

Introduced: 2/4/81
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY MOSS

2 HOUSE BILL NO. 20

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to loans for the development of
7 electric service in rural areas; and providing for an
8 effective date."

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

10 * Section 1. AS 44.33 is amended by adding new sections to read:

11 ARTICLE 12. RURAL ELECTRIFICATION FUND.

12 Sec. 44.33.520. FUND ESTABLISHED. (a) The rural electrification
13 fund is established in the Department of Commerce and Economic Develop-
14 ment. The fund consists of

- 15 (1) appropriations made to the fund;
16 (2) the income of the fund;
17 (3) payments of loans made from the fund.

18 (b) The unappropriated or otherwise unencumbered balance remain-
19 ing in the rural electrification fund at the close of a fiscal year
20 does not lapse but remains in the fund.

21 Sec. 44.33.530. DUTIES OF THE DEPARTMENT. The Department of
22 Commerce and Economic Development shall

- 23 (1) adopt regulations necessary to carry out the provisions
24 of AS 44.33.520 - 44.33.560;
25 (2) administer the fund;
26 (3) make loans from the fund as directed by the Rural Elec-
27 trification Loan Review Board.

28 Sec. 44.33.540. RURAL ELECTRIFICATION LOAN REVIEW BOARD. (a)
29 The Rural Electrification Loan Review Board is established, consisting

1 of five persons who are members of the board of directors of an electric
2 cooperative organized under AS 10.25 and six public members. A member
3 of the Rural Electrification Loan Review Board is appointed to a three-
4 year term by the governor and may be reappointed to serve additional
5 terms. The board shall elect a chairman from its membership.

6 (b) Members of the Rural Electrification Loan Review Board serve
7 without compensation but are entitled to the per diem and travel ex-
8 penses authorized by law for other state boards.

9 Sec. 44.33.550. POWERS AND DUTIES OF THE BOARD. The Rural Elec-
10 trification Loan Review Board shall

11 (1) hold regular and special meetings as necessary;

12 (2) have an annual accounting of the rural electrification
13 fund prepared;

14 (3) establish requirements for loan applications, review
15 loan applications, and authorize loans from the rural electrification
16 fund;

17 (4) submit to the legislature within the first 10 days of
18 each regular legislative session a report of actions taken by the board
19 and an accounting of the rural electrification fund.

20 Sec. 44.33.560. LOANS. (a) Money from the rural electrification
21 fund shall be used for loans on the terms and conditions determined by
22 the Rural Electrification Loan Review Board. Each loan shall bear an
23 annual rate of interest of two percent.

24 (b) An electric cooperative organized under AS 10.25 has priority
25 over other applicants for loans from the rural electrification fund.

26 (c) Loans from the rural electrification fund may be made only
27 for the purpose of extending new or additional electric service into
28 rural areas of the state.

29 * Sec. 2. This Act takes effect July 1, 1981.