6 statement complies with this chapter, he shall file it in his office.
7 The change becomes effective when the statement is filed.

8 * Sec. 71. AS 10.20.720(1) and (3) are amended to read:

9 (1) "commissioner" means commissioner of commerce and
10 economic development;

11 (3) "department" means the Department of Commerce and
12 Economic Development;

13 * Sec. 72. AS 10.25.640(1) is amended to read:

14 (1) "commissioner" means the commissioner of commerce and
15 economic development;

16 * Sec. 73. AS 10.35.090(1) is amended to read:

17 (1) "commissioner" means the commissioner of commerce and
18 economic development;

19 * Sec. 74. AS 10.40.030 is amended to read:

20 Sec. 10.40.030. FILING OF ARTICLES OF INCORPORATION. One copy of
21 the articles shall be filed with the Department of Commerce and
22 Economic Development; one copy shall be filed in the office of the clerk
23 of the superior court in the judicial district in which the principal
24 place of business of the corporation is to be located; and one copy
25 shall be retained by the corporation. Each copy filed shall be recorded
26 in a book kept for that purpose.

27 * Sec. 75. AS 10.40.090 is amended to read:

28 Sec. 10.40.090. FILING IMPRESSION OF SEAL. An impression of the
29 corporate seal shall be filed with the Department of Commerce and

1 Economic Development.

2 * Sec. 76. AS 10.45.010(a) is amended to read:

3 (a) One or more persons each of whom is licensed to render a pro-
4 fessional service in this state may incorporate a professional corpora-
5 tion by filing articles of incorporation with the Department of Commerce
6 and Economic Development. The articles shall meet the requirements of
7 the Alaska Business Corporation Act (AS 10.05) and, in addition, shall
8 include

9 (1) the name of the profession to be practiced by the corpora-
10 tion;

11 (2) the names and addresses of all original shareholders,
12 directors, and officers;

13 (3) the address where the professional corporation will have
14 its office.

15 * Sec. 77. AS 18.45.030(6) is amended to read:

16 (6) the Department of Commerce and Economic Development parti-
17 cularly as to the insurance of persons and property from hazards to life
18 and property resulting from atomic development;

19 * Sec. 78. AS 18.56.020 is amended to read:

20 Sec. 18.56.020. ALASKA HOUSING FINANCE CORPORATION. The Alaska
21 Housing Finance Corporation is a public corporation and government in-
22 strumentality within the Department of Commerce and Economic Development
23 but having a legal existence independent of and separate from the state.
24 The corporation may not be terminated as long as it has bonds, notes or
25 other obligations outstanding. Upon termination of the corporation, its
26 rights and property pass to the state.

27 * Sec. 79. AS 18.56.030 is amended to read:

28 Sec. 18.56.030. CORPORATION GOVERNING BODY. The corporation shall
29 be governed by a board of directors, consisting of the commissioner of

1 commerce and economic development and six members appointed by the
2 governor. Members serve without compensation except that each member
3 may be reimbursed by the corporation for actual and necessary expenses
4 at the same rate as set out in AS 39.20.180.

5 * Sec. 80. AS 23.15.617(a)(4) is amended to read:

6 (4) the commissioner of commerce and economic development or
7 his representative;

8 * Sec. 81. AS 37.15.110 is amended to read:

9 Sec. 37.15.110. CREATION AND MEMBERSHIP OF STATE BOND COMMITTEE.
10 There is created a committee known as the "state bond committee," the
11 members of which are the commissioner of commerce and economic
12 development, the commissioner of administration, and the commissioner of
13 revenue. If a member of the committee is absent or otherwise unable to
14 act, his designee in the department shall act as a member of the com-
15 mittee in his place.

16 * Sec. 82. AS 37.15.130 is amended to read:

17 Sec. 37.15.130. OFFICERS, RECORDS AND PROCEEDINGS. The commis-
18 sioner of commerce and economic development is the chairman of the state
19 bond committee and the commissioner of revenue is the secretary. A
20 majority of the members of the committee constitute a quorum. The com-
21 mittee shall keep a full, complete, and permanent record of its
22 proceedings. All records and correspondence of the committee shall be
23 kept in the office of the commissioner of revenue.

24 * Sec. 83. AS 42.05.010 is amended to read:

25 Sec. 42.05.010. ALASKA PUBLIC UTILITIES COMMISSION CREATED. There
26 is created within the Department of Commerce and Economic Development
27 the Alaska Public Utilities Commission.

28 * Sec. 84. AS 42.05.351 is amended to read:

29 Sec. 42.05.351. TESTING OF APPLIANCES. The commission shall pro-

1 vide for the examination and testing of appliances used for the
2 measuring of a service of a public utility and may purchase equipment,
3 apparatus, and standards required for this purpose. The commissioner of
4 commerce and economic development may assign the examination and testing
5 function to the section of weights and measures. Upon the payment of a
6 reasonable fee established by the commission, a consumer may have the
7 appliance, which is used by him, tested. The commission shall establish
8 by regulation allowable tolerances with respect to the functioning or
9 operation of the appliance. If the measuring appliance does not perform
10 within these tolerances, the utility concerned shall pay the costs of
11 the test by reimbursing the person requesting the test for the fee paid
12 by him. This reimbursement shall be made no later than at the time of
13 the next regular billing following the test.

14 * Sec. 85. AS 42.06.020 is amended to read:

15 Sec. 42.06.020. ALASKA PIPELINE COMMISSION CREATED. There is
16 created within the Department of Commerce and Economic Development the
17 Alaska Pipeline Commission, to regulate pipeline facilities and pipeline
18 carriers. to regulate the access of information concerning pipeline
19 facilities and carriers to this state, and to represent the interests of
20 the state in any proceedings relating to them as provided for in this
21 chapter.

22 * Sec. 86. AS 42.07.011(a) is amended to read:

23 (a) There is created the Alaska Transportation Commission within
24 the Department of Commerce and Economic Development. The commission
25 consists of three members appointed by the governor and confirmed by the
26 legislature in joint session.

27 * Sec. 87. AS 43.25.050(a) is amended to read:

28 (a) The commissioner of commerce and economic development [AND
29 PLANNING] shall appoint the personnel necessary to carry out this chap-

1 ter. The commissioner shall make arrangements for such public hearings
2 as he considers necessary and shall require an applicant for tax exemp-
3 tion to present evidence that will justify the exemption.

4 * Sec. 88. AS 43.25.150(a)(2) is amended to read:

5 (2) "department" means Department of Commerce and Economic
6 Development;

7 * Sec. 89. AS 43.26.010 is amended to read:

8 Sec. 43.26.010. TAX CREDITS AUTHORIZED. (a) A person who has
9 established and owns or proposes to establish and own an eligible
10 business is entitled to a tax credit not to exceed 50 per cent of the
11 value of the investment made in the business as of the date it commenced
12 operation. The grant of tax credit shall be effective for a period,
13 established by the commissioner of commerce and economic development, not
14 to exceed 10 years from the date of grant and shall be applied against
15 the amount of certain taxes, as determined by the department, due the
16 state during that period as a result of the development, organization,
17 construction, establishment and operation of the specific business for
18 which the credit is granted. The unused portion of a tax credit author-
19 ized under this chapter shall be forfeited at the expiration of the
20 period of credit for which the grant was made. Only one grant of tax
21 credit shall be made for an eligible business, irrespective of transfer
22 of the business or other circumstances. If a tax for which credit is
23 given under this chapter produces revenue shared with local political
24 subdivisions, the state shall pay to any affected subdivision the amount
25 of revenue it would receive had the tax credit not been given.

26 (b) The commissioner of commerce and economic development may by
27 regulation classify and exclude from investments qualifying for tax
28 credit under this chapter investments in an eligible business which are
29 not of substantial benefit to the state in furthering the purposes of

1 industrial development. Adoption, amendment or modification of
2 regulations under this subsection is not subject to the procedural
3 requirements of AS 44.62.180 - 44.62.290.

4 * Sec. 90. AS 43.26.040(a) is amended to read:

5 (a) The commissioner of commerce and economic development shall
6 appoint the personnel necessary to carry out this chapter. The commis-
7 sioner shall make arrangements for such public hearings as he considers
8 necessary and shall require an applicant for a tax credit to present
9 evidence that will justify the credit.

10 * Sec. 91. AS 43.26.095(a)(2) is amended to read:

11 (2) The department shall set up procedures to be followed by
12 the person seeking tax credit status under this section and shall certi-
13 fy to the Department of Commerce and Economic Development those persons
14 qualifying for this status. In no case may the Department of Commerce
15 and Economic Development grant tax credit status to a person coming
16 under the provisions of this section without first receiving certifica-
17 tion from the department nor continue this status after revocation of
18 certification by the department.

19 * Sec. 92. AS 43.26.100(1) is amended to read:

20 (1) "department" means the Department of Commerce and
21 Economic Development, except as provided in sec. 95 of this chapter;

22 * Sec. 93. AS 43.26.100(2)(A) is amended to read:

23 (A) an industrial unit having as its object the produc-
24 tion on a commercial scale in the state of a manufactured product
25 which was not produced on a commercial scale before July 1, 1968,
26 and for which there were on that date in the same competitive area
27 in the state as defined by the commissioner of commerce and econo-
28 mic development, no production facilities capable of the production
29 of that manufactured product on a commercial scale;

1 * Sec. 94. AS 44.15.010(8) is amended to read:

2 (8) Department of Commerce and Economic Development

3 * Sec. 95. AS 44.33.010 is amended to read:

4 Sec. 44.33.010. COMMISSIONER OF COMMERCE AND ECONOMIC DEVELOPMENT.

5 The principal executive officer of the Department of Commerce and
6 Economic Development is the commissioner of commerce and economic
7 development.

8 * Sec. 96. AS 44.33.020 is amended to read:

9 Sec. 44.33.020. DUTIES OF DEPARTMENT. The Department of Commerce
10 and Economic Development shall

11 (1) administer the state programs relating to commerce, en-
12 force the laws relating to these programs, and adopt regulations under
13 these laws;

14 (2) register corporations;

15 (3) collect corporation franchise taxes;

16 (4) enforce state laws regulating public utilities and other
17 public service enterprises, banking and securities, insurance, and other
18 businesses and enterprises touched with a public interest;

19 (5) make veterans' loans;

20 (6) inspect weights and measures;

21 (7) promote and develop civil aviation; [AND]

22 (8) furnish the budgeting, clerical and administrative ser-
23 vices for regulatory agencies and professional and occupational licensing
24 boards not otherwise provided for;

25 (9) operate motor vehicle weighing stations and enforce high-
26 way weight and load limitations;

27 (10) Repealed by Executive Order No. 33 (1968);

28 (11) before the commencement of each calendar quarter, furnish
29 lending institutions, title insurance companies, mortgage companies and

1 clerks of the respective superior courts with the 12th Federal Reserve
2 District discount rate which is to be used during that calendar quarter
3 for computing the maximum rate of interest under AS 45.45.010(b);

4 (12) conduct studies, enter into contracts and agreements, and
5 make surveys relating to the economic development of the state and,
6 when appropriate, assemble, analyze, and disseminate the findings ob-
7 tained;

8 (13) provide factual information and technical assistance for
9 potential industrial and commercial investors;

10 (14) receive gifts, grants, and other aid that facilitate the
11 powers and duties of the department from agencies and instrumentalities
12 of the United States or other public or private sources;

13 (15) establish and activate programs to achieve balanced
14 economic development in the state and advise the governor on economic
15 development policy matters;

16 (16) formulate a continuing program for basic economic
17 development and for the necessary promotion, planning and research which
18 will advance the economic development of the state;

19 (17) cooperate with private, governmental and other public
20 institutions and agencies in the execution of economic development pro-
21 grams;

22 (18) review the programs and annual reports of other depart-
23 ments and agencies as they are related to economic development and pre-
24 pare an annual report on the economic growth of the state;

25 (19) administer the economic development programs of the
26 state;

27 (20) perform all other duties and powers necessary or proper
28 in relation to economic development and planning for the state.

29 * Sec. 97. AS 44.33.030 is amended to read:

1 Sec. 44.33.030. SECTION OF POWER DEVELOPMENT IN DEPARTMENT OF
2 COMMERCE AND ECONOMIC DEVELOPMENT. There is a section of power develop-
3 ment in the Department of Commerce and Economic Development to conserve,
4 develop, and use the water and other electric power resources of the
5 state, to make an abundant supply of electric power and energy available
6 to the people of the state at the lowest possible rates compatible with
7 sound business principles, and to promote and extend the use of electric
8 power and energy in the state for industrial, agricultural, commercial,
9 residential, and other purposes.

10 * Sec. 98. AS 44.33.060 is amended to read:

11 Sec. 44.33.060. REORGANIZATION OF SECTION OF POWER DEVELOPMENT.
12 Sections 30 and 40 of this chapter do not prevent the governor or the
13 commissioner of commerce and economic development from integrating the
14 section of power development into a different organizational pattern,
15 or authorize duplicating engineering, research or similar activities
16 conducted by other departments of the state.

17 * Sec. 99. AS 44.59.010 is amended to read:

18 Sec. 44.59.010. ALASKA STATE DEVELOPMENT CORPORATION. The Alaska
19 State Development Corporation is a public corporation of the state. The
20 corporation is an instrumentality of the state within the Department of
21 Commerce and Economic Development, but has a legal existence independent
22 of and separate from the state.

23 * Sec. 100. AS 44.59.030(a) is amended to read:

24 (a) The board consists of the commissioner of commerce and
25 economic development and six residents of the state. Members of the
26 board are appointed by the governor and they serve at his pleasure.
27 Membership on the board is on a nonpartisan basis with due regard to
28 representation from all areas of the state. At least one member shall
29 be appointed from each major senate district if, in the opinion of the

1 governor, a qualified person resides in the district. One-half of the
2 appointed members must be active in the banking business and the other
3 half must be from the other professions, but shall have extensive know-
4 ledge of financial matters.

5 * Sec. 101. AS 44.60.020 is amended to read:

6 Sec. 44.60.020. SMALL BUSINESS DEVELOPMENT CORPORATION OF ALASKA.
7 The Small Business Development Corporation of Alaska is a public corpor-
8 ation of the state. The corporation is an instrumentality of the state
9 within the Department of Commerce and Economic Development, but has a
10 legal existence independent of and separate from the state.

11 * Sec. 102. AS 44.60.040 is amended to read:

12 Sec. 44.60.040. APPOINTMENT AND COMPOSITION OF BOARD. The board
13 consists of six residents of the state none of whom may be public
14 employees or officials, and the commissioner of commerce and economic
15 development. Members of the board are appointed by the governor and
16 serve at his pleasure. Appointments to the board shall be made without
17 regard to political affiliation and shall represent the state's
18 geographic and economic interests.

19 * Sec. 103. AS 44.60.090 is amended to read:

20 Sec. 44.60.090. QUORUM AND NOTICE OF MEETINGS. Four members,
21 which may include the commissioner of commerce and economic development,
22 constitute a quorum for the transaction of business unless the bylaws
23 require a larger number, except that notice of a meeting of the board
24 must be given to each member.

25 * Sec. 104. AS 44.61.020 is amended to read:

26 Sec. 44.61.020. CREATION OF AUTHORITY. There is created the
27 Alaska Industrial Development Authority. The authority is a public
28 corporation of the state and a body corporate and politic constituting
29 a political subdivision within the Department of Commerce and Economic

1 Development, but with separate and independent legal existence.

2 * Sec. 105. AS 44.61.040 is amended to read:

3 Sec. 44.61.040. CHAIRMAN AND VICE-CHAIRMAN. The commissioner of
4 commerce and economic development is the chairman of the authority, pre-
5 sides over all meetings, and has the duties which the authority may
6 direct. A vice-chairman may be elected by the authority from among its
7 other members for one or more terms of one year each. The vice-chairman
8 presides over all meetings in the absence of the commissioner of
9 commerce and economic development and has other duties which the author-
10 ity may direct.

11 * Sec. 106. AS 44.62.330(a)(19), (21) and (38) are amended to read:

12 (19) Department of Commerce and Economic Development, under
13 Alaska Small Loans Act (AS 06.20)

14 (21) Department of Commerce and Economic Development, as to
15 functions under Alaska Banking Code (AS 06.05)

16 (38) Department of Commerce and Economic Development under the
17 Emergency Residential Rent Regulation and Control Act (AS 34.06)

18 * Sec. 107. AS 45.30.010(a) is amended to read:

19 (a) The Department of Commerce and Economic Development shall, by
20 regulations adopted under the Administrative Procedure Act (AS 44.62),
21 set minimum mobile home standards for the state at least as stringent as
22 those set out in the American National Standards Institute Code A119.1 -
23 1972 for mobile homes. The department may adopt that code by reference,
24 specifying appropriate modifications, if any, of it.

25 * Sec. 108. AS 45.55.130(1) is amended to read:

26 (1) "administrator" means the commissioner of commerce and
27 economic development or his designee;

28 * Sec. 109. AS 45.95.010(a) is amended to read:

29 (a) The Department of Commerce and Economic Development shall

1 formulate general policies and adopt regulations.

2 * Sec. 110. AS 45.95.020 is amended to read:

3 Sec. 45.95.020. SMALL BUSINESS LOANS. (a) The commissioner [OF
4 COMMERCE] shall, under regulations and policies adopted by him, make
5 small business loans to acquire, finance or refinance or equip business-
6 es, including farming equipment, mining and fishing, not exceeding
7 \$100,000. The loans shall be secured by acceptable collateral and may
8 not exceed 75 per cent of the appraised value of the collateral offered
9 as security. The rate of interest may not exceed eight per cent a year
10 on the unpaid balance.

11 (b) The commissioner [OF COMMERCE] may enter into agreements with
12 private banks, other lending institutions and individuals for the pur-
13 pose of guaranteeing loans made to qualified applicants. The guarantees
14 may not exceed 90 per cent of the amount loaned and the loans shall be
15 secured in the same manner provided for direct loans under this section.
16 A loan made under this subsection and guaranteed by the commissioner [OF
17 COMMERCE] and the state shall bear an interest rate not exceeding eight
18 per cent a year on the unpaid balance.

19 (c) No loans authorized by this section may be made unless the
20 commissioner [OF COMMERCE] is satisfied that no money is available to
21 the applicant from private lending institutions on a guaranteed basis
22 as set out in (b) of this section.

23 (d) Money loaned shall be delivered to the borrower in the form
24 of a warrant drawn on the treasury, vouchered in the manner prescribed
25 for state disbursing officers, and charged against the small business
26 revolving loan fund. Each voucher shall be approved by the commissioner
27 [OF COMMERCE] or any bonded deputy authorized to act as a certifying
28 officer. Upon repayment of loans by installments, or otherwise, in
29 accordance with the prescribed terms, or upon liquidation by foreclosure

1 or other process, or upon receipt of interest or other revenue, the
2 money so received shall be turned over to the commissioner of revenue
3 for deposit in the small business revolving loan fund.

4 * Sec. 111. AS 45.95.030 is amended to read:

5 Sec. 45.95.030. SALE OR TRANSFER OF PREFERRED COMMERCIAL PAPER. The
6 commissioner [OF COMMERCE] may negotiate with and transfer or sell
7 to and repurchase from the Department of Revenue, its preferred com-
8 mercial paper, not to exceed \$1,000,000 for cash, which cash shall be
9 used only for the purposes of making loans to persons eligible under
10 this chapter. Money loaned under this section is subject to interest at
11 the rate of two and one-half per cent a year until all principal and
12 interest are fully paid.

13 * Sec. 112. AS 45.95.040 is amended to read:

14 Sec. 45.95.040. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a) The
15 commissioner [OF COMMERCE] may sell or transfer at par value or at a
16 premium or discount to any bank or other private purchaser for cash or
17 other consideration the mortgages and notes held by the Department of
18 Commerce and Economic Development as security for loans made under this
19 chapter.

20 (b) The commissioner [OF COMMERCE] may sell or transfer at par
21 value to the Department of Revenue the mortgages and notes held by the
22 Department of Commerce and Economic Development as security for loans
23 made under this chapter. The Department of Revenue shall purchase all
24 of these mortgages and notes offered, allowing the Department of
25 Commerce and Economic Development a one-half of one per cent service
26 fee.

27 * Sec. 113. AS 45.95.050 is amended to read:

28 Sec. 45.95.050. POWER OF COMMISSIONER TO ASSIGN AND SELL MORTGAGES.
29 The commissioner [OF COMMERCE] may assign and sell small business loan

1 mortgages to the Alaska State Mortgage Association in consideration of
2 receiving its cash, bonds, debentures and notes upon conditions which
3 he considers advantageous to the state small business lending program.

4 * Sec. 114. AS 45.95.070(3) is amended to read:

5 (3) in the judgment of the Department of Commerce and
6 Economic Development

7 (A) the business shows a definite potential for growth;

8 (B) the borrower will be able to repay the loan; and

9 (C) the loan will potentially create more jobs and pro-
10 vide additional services in the community.

11 * Sec. 115. AS 45.95 is amended by adding a new section to read:

12 Sec. 45.95.080. DEFINITIONS. In this chapter, "commissioner"
13 means the commissioner of commerce and economic development.

14 * Sec. 116. AS 46.03.110(c) is amended to read:

15 (c) When the department receives an application, the commissioner
16 shall immediately send copies of the application to the commissioner of
17 fish and game, the commissioner of natural resources, the commissioner
18 of commerce and economic development and the commissioner of health
19 and social services.

20 * Sec. 117. AS 46.26.030(b) is amended to read:

21 (b) The commissioners of natural resources, fish and game,
22 commerce and economic development and health and social services shall
23 serve as nonvoting ex officio members.

24 * Sec. 118. AS 16.05.221 is amended to read:

25 Sec. 16.05.221. BOARDS OF FISHERIES AND GAME. (a) For purposes
26 of the conservation and development of the fishery resources of the
27 state, there is created the Board of Fisheries composed of seven members
28 appointed by the governor, subject to confirmation by a majority of the
29 members of the legislature in joint session. The appointed members

1 shall be residents of the state and shall be appointed without regard to
2 political affiliation or geographical location of residence. The
3 commissioner is not a member of the Board of Fisheries, but shall be
4 ex officio secretary.

5 (b) For purposes of the conservation and development of the game
6 resources of the state, there is created a Board of Game composed of
7 seven members appointed by the governor, subject to confirmation by a
8 majority of the members of the legislature in joint session. The
9 appointed members shall be residents of the state, and shall be ap-
10 pointed without regard to political affiliation or geographical loca-
11 tion of residence. The commissioner is not a member of the Board of
12 Game, but shall be ex officio secretary.

13 * Sec. 119. Chapter 100, SLA 1976, is amended by adding a new section to
14 read:

15 * Sec. 2. This Act takes effect immediately in accordance with
16 AS 01.10.070(c).

17 * Sec. 120. Section 119 of this Act is retroactive to May 27, 1976.

18 * Sec. 121. Sec. 119 of this Act takes effect immediately in accordance
19 with AS 01.10.070(c).