

SENATE BILL NO. 200**IN THE LEGISLATURE OF THE STATE OF ALASKA****SEVENTEENTH LEGISLATURE - FIRST SESSION****BY SENATOR MENARD****Introduced: 3/13/91**
Referred: Resources and Finance**A BILL****FOR AN ACT ENTITLED**

1 "An Act establishing the Prince William Sound science center trust fund; and providing
2 for an effective date."

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

4 * Section 1. AS 37.14 is amended by adding new sections to read:

5 **ARTICLE 5. PRINCE WILLIAM SOUND SCIENCE CENTER TRUST FUND.**

6 **Sec. 37.14.400. PRINCE WILLIAM SOUND SCIENCE CENTER TRUST FUND**
7 **ESTABLISHED.** (a) The Prince William Sound science center trust fund is established as a
8 separate endowment trust fund of the state.

9 (b) The principal of the fund consists of

10 (1) legislative appropriations to the fund;

11 (2) gifts, bequests, and contributions of cash or other assets from a person.

12 (c) The net income of the fund shall be determined by the commissioner of revenue in
13 accordance with investment accounting principles and in a manner that preserves the distinction
14 between principal and income.

1 **Sec. 37.14.410. POWERS AND DUTIES OF THE COMMISSIONER OF REVENUE.**

2 **(a) The commissioner of revenue is the treasurer of the fund and shall**

3 **(1) act as official custodian of the cash and investments belonging to the fund by**
4 **securing adequate and safe custodial facilities;**

5 **(2) receive all items of cash and investments belonging to the fund;**

6 **(3) collect the principal and income from investments owned or acquired by the**
7 **fund and deposit the amounts in separate principal and income accounts for the fund;**

8 **(4) invest and reinvest the assets of the fund as provided in this section and as**
9 **provided for the investment of funds under AS 14.25.180(c) and AS 37.14.170;**

10 **(5) exercise the powers of an owner with respect to the assets of the fund;**

11 **(6) maintain accounting records of the fund in accordance with investment**
12 **accounting principles and with distinction between the principal and income accounts of the fund;**

13 **(7) engage an independent firm of certified public accountants to annually audit**
14 **the financial condition of the fund's investments and investment transactions;**

15 **(8) report to the legislature and the administrator of the fund the condition and**
16 **investment performance of the fund.**

17 **(b) The commissioner of revenue may**

18 **(1) enter into and enforce contracts or agreements considered necessary for the**
19 **investment purposes of the fund;**

20 **(2) do all acts, whether or not expressly authorized, that the commissioner of**
21 **revenue considers necessary or proper in administering the assets of the fund.**

22 **Sec. 37.14.420. FUND UTILIZATION. (a) Except as otherwise appropriated by the**
23 **legislature, the principal of the fund and any capital gains or losses realized on the principal shall**
24 **be retained perpetually in the fund for investment as specified in AS 37.14.410.**

25 **(b) The net income of the fund may be appropriated to the Department of Fish and Game**
26 **for the following purposes:**

27 **(1) the awarding of grants under AS 37.14.440;**

28 **(2) reimbursement to the Department of Revenue for the costs of administering**
29 **the fund.**

30 **(c) Realized net income that has not been appropriated, or that has been appropriated but**
31 **not expended, shall be invested until appropriated and expended.**

1 **Sec. 37.14.430. DUTIES OF THE COMMISSIONER OF FISH AND GAME.** The
2 commissioner of fish and game shall

3 (1) subject to AS 37.14.440, award grants from the appropriated net income of
4 the fund to the Prince William Sound Science Center for long-term Exxon Valdez oil spill
5 damage assessment, mitigation research, or base line research on and monitoring of aquatic
6 resources in the affected region;

7 (2) monitor grants for compliance with AS 37.14.400 - 37.14.490;

8 (3) submit to the governor and the legislature by February 1 each year a report
9 describing

10 (A) the damage assessment, mitigation research, or base line research and
11 monitoring for which the commissioner of fish and game awarded grants; and

12 (B) the annual level of contributions, income, and expenses of the fund.

13 **Sec. 37.14.440. GRANTS.** (a) In awarding grants from the appropriated net income of
14 the fund, the commissioner of fish and game shall consider the detailed research proposals of
15 scientists affiliated with the Prince William Sound Science Center. In the event that the
16 proposals exceed the appropriated net income available, the commissioner shall rank the
17 proposals based upon the following criteria:

18 (1) whether the proposal represents a continuing research project that has not been
19 completed;

20 (2) whether the proposal represents a research project proposed as a result of
21 recent adverse effects discovered in a specific fishery or wildlife resource in the affected region;

22 (3) whether the proposal represents a research project that may not be delayed or
23 commenced in a later year due to articulable biological or environmental factors.

24 (b) No more than 22 percent of the money from each grant may be used for
25 administration of the project. Each grant proposal must include funding for the equivalent of at
26 least two and no more than four full-time staff positions for aquatic or fisheries research
27 scientists, and provide for at least 50 percent of the cost of those positions to be paid from
28 nonstate sources. Each grant proposal that includes funding for capital projects must provide for
29 at least 50 percent of the cost of those projects to be paid from nonstate sources. No more than
30 \$250,000 may be used from the total grant money awarded during a fiscal year for capital
31 projects.

1 **Sec. 37.14.490. DEFINITIONS.** In AS 37.14.400 - 37.14.490,

2 (1) "affected region" includes Prince William Sound, the southern Kenai
3 Peninsula, the archipelago that includes Kodiak Island, the south side of the Alaska Peninsula,
4 and biologically related ecosystems that are adjacent to the foregoing regions;

5 (2) "fund" means the Prince William Sound science center trust fund.

6 * **Sec. 2.** This Act takes effect on the date that proceeds from the settlement or other termination of
7 claims of the state against Exxon Corporation and its subsidiaries arising from the Exxon Valdez oil spill
8 are deposited in the Exxon Valdez environmental restoration trust fund. The commissioner of revenue
9 shall give notice of the receipt of the proceeds to the lieutenant governor and the revisor of statutes.