

Introduced: 2/13/84
Referred: Resources, House Special
Committee on State Loans and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 685

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Resources Corporation
7 and repealing the Alaska renewable resources develop-
8 ment fund and the Alaska renewable resources invest-
9 ment fund; and providing for an effective date."

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

11 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

12 (1) it is in the best interests of the state to terminate the
13 operations of the Alaska Resources Corporation; and

14 (2) the Alaska Resources Corporation has made substantial loans
15 and equity investments in certain businesses as part of the performance of
16 its duties.

17 (b) It is the purpose of this Act to effect an orderly wind-up of
18 the affairs of the Alaska Resources Corporation.

19 * Sec. 2. AS 37.12.010 is amended to read:

20 Sec. 37.12.010. ALASKA RESOURCES CORPORATION CREATED. There is
21 created the Alaska Resources Corporation to carry out the purposes of
22 this chapter. The corporation is a public corporation of the state
23 and an instrumentality of the state within the Department of Revenue
24 [COMMERCE AND ECONOMIC DEVELOPMENT], but has a legal existence in-
25 dependent of and separate from the state. The exercise by the corpo-
26 ration of the powers conferred by this chapter is considered an essen-
27 tial function of the state.

28 * Sec. 3. AS 37.12.015 is repealed and reenacted to read:

29 Sec. 37.12.015. PURPOSE. The purpose of the corporation is to

1 effect an orderly wind-up of its affairs.

2 * Sec. 4. AS 37.12.022 is amended to read:

3 Sec. 37.12.022. DEVELOPMENT CAPITAL FUND. The development
4 capital fund is established in the corporation, consisting of money
5 [OR ASSETS] appropriated [OR TRANSFERRED] to the corporation [AND
6 PAYMENTS OF PRINCIPAL AND INTEREST ON LOANS AND EQUITY INVESTMENTS
7 MADE BY THE CORPORATION]. The development capital fund shall be used
8 to pay for liabilities of the corporation that might arise during the
9 wind-up of its affairs [FINANCE PROJECTS THAT QUALIFY FOR ASSISTANCE
10 UNDER THIS CHAPTER, AND TO PAY THE OPERATING EXPENSES OF THE CORPO-
11 RATION. IF MONEY REMAINS IN THE DEVELOPMENT CAPITAL FUND AFTER FI-
12 NANCING PROJECTS THAT QUALIFY FOR ASSISTANCE UNDER THIS CHAPTER AND
13 AFTER PAYING THE OPERATING EXPENSES OF THE CORPORATION, THE MONEY
14 SHALL BE INVESTED BY THE CORPORATION UNDER AS 37.10.070(a)].

15 * Sec. 5. AS 37.12 is amended by adding a new section to read:

16 Sec. 37.12.023. DEPOSIT OF MONEY. Repayments of principal and
17 payments of interest and other income from loans of the corporation,
18 dividends received from capital stock investments, and money received
19 from the sale of equity investments or other assets of the corporation
20 must be deposited in the general fund.

21 * Sec. 6. AS 37.12.030 is repealed and reenacted to read:

22 Sec. 37.12.030. COMPOSITION AND TERM OF BOARD OF DIRECTORS. The
23 board consists of the commissioner of revenue, who shall serve as
24 chairman, and the commissioners of two other principal executive de-
25 partments designated by the governor. The term of office of these
26 board members continues until the corporation is dissolved.

27 * Sec. 7. AS 37.12.050(a) is amended to read:

28 (a) Two [THREE] members of the board constitute a quorum for the
29 transaction of business and the exercise of the powers and duties of

1 the board.

2 * Sec. 8. AS 37.12.055 is amended to read:

3 Sec. 37.12.055. COMPENSATION OF BOARD MEMBERS. Members of the
4 board [RECEIVE \$200 FOR EACH DAY SPENT ON OFFICIAL BUSINESS OF THE
5 CORPORATION, AND] are entitled to per diem and travel expenses au-
6 thorized by law for state boards and commissions under AS 39.20.180.

7 * Sec. 9. AS 37.12 is amended by adding a new section to read:

8 Sec. 37.12.071. ADDITIONAL POWERS. Notwithstanding other pro-
9 visions of law governing disposal of state property, the board may, at
10 either public or private sale, dispose of the assets of the corpo-
11 ration as required in AS 37.12.075. In addition, the corporation may
12 spend money to protect the assets of the corporation.

13 * Sec. 10. AS 37.12.075 is repealed and reenacted to read:

14 Sec. 37.12.075. DUTIES. In carrying out the purposes of this
15 chapter the board shall

16 (1) contract with the Department of Revenue to manage the
17 assets of the corporation;

18 (2) divest the corporation of all equity investments by
19 July 1, 1989; and

20 (3) divest the corporation of all other remaining assets,
21 with the exception of the outstanding loan portfolio, by July 1, 1989.

22 * Sec. 11. AS 43.05.010 is amended by adding a new paragraph to read:

23 (17) contract to manage the assets of the Alaska Resources
24 Corporation as provided in AS 37.12.075, and administer the outstand-
25 ing loan portfolio upon dissolution of the corporation.

26 * Sec. 12. All but \$500,000 of the unexpended and unobligated money in
27 the development capital fund is transferred to the general fund.

28 * Sec. 13, AS 37.11.010 -- 37.11.090, AS 37.12.035, 37.12.045, 37.12.-
29 060, 37.12.070(5), 37.12.070(6), 37.12.070(11), 37.12.080, 37.12.085,

1 37.12.125(1), 37.12.125(4), 37.12.125(5), 37.12.125(6), 37.12.125(7), and
2 AS 44.66.010(7) are repealed.

3 * Sec. 14. The Alaska Resources Corporation is dissolved. As of the
4 date of dissolution, administration of the outstanding loan portfolio along
5 with all attendant rights and obligations of the corporation is transferred
6 to the Department of Revenue.

7 * Sec. 15. AS 37.12.010 -- 37.12.125 are repealed.

8 * Sec. 16. Sections 1 -- 13 of this Act take effect immediately in
9 accordance with AS 01.10.070(c).

10 * Sec. 17. Sections 14 and 15 of this Act take effect July 1, 1989.

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