



# LAWS OF ALASKA

1987

**Source**

HCS CSSB 107(Jud)

**Chapter No.**

14

## AN ACT

Making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes; 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 10

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TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: May 29, 1987  
Actual Effective Date: May 30, 1987, except for secs. 54, 55, 59-61, 76, and 83, which take effect January 1, 1988; sections 49, 51, and 52 are retroactive to October 1, 1986

AN ACT

Making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes; and providing for an effective date.

\* Section 1. AS 04.16.010(c) is amended to read:

(c) A licensee, an agent, or employee may not permit a person to enter and a person may not enter premises licensed under this title between the hours of 5:00 a.m. and 8:00 a.m. each day. This subsection does not apply to common carriers [, AS DEFINED IN AS 42.10.-420(2),] or to an employee of the licensee who is on the premises to prepare for the next day's business. A person may enter or remain on the premises of a bona fide restaurant or eating place licensed under this title to consume food or nonalcoholic beverages.

\* Sec. 2. AS 06.25.085 is amended to read:

Sec. 06.25.085. APPLICATION OF GENERAL BANKING LAWS. The provisions of AS 06.05.005 - 06.05.085, 06.05.090, 06.05.270, 06.05.307, 06.05.320 - 06.05.327, [06.05.405 - 06.05.425,] 06.05.440 - 06.05.445, 06.05.462, 06.05.465 - 06.05.510, [06.05.465 - 06.05.515] and 06.05.-525 - 06.05.545 apply to all trust companies engaged in any phase of the business of banking as that term is defined by AS 06.05.540(3) or AS 06.25.100.

\* Sec. 3. AS 06.30.720 is amended to read:

Sec. 06.30.720. PETITION BY COMMISSIONER. The commissioner, acting through the attorney general, may apply to the superior court

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1 for the appointment of a receiver, if in the [HIS] judgment of the  
2 commissioner the public interest requires it and [EITHER]

3 (1) irregularities complained of in an order of the commis-  
4 sioner under AS 06.01.030 [AS PROVIDED IN SEC. 660 OF THIS CHAPTER]  
5 are not corrected; [, OR]

6 (2) irregularities complained of in a petition for the  
7 appointment of a conservator are not corrected; [,] or

8 (3) an [IN THE CASE OF ANY] emergency exists.

9 \* Sec. 4. AS 08.03.010(a) and 08.03.010(b) are repealed.

10 \* Sec. 5. AS 08.04.500(a) is amended to read:

11 (a) A person may not assume or use the title or designation  
12 "certified public accountant" or the abbreviation "CPA" or any other  
13 title, designation, word, letter, abbreviation, sign, card, or device  
14 tending to indicate that person is a certified public accountant,  
15 unless the person has received a certificate, holds a live permit  
16 [ISSUED UNDER AS 08.04.390 - 08.04.440, HEREINAFTER REFERRED TO AS A  
17 "LIVE" PERMIT], and all of the person's offices in this state for the  
18 practice of public accounting are maintained and registered as re-  
19 quired by AS 08.04.350 - 08.04.380.

20 \* Sec. 6. AS 08.04.510(b) is amended to read:

21 (b) A partnership or corporation of certified public accountants  
22 in good standing in any state, not registered as a partnership or  
23 corporation of certified public accountants under AS 08.04.240 [AND  
24 08.04.250] but holding a permit under AS 08.04.420, may use the title  
25 or designation "certified public accountants."

26 \* Sec. 7. AS 08.04.680 is amended to read:

27 Sec. 08.04.680. DEFINITIONS. In this chapter [AS USED IN  
28 AS 08.04.010 - 08.04.690]

29 (1) "board" means the Board of Public Accountancy;

(2) "certificate" means certificate as a certified public accountant;

(3) "license" means license as a public accountant;

(4) "live permit" means a permit issued under AS 08.04.-390 - 08.04.430 [REPEALED].

\* Sec. 8. AS 08.62.020 is amended to read:

Sec. 08.62.020. APPOINTMENT AND TERM OF OFFICE. The governor shall appoint the pilot and agent or manager members of the board, subject to confirmation by a majority of the members of the legislature in joint session, for terms of four years, or until their successors are appointed. A [THE FIRST MEMBERS SHALL BE INITIALLY APPOINTED FOR ONE, TWO, THREE AND FOUR YEAR TERMS. NO] person, with the exception of the commissioner or the commissioner's designee, may not be appointed to the board for more than two consecutive terms.

\* Sec. 9. AS 08.62.180 is amended to read:

Sec. 08.62.180. EXEMPTIONS. This chapter does not apply to

(1) vessels under enrollment, except as provided in AS 08.-62.185;

(2) fishing vessels registered in the United States or in British Columbia, Canada;

(3) vessels propelled by machinery and not more than 65 feet in length over deck, except tugboats and towboats propelled by steam [MOTORBOATS AS DEFINED IN SEC. 1 OF THE FEDERAL MOTOR BOAT ACT OF 1940 (54 STAT. 163; 46 U.S.C., SEC. 526 ET SEQ.)];

(4) vessels of United States registry of less than 300 gross tons and tow boats of United States registry and vessels owned by the State of Alaska, engaged exclusively

(A) on the rivers of Alaska, or

(B) in the coastwise trade on the west coast of the

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1 United States including Alaska, Hawaii, and British Columbia,  
2 Canada;

3 (5) vessels of Canada, including Canadian cruise ships,  
4 engaged in frequent trade between British Columbia and Alaska, if  
5 reciprocal exemptions are granted by Canada to vessels owned by the  
6 State of Alaska and those of United States registry; and

7 (6) pleasure craft.

8 \* Sec. 10. AS 08.64.205 is amended to read:

9 Sec. 08.64.205. QUALIFICATIONS FOR OSTEOPATH APPLICANTS. Each  
10 osteopath applicant shall meet the qualifications prescribed in  
11 AS 08.64.200(4) and (5) [AS 08.64.200(1), (4) AND (5)] and shall

12 (1) submit a certificate of graduation from the legally  
13 chartered school of osteopathy approved by the board;

14 (2) submit a certificate from a hospital approved by the  
15 American Medical Association or the American Osteopathic Association  
16 which certifies that the osteopath has satisfactorily completed and  
17 performed the duties of intern or resident physician for one year;

18 (3) take the examination required by AS 08.64.210 or be  
19 certified to practice by the National Board of Examiners for Osteo-  
20 pathic Physicians and Surgeons.

21 \* Sec. 11. AS 08.64.209(a) is amended to read:

22 (a) Each applicant who desires to practice podiatry shall meet  
23 the qualification [QUALIFICATIONS] prescribed in AS 08.64.200(4)  
24 [AS 08.64.200(1) AND (4)] and shall

25 (1) submit a certificate of graduation from a legally  
26 chartered school of podiatry approved by the board;

27 (2) take the examination required by AS 08.64.210; the  
28 State Medical Board shall call to its aid a podiatrist of known abil-  
29 ity who is licensed to practice podiatry to assist in the examination

and licensure of applicants for a license to practice podiatry;

(3) meet other qualifications of experience or education which the board may require.

\* Sec. 12. AS 08.64.225 is amended to read:

Sec. 08.64.225. FOREIGN MEDICAL GRADUATES. Applicants who are graduates of medical colleges not accredited by the American Medical Association or one of its agencies shall meet the requirements of AS 08.64.200(3), (4) and (5) [AS 08.64.200(1), (3), (4) AND (5)] and must have passed an examination and be certified by the Education Council on Foreign Medical Graduates, or be licensed by examination in another state or territory of the United States or province of Canada.

\* Sec. 13. AS 08.64.272 is amended to read:

Sec. 08.64.272. RESIDENCY AND INTERNSHIP. For the limited purpose of doing residency or internship work, the board may issue a temporary permit to an applicant without examination if the applicant meets the requirement [REQUIREMENTS] of AS 08.64.200(2) [AS 08.64.-200(1) AND (2)], pays the required fee, and has been accepted by an eligible institution in the state for the purpose of doing residency or internship work.

\* Sec. 14. AS 08.88.500 is repealed.

\* Sec. 15. AS 09.17.080(a) is amended to read:

(a) In all actions involving fault of more than one party to the action, including third-party defendants and persons who have been released under AS 09.16.040 [AS 09.17.090], the court, unless otherwise agreed by all parties, shall instruct the jury to answer special interrogatories or, if there is no jury, shall make findings, indicating

(1) the amount of damages each claimant would be entitled to recover if contributory fault is disregarded; and

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(2) the percentage of the total fault of all of the parties to each claim that is allocated to each claimant, defendant, third-party defendant, and person who has been released from liability under AS 09.16.040 [AS 09.17.090].

\* Sec. 16. AS 09.17.080(c) is amended to read:

(c) The court shall determine the award of damages to each claimant in accordance with the findings, subject to a reduction under AS 09.16.040 [AS 09.17.090], and enter judgment against each party liable. The court also shall determine and state in the judgment each party's equitable share of the obligation to each claimant in accordance with the respective percentages of fault.

\* Sec. 17. AS 09.17.090 is repealed.

\* Sec. 18. AS 09.38.115(b) is amended to read:

(b) The dollar amounts change on October [JULY] 1 of each even-numbered year if the percentage of change, calculated to the nearest whole percentage point, between the index for January [NOVEMBER] of that [THE PRECEDING] year and the most recent [REFERENCE BASE] index used to change the exemption amount, is 10 percent or more, but

(1) the portion of the percentage change in the index in excess of a multiple of 10 percent is disregarded and the dollar amounts change only in multiples of 10 percent of the amounts appearing in this chapter on August 26, 1982; and

(2) the dollar amounts do not change if the amounts required by this section are those currently in effect as a result of earlier application of this section.

\* Sec. 19. AS 09.38.115(d) is amended to read:

(d) The Department of Labor shall adopt a regulation announcing

(1) on or before June [APRIL] 30 of each year in which dollar amounts are to change, the changes in dollar amounts required

by (b) of this section; and

(2) promptly after the changes occur, changes in the index required by (c) of this section, including, if applicable, the numerical equivalent of the reference base index under a revised reference base index and the designation or title of any index superseding the index.

\* Sec. 20. AS 11.66.280(4) is amended to read:

(4) "gambling enterprise" means a gambling business that  
[WHICH]

(A) includes five or more persons who conduct, finance, manage, supervise, direct, or own all or part of the business;

(B) has been or remains in substantially continuous operation for a period in excess of 30 days or has a gross income of \$2,000 or more in any single day; and

(C) is not a municipality or a qualified organization under AS 05.15.210 [AS 05.15.210(15)], except that, for purposes of this paragraph, no application for a license under AS 05.15 [AS 05.15.210(15)] is required to be considered a qualified organization;

\* Sec. 21. AS 14.07.058(f) is repealed.

\* Sec. 22. AS 14.17.140(b) is amended to read:

(b) Motor vehicles subject to the motor vehicle registration tax under AS 28.10.431 [AS 28.10.255] shall be treated as taxable property for purposes of (a) of this section.

\* Sec. 23. AS 14.20.420(a) is amended to read:

(a) The term of office for each member of the commission is three years and until a successor is appointed [, EXCEPT THAT MEMBERS OF THE FIRST COMMISSION SHALL BE APPOINTED AS FOLLOWS: THREE MEMBERS

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1 FOR ONE YEAR, THREE MEMBERS FOR TWO YEARS, AND THREE MEMBERS FOR THREE  
2 YEARS. MEMBERS OF THE FIRST COMMISSION SHALL DRAW BY LOT FOR THE  
3 INITIAL TERM OF APPOINTMENT].

4 \* Sec. 24. AS 14.42.030(b) is amended to read:

5 (b) The commission shall

6 (1) develop a comprehensive statewide plan for coordinated  
7 postsecondary education in the state and serve as the state commission  
8 on postsecondary education required under sec. 1202 of Title XII of  
9 the Higher Education Act of 1965, as amended by the Education Amend-  
10 ments of 1972 (PL 92-318, sec. 196; 86 Stat. 324);

11 (2) establish a state advisory council on community col-  
12 leges and develop a comprehensive statewide plan for the expansion and  
13 improvement of the community colleges under sec. 1001 of Title X of  
14 the Higher Education Act of 1965, as amended by the Education Amend-  
15 ments of 1972 (PL 92-318, sec. 186; 86 Stat. 312, 313);

16 (3) serve as the state agency required under secs. 105 of  
17 Title I (Community Service and Continuing Education), 603 of Title VI  
18 (Financial Assistance for Undergraduate Education), [AND] 704 of Title  
19 VII (Construction of Academic Facilities), and Part B of Title IV  
20 (Guaranteed Student Loan Program) of the Higher Education Act of 1965  
21 (PL 89-329; 79 Stat. 1220, 1262; 20 U.S.C. 1005, 1123) as authorized  
22 by sec. 1202(c) of Title XII of the Higher Education Act of 1965, as  
23 amended by the Education Amendments of 1972 (PL 92-318, sec. 196; 86  
24 Stat. 324);

25 (4) administer the provisions of AS 14.43.090 - 14.43.160  
26 (student loan program), and serve as the student financial aid commit-  
27 tee;

28 (5) administer the provisions of AS 14.48 (regulation of  
29 postsecondary educational institutions);

(6) resolve any disputes that exist or arise under a consortium or other cooperative agreement between institutions of public and private higher education in the state.

\* Sec. 25. AS 15.13.100 is amended to read:

Sec. 15.13.100. EXPENDITURES BEFORE FILING. A [NO] political campaign expenditure may not be made or incurred by a person in an election or by a person or group with the person's [HIS] knowledge and on the person's [HIS] behalf before the date upon which the person [HE OR SHE] files for nomination for the office which the person seeks, except for personal travel expenses or for opinion surveys or polls. These expenditures must [SHALL BE CHARGED AGAINST THE SPENDING LIMITATION THAT APPLIES TO THE OFFICE FOR WHICH HE SUBSEQUENTLY FILES, AND SHALL] be included in the first report required under this chapter after filing for office.

\* Sec. 26. AS 15.13.120(a)(2) is amended to read:

(2) making a campaign contribution that [OR EXPENDITURE WHICH] exceeds the limitations of AS 15.13.070 [AS 15.13.070(f)].

\* Sec. 27. AS 16.05.390(b) is amended to read:

(b) Each agent authorized to sell licenses or tags under AS 16.05.380 shall, as directed by the commissioner of revenue, transmit the proceeds from the sales of licenses and tags, except the amount authorized to be retained, together with a report of the sales, to the commissioner for deposit in the fish and game fund or the general fund. [FEES IMPOSED UNDER AS 16.05.340(e) SHALL BE COLLECTED AND TRANSMITTED IN THE SAME MANNER.]

\* Sec. 28. AS 16.05.430(a) is amended to read:

(a) A person who violates AS 16.05.330 - 16.05.420 or a regulation adopted under AS 16.05.330 - 16.05.420 is guilty of a misdemeanor and upon conviction is punishable by a fine of not more than \$1,000,

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1 or by imprisonment for not more than six months, or by both.

2 \* Sec. 29. AS 16.05.860 is amended to read:

3 Sec. 16.05.860. PENALTY FOR VIOLATING FISHWAY AND HATCHERY  
4 REQUIREMENTS. (a) The owner of a dam or obstruction who fails to  
5 comply with AS 16.05.840 or 16.05.850 or a regulation adopted under  
6 AS 16.05.840 or 16.05.850 within a reasonable time specified by writ-  
7 ten notice from the commissioner is guilty of a misdemeanor, and is  
8 punishable by a fine of not more than \$1,000. Each day the owner  
9 fails to comply constitutes a separate offense.

10 (b) In addition to the fine, the dam or other obstruction  
11 managed, controlled, or owned by a person violating AS 16.05.840 or  
12 16.05.850 or a regulation adopted under AS 16.05.840 or 16.05.850 is a  
13 public nuisance and is subject to abatement.

14 \* Sec. 30. AS 16.05.925 is amended to read:

15 Sec. 16.05.925. PENALTY FOR VIOLATIONS. Except as provided in  
16 AS 16.05.430, 16.05.720, 16.05.831, and 16.05.860, a [A] person who  
17 violates AS 16.05.920, or a regulation adopted under this chapter or  
18 AS 16.20, is guilty of a class A misdemeanor. [HOWEVER, A PERSON WHO  
19 VIOLATES A REGULATION ADOPTED UNDER THIS CHAPTER FOR THE REGULATION OF  
20 COMMERCIAL FISHERIES IS SUBJECT TO THE PENALTIES SET OUT IN AS 16.05.-  
21 720.]

22 \* Sec. 31. AS 16.10.470(b) is amended to read:

23 (b) A person who holds a permit for the operation of a salmon  
24 hatchery under AS 16.10.400 - 16.10.470 and each regional association  
25 levying a voluntary [ROYALTY] assessment under AS 16.10.540 [AS 16.-  
26 10.530] shall submit an annual financial report to the Department of  
27 Commerce and Economic Development on a form to be provided by the  
28 Department of Commerce and Economic Development.

29 \* Sec. 32. AS 16.10.475 is repealed.

\* Sec. 33. AS 16.10.540 is amended to read:

Sec. 16.10.540. VOLUNTARY ASSESSMENT ON SALE OF SALMON. (a) An [IN PLACE OF OR IN ADDITION TO AN ASSESSMENT LEVIED UNDER AS 16.10.-530, AN] association of persons who hold entry permits under AS 16.43, which consists of at least 51 percent of the persons holding entry permits and actively participating in a fishery to be benefited by a hatchery program, may levy and collect an assessment from among its members for the purpose of securing and repaying a loan made under AS 16.10.510.

(b) Upon satisfactory demonstration to the commissioner that an assessment levied under this section may reasonably be relied upon to secure and repay a loan to be made under AS 16.10.510, the commissioner may make the loan [WITHOUT REQUIRING AN ASSESSMENT UNDER AS 16.10.530].

(c) [IF AN ASSESSMENT MADE UNDER THIS SECTION FAILS TO SATISFY THE PAYMENTS REQUIRED ON THE PRINCIPAL AND INTEREST DUE ON THE LOAN THE COMMISSIONER MAY NEGOTIATE WITH THE REGIONAL ASSOCIATION TO LEVY AN ASSESSMENT UNDER AS 16.10.530.]

\* Sec. 34. AS 16.30.030(3) is repealed.

\* Sec. 35. AS 16.43.030(a) is amended to read:

(a) The members of the commission shall be appointed for terms of four years. [INITIAL APPOINTMENTS SHALL BE AS FOLLOWS: ONE MEMBER FOR TWO YEARS, ONE MEMBER FOR THREE YEARS, AND ONE MEMBER FOR FOUR YEARS.]

\* Sec. 36. AS 16.43.182 is repealed.

\* Sec. 37. AS 16.43.980(b) is repealed.

\* Sec. 38. AS 18.55.570(c) is amended to read:

(c) Bonds and notes of the authority issued under AS 18.55.480 - 18.55.960 shall be authorized by its resolution and may be issued in

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1 one or more series and shall bear the date or dates, be payable upon  
2 demand or mature at the time or times, bear interest at the rate or  
3 rates provided [FOR BONDS AND NOTES OF THE AUTHORITY UNDER AS 18.55.-  
4 190], be in the denomination or denominations, be in the form either  
5 coupon or registered, carry the conversion or registration privileges,  
6 have the rank or priority, be executed in the manner, be payable in  
7 the medium of payment, at the place or places, and be subject to the  
8 terms of redemption, with or without premium, which the resolution,  
9 its trust indenture or mortgage provides.

10 \* Sec. 39. AS 18.56.900(9) is amended to read:

11 (9) "mortgage" or "mortgage loan" means a mortgage loan for  
12 residential housing insured or guaranteed by the United States or an  
13 instrumentality of the United States or for which there is a commit-  
14 ment by the United States or an instrumentality of the United States  
15 to insure or guarantee such a mortgage, or if not so insured or guar-  
16 anteed or if there is no such commitment, that is [WHICH THE CORPO-  
17 RATION DETERMINES MEETS THE CONDITIONS DESCRIBED IN AS 18.56.100(k) OR  
18 WHICH SHALL BE] secured upon such terms and conditions as the corpo-  
19 ration considers necessary or practicable to insure all repayments;

20 \* Sec. 40. AS 18.67.101 is amended to read:

21 Sec. 18.67.101. INCIDENTS AND OFFENSES TO WHICH AS 18.67.010 -  
22 18.67.180 APPLY. The board may order the payment of compensation in  
23 accordance with the provisions of this chapter for personal injury or  
24 death that resulted from

25 (1) an attempt on the part of the applicant to prevent the  
26 commission of crime, or to apprehend a suspected criminal, or aiding  
27 or attempting to aid a police officer to do so, or aiding a victim of  
28 crime; or

29 (2) the commission or attempt on the part of one other than

the applicant to commit any of the following offenses: murder in any degree, manslaughter, criminally negligent homicide, assault in the first or second degree, kidnapping, sexual assault in any degree, sexual abuse of a minor, robbery in any degree, [CONTRIBUTING TO THE DELINQUENCY OF A MINOR UNDER AS 11.51.130(a)(4),] threats to do bodily harm, or driving while intoxicated or another crime resulting from the operation of a motor vehicle, boat, or airplane when the offender is intoxicated.

\* Sec. 41. AS 21.09.210(b) is amended to read:

(b) Each insurer, and each formerly authorized insurer with respect to premiums received while an authorized insurer in this state, shall pay tax on the total direct premium income received during the year ending on the preceding December 31 and paid for the insurance of property or risks resident or located in the state other than wet marine and transportation insurance, after deducting from the total direct premium income the applicable cancellations, returned premiums, the unabsorbed portion of any deposit premium, all policy dividends, unabsorbed premiums refunded to policyholders, refunds, savings, savings coupons and other similar returns paid or credited to policyholders with respect to their policies. No deductions may be made of cash surrender value of policies. Considerations received on annuity contracts are not included in the direct premium income and are not subject to tax. The tax shall be paid to the director annually before April 1, and [, EXCEPT AS PROVIDED IN AS 21.69.390(c),] is computed at the rate of

(1) for domestic and foreign insurers, except hospital and medical service corporations, 2.7 percent;

(2) for hospital and medical service corporations, six percent of their gross premiums less claims paid.

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1 \* Sec. 42. AS 21.69.390(c) is repealed.

2 \* Sec. 43. The revisor of statutes shall substitute "director" for  
3 "commissioner" where the latter appears in the following provisions of  
4 AS 21.80 (Alaska Guaranty Association Act): AS 21.80.050(a) and (b);  
5 21.80.060(a)(5) and (6); 21.80.070(a), (c)(7) and (8), and (d); 21.80.080;  
6 21.80.110; 21.80.120; 21.80.150; and 21.80.170(a) and (b).

7 \* Sec. 44. AS 21.80.170(c) is amended to read:

8 (c) If the operation of the Alaska Insurance Guaranty Association  
9 is terminated as to all kinds of insurance otherwise within its  
10 scope, the association, as soon as possible thereafter, shall distrib-  
11 ute the balance of money and assets remaining after discharge of the  
12 functions of the association with respect to prior insurer insol-  
13 vencies not covered by the other plan, together with related expenses,  
14 to the insurers which are then writing in this state policies of the  
15 kinds of insurance covered by this chapter and which had made payments  
16 to the association, pro rata upon the basis of the aggregate of the  
17 payments made by the respective insurers during the period of five  
18 years next preceding the date of the termination order. Upon comple-  
19 tion of this distribution with respect to all of the kinds of insur-  
20 ance covered by this chapter, the director shall certify that fact to  
21 the legislature together with the director's recommendations for the  
22 amendment or repeal of this chapter [SHALL BE CONSIDERED TO HAVE  
23 EXPIRED].

24 \* Sec. 45. AS 21.80.180(5) is amended to read:

25 (5) "insolvent insurer" means an insurer

26 (A) authorized to transact insurance in this state,  
27 except an assessable reciprocal insurer formed by and insuring  
28 only municipalities or nonprofit public utilities, a reciprocal  
29 insurer formed under AS 21.75 to provide marine insurance, a

joint insurance arrangement formed under AS 21.76, and the Medical Indemnity Corporation of Alaska, [AND THE HEALTH CARE PROVIDERS JOINT UNDERWRITING ASSOCIATION ESTABLISHED UNDER AS 21.88,] either at the time the policy was issued or when the insured event occurred, and

(B) determined to be insolvent by a court of competent jurisdiction;

\* Sec. 46. AS 21.80.180(6) is amended to read:

(6) "member insurer" means a person, except an assessable reciprocal insurer formed by and insuring only municipalities or nonprofit public utilities, a reciprocal insurer formed under AS 21.75 to provide marine insurance, a joint insurance arrangement formed under AS 21.76, and the Medical Indemnity Corporation of Alaska, [AND THE HEALTH CARE PROVIDERS JOINT UNDERWRITING ASSOCIATION ESTABLISHED UNDER AS 21.88,] who

(A) writes insurance to which this chapter applies under AS 21.80.020 including the exchange of reciprocal or inter-insurance contracts, and

(B) is licensed to transact insurance in the state;

\* Sec. 47. AS 22.15.240(c) and 22.15.240(d) are repealed.

\* Sec. 48. AS 24.45.116 is amended to read:

Sec. 24.45.116. DISCLOSURE OF CONTRIBUTIONS. A [BEFORE A CIVIC LEAGUE OR ORGANIZATION MAY BE ELIGIBLE FOR THE BENEFITS OF AS 43.20.031(f), IT MUST AGREE TO COMPLY WITH THE REQUIREMENTS OF THIS SECTION. THE] civic league or organization shall report the total amount of contributions received for the reporting period and for any contribution over \$100, the name of the contributor and the amount contributed. The civic league or organization may establish a separate fund to account for receipts and expenditures arising out of activities to

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1 influence legislative action. Reports shall be made on a form pro-  
2 vided by the commission on February 10, April 25, and July 10 of each  
3 year, listing contributions received during the period that ended 10  
4 days earlier.

5 \* Sec. 49. AS 29.10.200(43) is amended to read:

6 (43) AS 29.45.700(d) (sales and use tax) [AS 29.45.700(a)  
7 (POWER OF LEVY)]

8 \* Sec. 50. AS 29.45.230(e) is amended to read:

9 (e) In this section "disaster" means a major disaster declared  
10 by the President of the United States under [THE PROVISIONS OF 42  
11 U.S.C. SEC. 1855 - 1855g (FEDERAL DISASTER ACT OF 1950), OR OTHER]  
12 federal law [,] or a disaster declared by the governor under AS 26.-  
13 23.010 - 26.23.110.

14 \* Sec. 51. AS 29.45.700(a) is amended to read:

15 (a) A city in a borough that levies and collects areawide sales  
16 and use taxes may levy sales and use taxes on all sources taxed by the  
17 borough in the manner provided for boroughs. Except as provided in  
18 (d) of this section, the [THE] assembly may by ordinance authorize a  
19 city to levy and collect sales and use taxes on other sources [EXCEPT  
20 PURCHASES MADE WITH FOOD COUPONS, FOOD STAMPS, OR OTHER TYPE OF CER-  
21 TIFICATE ISSUED UNDER 7 U.S.C. 2011 - 2025 (FOOD STAMP ACT). THIS  
22 SUBSECTION APPLIES TO HOME RULE AND GENERAL LAW MUNICIPALITIES].

23 \* Sec. 52. AS 29.45.700 is amended by adding a new subsection to read:

24 (d) A city that levies and collects sales and use taxes under  
25 (a) of this section may not levy and collect a sales tax on a purchase  
26 made with food coupons, food stamps, or other type of certificate  
27 issued under 7 U.S.C. 2011 - 2025 (Food Stamp Act). This subsection  
28 applies to home rule and general law municipalities.

29 \* Sec. 53. Sections 49, 51, and 52 of this Act are retroactive to

October 1, 1986.

\* Sec. 54. AS 33.30 is amended by adding a new section to read:

Sec. 33.30.026. CONTRACTS. Contracting for services under this chapter is governed by AS 36.30 (State Procurement Code).

\* Sec. 55. AS 33.30.031(c) is amended to read:

(c) Notwithstanding AS 36.30.300 [AS 37.05.230(1)(B)], an agreement with a private agency to provide necessary facilities under (a) of this section must be based on competitive bids.

\* Sec. 56. AS 35.15.060 is repealed.

\* Sec. 57. AS 35.27.030(1) and AS 35.30.040(1) are repealed.

\* Sec. 58. AS 36.25.020(c) is amended to read:

(c) A suit brought under this section shall be brought in the name of the state or the political subdivision of the state for the use of the person suing in the [SUPERIOR] court with jurisdiction. A suit under this section is subject to AS 08.18.151. A [NO] suit may not be started after the expiration of one year after the date of final settlement of the contract. The state or political subdivision of the state is not liable for costs or expenses of the suit.

\* Sec. 59. AS 36.30.730 is amended by adding a new subsection to read:

(f) The commissioner shall separately account for fees collected under (c) and (d) of this section and deposited in the general fund. The annual estimated balance in the account may be used by the legislature to make appropriations to the department to carry out the purposes of (c) and (d) of this section.

\* Sec. 60. AS 36.30.900 is amended to read:

Sec. 36.30.900. PREFERENCE FOR ALASKA PRODUCTS. This chapter does not modify, amend, or alter AS 36.15.010 and 36.15.020 regarding preference for Alaska forest products, or AS 36.15.050 and 36.15.060 regarding preference for Alaska agricultural and fisheries products

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1 [AS 36.20.010 REGARDING PREFERENCE TO PRODUCERS OR DEALERS IN ALASKA]  
2 except as provided in AS 36.30.170(b) and (c).

3 \* Sec. 61. AS 36.90.050(b) is amended to read:

4 (b) The competitive bid provisions of AS 36.30 [AS 37.05.230 AND  
5 THE COMPETITIVE BIDDING PROVISIONS OF ANY OTHER LAW] do not apply to a  
6 contract for the maintenance or repair of a marine vessel owned by the  
7 state if the contract is awarded to a facility in the state.

8 \* Sec. 62. AS 37.05.157, 37.05.158, and AS 37.07.062(c)(4) are re-  
9 pealed.

10 \* Sec. 63. AS 37.10.088(b) is amended to read:

11 (b) The [UNTIL JUNE 30, 1980, THE TOTAL OF ADVANCES IN ANY  
12 FISCAL YEAR MAY NOT EXCEED 20 PER CENT OF THE TOTAL OF GRANTS AND  
13 CONTRACTS FROM FEDERAL AND PRIVATE SOURCES APPROPRIATED TO THE UNIVER-  
14 SITY FOR THAT FISCAL YEAR. AFTER JUNE 30, 1980, THE] total of ad-  
15 vances in a [ANY] fiscal year may not exceed 10 percent of the total  
16 of grants and contracts from federal and private sources appropriated  
17 to the university for that fiscal year. The amounts advanced in a  
18 [ANY] fiscal year shall be repaid in full to the department within 120  
19 days following the close of that fiscal year. If the repayment is not  
20 made on a timely basis, the department may withhold amounts due from  
21 state fund appropriations for the university.

22 \* Sec. 64. AS 37.20.040 is repealed.

23 \* Sec. 65. AS 37.25.030 is repealed.

24 \* Sec. 66. AS 38.09.100 is amended to read:

25 Sec. 38.09.100. LESSEES OF REMOTE PARCELS. (a) A lessee of a  
26 remote parcel under former AS 38.05.077 may elect to obtain title to  
27 the remote parcel under AS 38.09.050. If a lessee of a remote parcel  
28 elects to obtain title under AS 38.09.050, July 28, 1983, shall be  
29 considered the date of the issuance of the homestead entry permit.

(b) Except as provided in (a) of this section, nothing in this chapter affects the rights and obligations of lessees of remote parcels under former AS 38.05.077.

\* Sec. 67. AS 39.05.060(a)(6) is repealed.

\* Sec. 68. AS 39.05.100(a) is amended to read:

(a) A person appointed to a board or commission of the state government [,] shall be and have been before the last general election, (1) a registered voter in the state, if the appointment is made at large or (2) a registered voter from the judicial district, if the appointment is made from a specific judicial district. The student member of the Board of Regents of the University of Alaska appointed under AS 14.40.150(b) and the student member of the Alaska Commission on Postsecondary Education appointed under AS 14.42.015(e) are exempt from the requirement of this subsection if the member was not old enough to be a registered voter in the last general election.

\* Sec. 69. AS 39.25.110(11)(C) and AS 39.50.200(b)(43) are repealed.

\* Sec. 70. AS 43.05.210 is repealed.

\* Sec. 71. AS 43.70.020(b) is amended to read:

(b) Application for a renewal of a license and payment of the annual [INITIAL] fee under AS 43.70.030 shall be made before February 1 of each year.

\* Sec. 72. AS 43.70.030(d), 43.70.040, 43.70.110(2), and 43.70.110(3) are repealed.

\* Sec. 73. AS 43.70.090 is amended to read:

Sec. 43.70.090. REGULATIONS. The department may adopt regulations necessary to determine and collect the fees imposed by this chapter [AND MAY ADOPT REGULATIONS DEFINING THE NECESSARY METHODS OF COMBINATION AND APPORTIONMENT FOR MULTISTATE FINANCIAL INSTITUTIONS REQUIRED TO FILE UNDER THIS CHAPTER].

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1 \* Sec. 74. AS 43.80.015(b) is amended to read:

2 (b) The receipt of land or an interest in it under the federal  
3 Act or of cash in order to equalize the values of property exchanged  
4 under sec. 22(f) of that Act or AS 38.50 [AS 38.95.060] is not subject  
5 to any form of state or local taxation. The basis for computing gain  
6 or loss on subsequent sale or other disposition of this land or inter-  
7 est in land for purposes of a state or local tax imposed on or mea-  
8 sured by income is the fair value of the land or interest in land at  
9 the time of receipt.

10 \* Sec. 75. AS 43.80.015(c) is amended to read:

11 (c) A real property interest conveyed under the federal Act,  
12 AS 38.50, or AS 38.95.050 [OR 38.95.060], including land received in  
13 an exchange under sec. 22(f) of the federal Act or AS 38.50 [AS 38.-  
14 95.060], to a Native individual or corporation incorporated under  
15 Alaska law pursuant to the federal Act, which interest is not devel-  
16 oped or leased to third parties, is exempt from state and local real  
17 property taxes and local assessments until December 18, 1991. How-  
18 ever, municipal taxes, local real property taxes, or local assessments  
19 may, under the laws of the state, be imposed upon leased or developed  
20 real property within the jurisdiction of any governmental unit or-  
21 ganized under the laws of the state. Easements, rights-of-way, lease-  
22 holds, and similar interests in real property may be taxed in accord-  
23 dance with state or local law. All rents, royalties, profits, and  
24 other revenues or proceeds derived from property interests are taxable  
25 to the same extent as these revenues or proceeds are taxable when  
26 received by a non- native individual or corporation. In sec. 21(d) of  
27 the federal Act, the exemption of real property interests from local  
28 real property taxes includes exemption from local assessments and  
29 extends to land received in an exchange under sec. 22(f) of the

federal Act or AS 38.50 [AS 38.95.060].

- \* Sec. 76. AS 44.62.175(a)(4) is amended to read:

(4) notices of state agency requests for proposals issued under AS 18.55.255, 18.55.320; AS 36.30.210; AS 37.05.316; AS 38.05.-120; and AS 43.40.010;

- \* Sec. 77. AS 44.62.330(a)(46) is repealed.

- \* Sec. 78. AS 45.55.040(b) is amended to read:

(b) The administrator may by regulation or order require an applicant for initial registration to publish an announcement of the application in one or more specified newspapers published in this state. If no denial order is in effect and no proceeding is pending under AS 45.55.060, registration becomes effective at noon on the 30th day after an application is filed [, EXCEPT THAT REGISTRATION BECOMES EFFECTIVE UPON FILING OF THE APPLICATION BY ANY OF THE PERSONS SUBJECT TO THIS CHAPTER WHO WERE DOING BUSINESS IN THIS STATE ON MAY 9, 1959]. The administrator may by regulation or order specify an earlier effective date, and the administrator may by order defer the effective date until noon of the 30th day after the filing of an amendment.

- \* Sec. 79. AS 45.55.090(b) is amended to read:

(b) A registration statement under this section shall contain the following information and be accompanied by the following documents in addition to the information specified in AS 45.55.110(c) and the consent to service of process required by AS 45.55.260(g):

(1) one copy [THREE COPIES] of the latest form of prospectus filed under the Securities Act of 1933;

(2) if the administrator requires, copies of the articles of incorporation and bylaws (or their substantial equivalent) currently in effect, a copy of an agreement with or among underwriters, a copy of an indenture or other instrument governing the issuance of the

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1 security to be registered, and a specimen or copy of the security;

2 (3) if the administrator requests, any other information,  
3 or copies of any other documents, filed under the Securities Act of  
4 1933; and

5 (4) an undertaking to forward all future amendments to the  
6 federal prospectus, other than an amendment which merely delays the  
7 effective date of the registration statement, promptly and in any  
8 event not later than the first business day after the day they are  
9 forwarded to or filed with the Securities and Exchange Commission,  
10 whichever first occurs.

11 \* Sec. 80. AS 45.88.030(d) is amended to read:

12 (d) All principal and interest payments on loans made under this  
13 chapter shall be paid into the alternative [TECHNOLOGY AND] energy  
14 revolving loan fund.

15 \* Sec. 81. AS 45.88.030(e) is amended to read:

16 (e) [THE RATE OF INTEREST FOR A LOAN UNDER THIS SECTION, OTHER  
17 THAN A LOAN FOR AN ALTERNATIVE ENERGY SYSTEM, MAY NOT EXCEED NINE AND  
18 ONE-HALF PERCENT A YEAR ON THE UNPAID BALANCE OF THE LOAN.] The rate  
19 of interest for a loan for an alternative energy system is five per-  
20 cent for the first \$15,000 of the loan and 15 percent for the amount  
21 of the loan that exceeds \$15,000.

22 \* Sec. 82. AS 46.15.200 is amended to read:

23 Sec. 46.15.200. TERM OF OFFICE. The term of office for members  
24 of the board is four years. [THE FIRST MEMBERS APPOINTED SERVE AS  
25 FOLLOWS: TWO MEMBERS SERVE FOR ONE YEAR, THREE FOR TWO YEARS AND TWO  
26 FOR THREE YEARS.] If a vacancy occurs, the governor shall fill it by  
27 appointment for the unexpired term. The appointment shall be submit-  
28 ted to the legislature for confirmation at the next regular or special  
29 session.

\* Sec. 83. Section 65, ch. 106, SLA 1986 is amended to read:

Sec. 65. REPORT. By December 1, 1988, the commissioner of administration and the commissioner of transportation and public facilities shall report to the legislature concerning procurements by state agencies during fiscal year 1988 [1987]. The report must include

(1) a summary of the information required under AS 36.30.-510 [THE RECORDS PREPARED UNDER AS 36.30.510(4)];

(2) recommendations for changes in AS 36.30 or other laws based on implementation of AS 36.30 in those 12 months; and

(3) a description of any matters that involved litigation concerning AS 36.30 during those 12 months.

\* Sec. 84. Sections 54, 55, 59 - 61, 76, and 83 of this Act take effect on the effective date of sec. 2, ch. 106, SLA 1986.

\* Sec. 85. Except for secs. 54, 55, 59 - 61, 76, and 83, this Act takes effect immediately under AS 01.10.070(c).