

SENATE BILL NO. 293

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATOR MENARD

Introduced: 5/15/91
Referred: L&C, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act creating the Railbelt intertie and gas and electric distribution revolving loan
2 fund."

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

4 * Section 1. AS 44.83 is amended by adding new sections to read:

5 ARTICLE 8A. RAILBELT INTERTIE AND GAS AND ELECTRIC
6 DISTRIBUTION LINE REVOLVING LOAN FUND.

7 Sec. 44.83.370. RAILBELT INTERTIE AND GAS AND ELECTRIC DISTRIBUTION
8 LINE REVOLVING LOAN FUND. (a) The Railbelt intertie and gas and electric distribution
9 line revolving loan fund is established in the Alaska Energy Authority. The fund consists of
10 (1) appropriations made to the fund; and
11 (2) principal payments on loans made under this section.
12 (b) The authority may make loans from the loan fund to gas utilities and electric utilities
13 certified by the Alaska Public Utilities Commission and to nonprofit energy cooperatives,
14 municipalities, and regional Native corporations.

1 (c) A loan from the fund may be made only to upgrade or design and construct electric
2 transmission interties, gas and electric distribution lines, and necessary supporting facilities. The
3 term of the loan may be for no longer than 35 years. A loan from the fund may only be made
4 for a project located in the Railbelt. A loan may not be made from the fund unless the loan is
5 recommended by a loan advisory committee appointed under AS 44.83.375.

6 (d) A loan from the loan fund shall bear an annual rate of interest of not less than two
7 and not more than five percent of the unpaid balance of the loan. Interest received on a loan
8 made under this section shall be transferred monthly to the commissioner of revenue for deposit
9 in the general fund.

10 (e) The authority shall

11 (1) adopt regulations necessary to carry out the provisions of this section;

12 (2) administer the loan fund; and

13 (3) submit to the legislature within the first 10 days of each regular legislative
14 session a report of actions taken by the authority under this section and an accounting of the loan
15 fund.

16 (f) Money in the loan fund may be used by the legislature to make appropriations for
17 costs of administering the fund.

18 (g) On June 30 of each fiscal year, the unexpended and unobligated cash balance of the
19 fund that is attributable to loans owned by the fund lapses into the general fund.

20 (h) In this section, "fund" or "loan fund" means the Railbelt intertie and gas and electric
21 distribution line revolving loan fund.

22 Sec. 44.83.375. LOAN ADVISORY COMMITTEE. When an application for a Railbelt
23 intertie and gas and electric distribution line loan is submitted to the authority under
24 AS 44.83.370(c), the authority shall appoint a local advisory committee from persons residing
25 in the area in which the project is located. The loan advisory committee shall consider the loan
26 application, and shall recommend whether the loan application is to be approved or disapproved.