



# LAWS OF ALASKA

1980

**Source**

CSHB 687 am S

**Chapter No.**

148

**AN ACT**

Establishing the Alaska Energy Center, amending the Science and Technology Act, and adding fiscal provisions relating to appropriations for the work of the Alaska Energy Center; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 12

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Permitted to Become Law Without Signature  
Actual Effective Date: Sections 1 - 6 and 8 take effect  
July 8, 1980; section 7 takes effect July 1, 1980.

AN ACT

Establishing the Alaska Energy Center, amending the Science and Technology Act, and adding fiscal provisions relating to appropriations for the work of the Alaska Energy Center; and providing for an effective date.

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\* Section 1. FINDINGS. The legislature finds that the State of Alaska is currently receiving substantial revenues from the sale of nonrenewable energy resources to consumers in other states of the nation. The legislature recognizes that bringing more efficient and advanced energy technologies to the stage of commercial development may result in lower energy costs to consumers throughout the state and the nation. The legislature believes Alaska has a responsibility to use part of its nonrenewable energy resource revenues to help accomplish this goal. The legislature finds that an independent energy resource development center, initially established under the direction of the state, can best accomplish the aid to individuals and businesses necessary to develop and implement advanced energy technologies. The legislature further finds that the work of the center will provide significant employment benefits to the citizens of the state and will stimulate the development of the state's energy resources.

\* Sec. 2. INTENT. In establishing an Alaska Energy Center and providing money for its operation, it is the intent of the legislature that the center act to achieve self-reliance at the earliest possible date.

\* Sec. 3. AS 45 is amended by adding a new chapter to read:

CHAPTER 89. ALASKA ENERGY CENTER.

Sec. 45.89.010. ALASKA ENERGY CENTER ESTABLISHED. There is established the Alaska Energy Center. The center is a public corporation of the state. It is an instrumentality of the state in the Department of Administration, but has a legal existence independent of and separate from the state. Exercise by the center of the powers conferred by this chapter is an essential governmental function of the state.

Sec. 45.89.020. PURPOSE. The primary purpose of the center is to create employment opportunities and other benefits in the state through the development and use of more efficient technologies. The center shall

- (1) promote the most efficient and appropriate technologies for the use and conservation of the state's energy resources;
- (2) provide economic benefits to state citizens;
- (3) promote the effective use of the state's resources;
- (4) promote diversification of employment opportunities;
- (5) reduce state energy imports; and
- (6) bring existing and new technologies to a stage of commercial feasibility.

Sec. 45.89.030. BOARD OF DIRECTORS. A board of directors of the center is established as its governing body.

Sec. 45.89.040. COMPOSITION OF BOARD OF DIRECTORS. (a) The board of directors consists of nine members as follows:

- (1) seven members appointed by the governor and confirmed by a majority of the members of the legislature in joint session;
- (2) two members of the legislature jointly appointed by the president of the senate and the speaker of the house of representatives at the beginning of each legislature.

(b) The board shall elect a chairman and other necessary officers

1 from among its members.

2 Sec. 45.89.050. TERM OF OFFICE. (a) The members of the legisla-  
3 ture appointed to the board serve ex officio as nonvoting members of the  
4 board for the duration of the legislature during which they were ap-  
5 pointed.

6 (b) The members of the board appointed by the governor serve  
7 three-year terms and may be reappointed. Terms shall be staggered.

8 (c) The officers of the board elected under AS 45.89.040(b) serve  
9 a term of three years.

10 Sec. 45.89.060. REMOVAL AND VACANCIES. (a) The governor may  
11 remove from office a board member appointed under AS 45.89.040(a)(1)  
12 with the consent of a majority of the members of the legislature in  
13 joint session. A removal by the governor shall be in writing and state  
14 the reason for removal. If the legislature is not in session, the  
15 governor may suspend a member of the board. After suspension, a board  
16 member may not participate in board business and may not be counted for  
17 the purpose of establishing a quorum. The joint session shall be held  
18 within 10 days from the date of removal, if the removal occurs while the  
19 legislature is in session, or within 30 days of convening of the next  
20 regular session of the legislature, if the legislature is not in session.  
21 If the legislature refuses to consent to removal, the suspension of the  
22 board member is terminated and the member shall be reinstated to the  
23 office by the governor.

24 (b) A vacancy on the board among the members appointed under  
25 AS 45.89.040(a)(1) shall be filled by appointment by the governor and  
26 confirmation by a majority of members of the legislature in joint ses-  
27 sion. An appointee to fill a vacancy shall hold office for the balance  
28 of the term for which his predecessor on the board was appointed. If a  
29 vacancy arises on the board while the legislature is not in session, the

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1 governor may appoint an interim member, until the legislature has the  
2 opportunity to confirm the appointment.

3 (c) A vacancy on the board among the members appointed under  
4 AS 45.89.040(a)(2) shall be filled by appointment by the presiding  
5 officer of the house of the legislature to which the vacating board  
6 member belonged.

7 (d) A vacancy on the board does not impair the authority of a  
8 quorum of the board to exercise all the powers and perform all the  
9 duties of the board.

10 Sec. 45.89.070. QUALIFICATIONS OF BOARD MEMBERS. (a) At least  
11 four of the board members appointed under AS 45.89.040(a)(1) shall be  
12 residents of the state.

13 (b) At least three of the board members appointed under AS 45.89.-  
14 040(a)(1) shall have professional recognition, based on experience and  
15 achievement in their profession and in the society, in energy technology  
16 or development; business formation and management; or development and  
17 marketing of resources or products.

18 Sec. 45.89.080. QUORUM. Four members of the board appointed under  
19 AS 45.89.040(a)(1) constitute a quorum for the transaction of business  
20 and the exercise of the powers and duties of the board.

21 Sec. 45.89.090. COMPENSATION OF BOARD MEMBERS. (a) Board members  
22 appointed under AS 45.89.040(a)(1) receive \$350 per day while in attend-  
23 ance at and traveling to and from meetings of the board.

24 (b) Board members may receive a per diem allowance and trans-  
25 portation expenses in carrying out the duties under this chapter.

26 Sec. 45.89.100. CONFLICTS OF INTEREST. Members of the board are  
27 subject to AS 39.50.

28 Sec. 45.89.110. EMPLOYMENT OF PERSONNEL. The board shall employ  
29 and determine the salary of an executive director. The executive direc-

1 tor may, with the approval of the board, select and employ additional  
2 staff as necessary. The executive director and all employees of the  
3 board are in the exempt service under AS 39.25.

4 Sec. 45.89.120. POWERS. In carrying out the powers of the center,  
5 the board may

6 (1) adopt, alter, and use a corporate seal;

7 (2) prescribe, adopt, amend, and repeal bylaws;

8 (3) sue and be sued in the name of the center;

9 (4) enter into any agreements necessary to the exercise of  
10 its powers and functions;

11 (5) accept grants from and contract with the federal govern-  
12 ment and the state or its political subdivisions and to that end comply  
13 with the provisions of federal, state, or local programs when necessary,  
14 except that it may not enter into any agreements whereby a permanent  
15 state or local government position is financed or partially financed in  
16 connection with a project;

17 (6) accept grants and loans from and contract with sources  
18 other than those in (5) of this section for the purposes of the work of  
19 the center;

20 (7) appear in behalf of the center before boards, commis-  
21 sions, departments, or other agencies of municipal, state, or federal  
22 government;

23 (8) acquire, hold, use, lease, sell, or otherwise dispose of  
24 property of any kind, real, personal, or mixed, or an interest in it;

25 (9) conduct or sponsor applied research, development and  
26 demonstration projects, and prepare, publish, and distribute technical  
27 studies, reports, bulletins and other materials it considers appro-  
28 priate;

29 (10) hold patents, copyrights, trademarks, royalties or other

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1 evidences of protection or exclusivity issued under the laws of the  
2 United States or any state or nation obtained by persons receiving  
3 assistance from the center;

4 (11) adopt regulations governing the exercise of its powers;

5 (12) do everything necessary or desirable to carry out the  
6 purposes of the center.

7 Sec. 45.89.130. DUTIES. The board shall

8 (1) promote the commercial development and use of more effi-  
9 cient energy technologies;

10 (2) subject to the availability of money,

11 (A) sponsor energy research projects intended to accom-  
12 plish the purposes of the center;

13 (B) conduct and sponsor applied research, development,  
14 and demonstration projects of energy technologies;

15 (C) provide financial and other support to inventors and  
16 businesses engaged in the development, demonstration, and commer-  
17 cialization of energy technologies;

18 (3) manage projects for which financing has been appropriated  
19 by the legislature;

20 (4) in developing its programs, consult with the Alaska Council  
21 on Science and Technology, the Alaska Power Authority, the Alaska Renew-  
22 able Resources Corporation, the division of energy and power development  
23 of the Department of Commerce and Economic Development, the Department  
24 of Natural Resources, and the University of Alaska; the board shall meet  
25 with responsible officials and representatives of these organizations  
26 and agencies at least twice each year;

27 (5) consult with other energy research and development or-  
28 ganizations.

29 Sec. 45.89.140. BUDGET AND APPROPRIATIONS. (a) The center is

1 subject to the Executive Budget Act (AS 37.07), except as provided in  
2 (b) of this section and in AS 37.25.030.

3 (b) The budget of the center shall include a description of and  
4 amount of proposed financing for projects to be conducted or supported  
5 by the center. Requests in the budget for project financing shall  
6 include a statement of the objectives and goals of the project, includ-  
7 ing, but not limited to, the number of jobs to be created and the number  
8 of businesses to be assisted by the project. The amount of the center's  
9 operating budget shall be specified separately from proposed project  
10 financing.

11 Sec. 45.89.150. ANNUAL REPORT. The board shall prepare an annual  
12 report of its activities and submit a copy of the report to the legisla-  
13 ture. The annual report shall be transmitted to the legislature at the  
14 beginning of each regular session. The report shall include a descrip-  
15 tion of the work conducted or supported by the center, the number of  
16 jobs which have been created, the number of businesses which have been  
17 assisted, and any other information which the board determines should be  
18 included to describe the work of the center.

19 Sec. 45.89.155. PRINCIPAL OFFICE. The principal office of the  
20 center shall be located in Fairbanks. The board shall authorize the  
21 establishment of other offices of the center in other areas of the state  
22 as appropriate to its activities.

23 Sec. 45.89.160. COOPERATION WITH OTHER STATE AGENCIES AND THE  
24 UNIVERSITY OF ALASKA. (a) All departments, agencies, and public cor-  
25 porations of the state, including the University of Alaska, shall pro-  
26 vide information, services, and facilities to the center on its request.  
27 The center shall reimburse the department, agency, or corporation for  
28 expenses reasonably incurred on the center's behalf.

29 (b) When feasible, the center shall contract with the University

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of Alaska or an organization which is based in Alaska for research.

Sec. 45.89.200. DEFINITIONS. In this chapter

(1) "board" means the Board of Directors of the Alaska Energy Center;

(2) "center" means the Alaska Energy Center;

(3) "energy technology" means technological developments and innovations which are appropriate for

(A) production of energy through the use of renewable and alternative energy sources;

(B) energy conservation;

(C) development of facilities for the use of waste heat and the cogeneration of electricity and heat;

(D) the reduction of dependence on fossil fuels;

(E) efficient recovery and use of fossil fuels.

\* Sec. 4. AS 39.25.110 is amended by adding a new paragraph to read:

(22) employees of the Alaska Energy Center.

\* Sec. 5. AS 39.50.200(9) is amended by adding a new subparagraph to read:

(SS) Alaska Energy Center (AS 45.89).

\* Sec. 6. AS 37.25 is amended by adding a new section to read:

Sec. 37.25.030. APPROPRIATIONS FOR PROJECTS OF THE ALASKA ENERGY CENTER. An appropriation to the Alaska Energy Center for a research, development, or demonstration project under AS 45.89.130(2) is valid for the duration of the project and the unexpended balance for the project shall be carried forward to subsequent fiscal years.

\* Sec. 7. AS 44.46.080(c)(3) is amended to read:

(3) annually submit to the governor and the legislature the findings of the council, including

(A) a listing, description, ranking, and justification

1 of research needs; [, AND]

2 (B) its recommendations for projects which should be con-  
3 ducted or supported by the Alaska Energy Center;

4 (C) a commentary on significant research activities of  
5 the preceding year funded by the state; and [INCLUDING].

6 (D) the relationship of that research to the state's  
7 needs and priorities;

8 \* Sec. 8. APPOINTMENT OF FIRST BOARD OF DIRECTORS OF ALASKA ENERGY CEN-  
9 TER. The governor shall designate the terms of the members of the Board of  
10 Directors of the Alaska Energy Center first appointed under AS 45.89.-

11 040(a)(1). Of the seven members first appointed

- 12 (1) three shall serve a term of one year;  
13 (2) two shall serve a term of two years; and  
14 (3) two shall serve a term of three years.

15 \* Sec. 9. Sections 1 - 6 and 8 of this Act take effect immediately in  
16 accordance with AS 01.10.070(c).

17 \* Sec. 10. Section 7 of this Act takes effect July 1, 1980.  
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