

COMMITTEE REPORT

HOUSE

3/17/81

FURTHER:

(11)

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 20

"An Act relating to loans for the development of electric service in rural areas; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT

HOUSE

3/17

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2/3/81
(5)

FURTHER: FINANCE

Date: 3-9-81

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 20

"An Act relating to loans for the development of electric service in rural areas; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 20 (aa) same title
 new title
- and recommends CS HB 20 (SA) DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]
[Signature]
[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

David Cuddy do not pass
[Signature]

[Signature]
 CHAIRMAN



Alaska State Legislature

House of Representatives

Committee on State Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

TO: Rep. Sam Cotton
Chairman, House Finance

FROM: Rep. Mike Miller
Chairman, State Affairs

DATE: March 9, 1981

RE: HB 20 (Loans to Develop Electrical Service)
HB 21 (Rural Electrification Fund)

Mr. Chairman:

The two bills referenced above were heard in House State Affairs on March 9, and as the Committee Report indicates were passed out of committee with Do Pass recommendation from a majority of the State Affairs Committee.

Regarding HB 21, however, the Committee has authorized me to make the following recommendation. Although we are conceptually in agreement with the need for an appropriation for a revolving loan fund to make loan monies available for State REA, there is a question in our minds as to whether the 50 million dollar figure is indeed the proper figure. With the concurrence of Representative Moss, we are, therefore, sending the bill on to Finance with the suggestion that you might wish to appoint a subcommittee of Finance to investigate in more detail the number of dollars which will be necessary to fund the revolving loan fund. It was our thought that perhaps in the formative years at least a considerably smaller appropriation than 50 million dollars might be appropriated. A possible way of handling such a fund might be to appropriate only those monies estimated each year to be necessary, up to a total of 50 million dollars, after which no more appropriations would be made-- After which, in fact, the revolving loan fund would become a true revolving loan fund. (That is, after 50 million dollars has been loaned out, it would be replenished by the payment of previous loans, plus interest.

Regarding HB 20, I should mention as well that the fiscal note which accompanies the bill is no longer really operative. This



Alaska State Legislature

House of Representatives

Committee on State Affairs

Pouch V
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Juneau, Alaska 99811

Official Business

fiscal note developed when the function was to be located in the Department of Commerce and Economic Development. Under the auspices of the Alaska Power Authority, it was estimated that the cost for funding the program could be very drastically reduced. This committee has requested that the APA develop a new fiscal note for your consideration, and we've asked that that note be forwarded to your attention.

cook
12-0221

Original Sponsor: Moss

Offered: 3/17/81
Referred: Finance

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR HOUSE BILL NO. 20 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a rural electrification revolving
7 loan fund in the Alaska Power Authority; and providing
8 for an effective date."

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

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

11 ARTICLE 3. RURAL ELECTRIFICATION REVOLVING LOAN FUND.

12 Sec. 44.83.361. RURAL ELECTRIFICATION REVOLVING LOAN FUND ESTAB-
13 LISHED. (a) The rural electrification revolving loan fund is estab-
14 lished in the Alaska Power Authority. 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 authority may make loans from the rural electrification
19 revolving loan fund to electric utilities certified by the Alaska
20 Public Utilities Commission. Loans from the fund may be made only for
21 the purpose of extending new or additional electric service into rural
22 areas of the state. Terms and conditions of a loan shall be determined
23 by the authority, except that each loan shall bear an annual rate of
24 interest of two percent.

25 (c) The authority shall

- 26 (1) adopt regulations necessary to carry out the provisions
27 of this section;
- 28 (2) administer the rural electrification revolving loan
29 fund;

Letter

1 (3) submit to the legislature within the first 10 days of
2 each regular legislative session a report of actions taken by the
3 authority and an accounting of the fund.

4 * Sec. 2. This Act takes effect July 1, 1981.
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Cook
12-02-21

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.

Order
12-0221

ALASKA STATE LEGISLATURE

TWELFTH. Legislature FIRST... Session

HOUSEBILL..... NO. ...20...

By MOSS.....

"An Act relating to loans for the development of electric service in rural areas; and providing for an effective date."

Loans for develop. of electric serv in rural areas

Introduced in the House ... 2/4... 1981

HISTORY IN THE HOUSE

19 81

Feb 4

Read first time and referred to Committee on

State Affairs and Finance
Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused
Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused
Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Concurred in Senate amendment thus adopting:
VOTE

Failed to concur in Senate amendment; asked Senate to recede
VOTE

Senate receded from amendment
VOTE

Senate failed to recede from amendment
VOTE

CC appointed by House

CC appointed by Senate

CC adopted by House
VOTE

CC adopted by Senate
VOTE

To enrolling
Reported correctly enrolled
Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

Original sponsor: Moss

Offered: 3/17/61
Referred: Finance

Funding Information

General Fund	\$50,000,000
Other Funds	-0-
	<u>\$50,000,000</u>

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

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CS FOR HOUSE BILL NO. 21 (State Affairs)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making a special appropriation to the Alaska Power Authority for the rural electrification revolving loan fund; and providing for an effective date."

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

* Section 1. The sum of \$50,000,000 is appropriated from the general fund to the Alaska Power Authority for the rural electrification revolving loan fund established under AS 44.83.361.

* Sec. 2. This Act takes effect on the effective date of an Act establishing a rural electrification revolving loan fund in the Alaska Power Authority.

Funding Information

General Fund \$50,000,000
Other Funds -0-
\$50,000,000

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

1 IN THE HOUSE

BY MOSS

2 HOUSE BILL NO. 21

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Commerce and Economic Development for the
8 rural electrification fund; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$50,000,000 is appropriated from the general
12 fund to the Department of Commerce and Economic Development for the rural
13 electrification fund established under AS 44.33.520.

14 * Sec. 2. This Act takes effect on the effective date of an Act relating
15 to loans for the development of electric service in rural areas.

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