

Chapter 82 2010 - Enrolled HB 306

01 Declaring a state energy policy.

02

03 *** Section 1.** The uncodified law of the State of Alaska is amended by
adding a new section
04 to read:

05 LEGISLATIVE INTENT. It is the intent of the legislature that

06 (1) the state achieve a 15 percent increase in energy
efficiency on a per capita

07 basis between 2010 and 2020;

08 (2) the state receive 50 percent of its electric generation
from renewable and

09 alternative energy sources by 2025;

10 (3) the state work to ensure a reliable in-state gas supply
for residents of the
11 state;

12 (4) the power project fund (AS 42.45.010) serve as the main
source of state

13 assistance for energy projects;

14 (5) the state remain a leader in petroleum and natural gas
production and

15 become a leader in renewable and alternative energy development.

01 *** Sec. 2.** AS 44.99 is amended by adding a new section to read:

02 **Sec. 44.99.115. Declaration of state energy policy.** The State
of Alaska

03 recognizes that the state's economic prosperity is dependent on
available, reliable, and

04 affordable residential, commercial, and industrial energy to supply
the state's electric,

05 heating, and transportation needs. The state also recognizes that
worldwide supply and

06 demand for fossil fuels and concerns about global climate change
will affect the price

07 of fossil fuels consumed by Alaskans and exported from the state to
other markets. In

08 establishing a state energy policy, the state further recognizes the
immense diversity of

09 the state's geography, cultures, and resource availability.

Therefore, it is the policy of

10 the state to

11 (1) institute a comprehensive and coordinated approach to
supporting

12 energy efficiency and conservation by

13 (A) encouraging statewide energy efficiency codes
for new and

14 renovated residential, commercial, and public buildings;

15 (B) decreasing public building energy consumption
through

16 conservation measures and energy-efficient technologies; and

17 (C) initiating and supporting a program to educate
state

18 residents on the benefits of energy efficiency and

conservation, including

19 dissemination of information on state and federal programs that
reward energy

20 efficiency;

21 (2) encourage economic development by

22 (A) promoting the development of renewable and
alternative
23 energy resources, including geothermal, wind, solar,
hydroelectric,
24 hydrokinetic, tidal, and biomass energy, for use by Alaskans;
25 (B) promoting the development, transport, and
efficient use of
26 nonrenewable and alternative energy resources, including
natural gas, coal, oil,
27 gas hydrates, heavy oil, and nuclear energy, for use by
Alaskans and for
28 export;
29 (C) working to identify and assist with development
of the
30 most cost-effective, long-term sources of energy for each
community
31 statewide;
01 (D) creating and maintaining a state fiscal regime
and
02 permitting and regulatory processes that encourage private
sector development
03 of the state's energy resources; and
04 (E) promoting the efficiency of energy used for
transportation;
05 (3) support energy research, education, and workforce
development by
06 investing in
07 (A) training and education programs that will help
create jobs
08 for Alaskans and that address energy conservation, efficiency,
and availability,
09 including programs that address workforce development and
workforce
10 transition; and
11 (B) applied energy research and development of
alternative and
12 emerging technologies, including university programs, to
achieve reductions in
13 state energy costs and stimulate industry investment in the
state;
14 (4) coordinate governmental functions
15 (A) by reviewing and streamlining regulatory
processes and
16 balancing the economic costs of review with the level of
regulation necessary
17 to protect the public interest;
18 (B) by using one office or agency, as may be
specified by law,
19 to serve as a clearinghouse in managing the state's energy-
related functions to
20 avoid fragmentation and duplication and to increase
effectiveness; and
21 (C) by actively collaborating with federal agencies
to achieve
22 the state's energy goals and to meet emissions, renewable and
alternative
23 energy, and energy production targets.

Chapter 83 - Enrolled SB 220

01 Relating to energy efficiency, energy conservation, and alternative
energy, to an emerging
02 energy technology fund, to the lease of state land to a public electric
utility, to an exemption
03 from taxation by a municipality of certain residential renewable energy
systems, to the Alaska
04 heating assistance program, to state energy use data, to the Southeast
energy fund, to the
05 alternative energy revolving loan fund, to nuclear energy production and
facilities, to the
06 definition of "power project" or "project" as it relates to rural and
statewide energy programs
07 and the Alaska Energy Authority, and to the definition of "alternative
energy system";
08 establishing an Alaska energy efficiency revolving loan fund; directing
the Department of
09 Transportation and Public Facilities to prepare a report on the
feasibility of using compressed
10 natural gas to power vehicles in the state, including vehicles owned,
operated, or paid for in
11 whole or in part by the state, and including in that study, if warranted,
a pilot program
01 proposal for powering some vehicles owned, operated, or paid for in whole
or in part by the
02 state with compressed natural gas; authorizing and relating to the
issuance of bonds by the
03 Alaska Housing Finance Corporation; relating to a report regarding a
municipal energy
04 improvements financing program and to an energy report by the Office of
the Governor; and
05 providing for an effective date.

06

07 *** Section 1.** The uncodified law of the State of Alaska is amended by
adding a new section
08 to read:

09 SHORT TITLE. This Act may be known as the Alaska Sustainable Energy
Act.

10 *** Sec. 2.** AS 14.08.101 is amended to read:

11 **Sec. 14.08.101. Powers.** A regional school board may

12 (1) sue and be sued;

13 (2) contract with the department, the Bureau of Indian
Affairs, or any

14 other school district, agency, or regional board for the provision
of services, facilities,
15 supplies, or utilities;

16 (3) determine its own fiscal procedures, including but
not limited to

17 policies and procedures for the purchase of supplies and equipment;
the regional

18 school boards are exempt from AS 37.05 (Fiscal Procedures Act) and
AS 36.30 (State

19 Procurement Code);

20 (4) appoint, compensate, and otherwise control all school
employees in

21 accordance with this title; these employees are not subject to AS
39.25 (State

22 Personnel Act);
23 (5) adopt regulations governing organization, policies,
and procedures
24 for the operation of the schools;
25 (6) establish, maintain, operate, discontinue, and
combine schools
26 subject to the approval of the commissioner;
27 (7) recommend to the department projects for
construction,
28 rehabilitation, and improvement of schools and education-related
facilities as specified
29 in AS 14.11.011(b), and plan, design, and construct the project when
the responsibility
01 for it is assumed under AS 14.11.020;
02 (8) by resolution adopted by a majority of all the
members of the board
03 and provided to the commissioner of the department, assume ownership
of all land and
04 buildings used in relation to the schools in the regional
educational attendance area, as
05 provided for in AS 14.08.151(b);
06 (9) provide housing for rental to teachers, by leasing
existing housing
07 from a local agency or individual, by entering into contractual
arrangements with a
08 local agency or individual to lease housing that will be constructed
by the local agency
09 or individual for that purpose, or, without using for the purpose
that portion of public
10 school funding that consists of state aid provided under AS 14.17,
by constructing or
11 otherwise acquiring housing that is owned and managed by the
regional educational
12 attendance area for rental to teachers;
13 (10) employ a chief school administrator;
14 (11) apply for and use the proceeds of a loan from the
Alaska
15 energy efficiency revolving loan fund (AS 18.56.855);
16 (12) exercise those other functions that may be necessary
for the
17 proper performance of its responsibilities.
18 * **Sec. 3.** AS 14.40.170(b) is amended to read:
19 (b) The Board of Regents may
20 (1) adopt reasonable rules, orders, and plans with
reasonable penalties
21 for the good government of the university and for the regulation of
the Board of
22 Regents;
23 (2) determine and regulate the course of instruction in
the university
24 with the advice of the president;
25 (3) set student tuition and fees;
26 (4) receive university receipts and, subject to
legislative appropriation,
27 expend university receipts in accordance with AS 37.07 (Executive
Budget Act);

28 (5) apply for and use the proceeds of a loan from the
Alaska
29 energy efficiency revolving loan fund (AS 18.56.855).
30 * **Sec. 4.** AS 18.45.020 is amended to read:
31 **Sec. 18.45.020. United States licenses or permits required.** A
person may
01 not manufacture, construct, produce, transfer, acquire, or possess a
special nuclear
02 material, by-product material, special nuclear material facility,
by-product material
03 facility, production facility, or utilization facility, or act as an
operator of a production
04 facility or utilization facility, wholly within the state without
first obtaining a license
05 or permit for the activity in which the person proposes to engage
from the Nuclear
06 Regulatory Commission if the commission requires a license or permit
to be obtained
07 by persons proposing to engage in the activities.
08 * **Sec. 5.** AS 18.45.025(a) is amended to read:
09 (a) A person may not construct a nuclear fuel production
facility, nuclear
10 utilization facility, utilization facility, reprocessing facility,
or nuclear waste disposal
11 facility in the state without first obtaining a permit from the
Department of
12 Environmental Conservation to construct the facility on land
designated by the
13 legislature under (b) of this section.
14 * **Sec. 6.** AS 18.45.025(b) is amended to read:
15 (b) The legislature shall designate by law the land in the
state on which a
16 nuclear fuel production facility, nuclear utilization facility,
utilization facility,
17 nuclear reprocessing facility, or nuclear waste disposal facility
may be located. In
18 designating the land in the state on which
19 (1) a nuclear utilization facility or utilization
facility may be
20 located, the legislature shall act in the interest of regulating the
economics of
21 nuclear energy;
22 (2) a nuclear fuel production facility, [NUCLEAR
UTILIZATION,]
23 nuclear reprocessing facility, or nuclear waste disposal facility
may be located, the
24 legislature shall act to protect the public health and safety.
25 * **Sec. 7.** AS 18.45.025(c) is repealed and reenacted to read:
26 (c) The Department of Environmental Conservation shall adopt
regulations
27 governing the issuance of permits required by (a) of this section.
However, a permit
28 may not be issued until the municipality with jurisdiction over the
proposed facility
29 site has approved the permit.
30 * **Sec. 8.** AS 18.56.090 is amended by adding a new subsection to read:

31 (f) In furtherance of its corporate purpose, the corporation
may, in cooperation

01 with the Alaska Energy Authority, provide technical assistance to
municipalities

02 related to residential and commercial building energy codes and
energy efficiency

03 standards.

04 * **Sec. 9.** AS 18.56 is amended by adding a new section to read:

05 **Sec. 18.56.855. Alaska energy efficiency revolving loan fund.**

(a) The

06 Alaska energy efficiency revolving loan fund is established in the
corporation to carry

07 out the purposes of this section. The revolving loan fund consists
of money or assets

08 appropriated or transferred to the corporation for the revolving
loan fund, including

09 money and assets deposited in the revolving loan fund by the
corporation and earnings

10 on investments of money held in the revolving loan fund. The
corporation may

11 establish separate accounts in the fund. The corporation shall
establish the interest

12 rates, security provisions, and other terms of a loan made under
this section taking into

13 consideration the corporation's cost of funds and other factors the
corporation

14 considers appropriate.

15 (b) Money and other assets of the Alaska energy efficiency
revolving loan

16 fund may be used to

17 (1) make loans to regional educational attendance areas
or to municipal

18 governments, including subdivisions of municipal governments, to the
University of

19 Alaska, or to the state for the purpose of financing energy
efficiency improvements to

20 buildings owned by regional educational attendance areas, by the
University of

21 Alaska, by the state, or by municipalities in the state;

22 (2) secure bonds issued by the corporation to finance the
loans

23 described in (1) of this subsection;

24 (3) pay costs of administering the revolving loan fund;
and

25 (4) pay the costs of administering and enforcing the
terms of loans

26 made by the corporation from the revolving loan fund.

27 (c) Before a regional educational attendance area, the
University of Alaska, a

28 municipal government, or a subdivision of a municipal government,
may borrow

29 money from the corporation under this section, the regional
educational attendance

30 area, the University of Alaska, or the municipal government shall
waive any sovereign

31 immunity defense it may have available to it with respect to
enforcement of the terms

01 of the loan. A regional educational attendance area, the University
of Alaska, or a
02 municipal government may waive sovereign immunity to comply with the
requirement
03 of this subsection. The state waives any sovereign immunity defense
against
04 enforcement of the terms of a loan made to the state under this
section. A person or
05 corporation having a claim under this section shall bring an action
in a state court in
06 Alaska that has jurisdiction over the claim.

07 (d) All regional educational attendance areas and municipal
governments in
08 the state and the University of Alaska are authorized to borrow from
the corporation
09 under this section. The corporation shall set out the terms of a
loan to a regional
10 educational attendance area in a loan agreement or similar document.
At the discretion
11 of the corporation, a borrowing by a regional educational attendance
area, the
12 University of Alaska, or a municipal government under this section
may be effected
13 by use of a loan agreement or similar document evidencing and
setting out the terms
14 of the loan or by issuance of a bond by the municipal government to
the corporation.

15 Notwithstanding a charter provision requiring public sale by a
regional educational
16 attendance area or a municipality of its municipal bonds or other
indebtedness, a
17 regional educational attendance area or municipality may sell its
bonds under this
18 section to the corporation at a negotiated, private sale. At the
discretion of the
19 corporation, the bonds or other indebtedness of the municipality may
be general
20 obligations of the municipality or may be secured by an identified
revenue source or
21 by a combination of the full faith and credit of the municipality
and an identified
22 revenue source.

23 (e) Notwithstanding any other provision of law, to the extent
that a department
24 or agency of the state is the custodian of money payable to a
regional educational
25 attendance area, to the University of Alaska, or to a municipality,
at any time after
26 written notice to the department or agency head from the corporation
that the regional
27 educational attendance area, the University of Alaska, or the
municipality is in default
28 on the payment of principal of or interest on municipal bonds or
other indebtedness
29 then held or owned by the corporation, or amounts due under an
agreement between

30 the corporation and a regional educational attendance area, the
University of Alaska,
31 or a municipality, the department or agency shall withhold the
payment of that money
01 from that regional educational attendance area, the University of
Alaska, or that
02 municipality and pay over the money to the corporation for the
purpose of paying the
03 principal of and interest on the bonds or indebtedness. The notice
must be given in
04 each instance of default. If a notice is given under this subsection
and under
05 AS 44.85.170 and the default is continuing under this subsection and
under
06 AS 44.85.170, the department or agency shall make payment to the
corporation and to
07 the Alaska Municipal Bond Bank Authority on a pro rata basis, taking
into
08 consideration the principal amount of the respective default
amounts.

09 (f) An authorized state officer may borrow from the
corporation under this
10 section for buildings owned by the state. The superintendent of a
regional educational
11 attendance area, at the direction of the regional educational
attendance area school
12 board, may borrow from the corporation under this section for
buildings owned by the
13 regional educational attendance area. The president of the
University of Alaska, at the
14 direction of the Board of Regents, may borrow under this section for
buildings owned
15 by the University of Alaska.

16 (g) In addition to other security that may be given with
respect to a loan made
17 under this section, the corporation may require a deed of trust on
the building that is
18 the subject of the energy efficiency loan and the real estate on
which the building is
19 located. A regional educational attendance area, the University of
Alaska, or a
20 municipality may grant a deed of trust to the corporation as needed
for this purpose.

21 An authorized state officer may grant a deed of trust to the
corporation as needed for
22 this purpose.

23 (h) The corporation shall administer the Alaska energy
efficiency revolving
24 loan fund in accordance with regulations adopted by the corporation.
The corporation
25 may adopt regulations under AS 18.56.088 to carry out the purposes
of this section.

26 (i) This section applies to home rule municipalities.
27 (j) In this section, "authorized state officer" means
28 (1) the commissioner of the department of the state for a
building
29 owned by the state;

30 (2) the executive director of a public corporation for a
building owned
31 by the public corporation;
01 (3) the legislative council for a building owned by the
legislature;
02 (4) the administrative director of courts for a building
owned by the
03 judicial system;
04 (5) any other person designated in writing by a person
listed in (1) - (4)
05 of this subsection.
06 * **Sec. 10.** AS 29.45.050(b) is amended to read:
07 (b) A municipality may by ordinance
08 (1) classify and exempt from taxation
09 (A) the property of an organization not organized
for business
10 or profit-making purposes and used exclusively for community
purposes if the
11 income derived from rental of that property does not exceed the
actual cost to
12 the owner of the use by the renter;
13 (B) historic sites, buildings, and monuments;
14 (C) land of a nonprofit organization used for
agricultural
15 purposes if rights to subdivide the land are conveyed to the
state and the
16 conveyance includes a covenant restricting use of the land to
agricultural
17 purposes only; rights conveyed to the state under this
subparagraph may be
18 conveyed by the state only in accordance with AS 38.05.069(c);
19 (D) all or any portion of private ownership
interests in property
20 that, based upon a written agreement with the University of
Alaska, is used
21 exclusively for student housing for the University of Alaska;
property may be
22 exempted from taxation under this subparagraph for no longer
than 30 years
23 unless the exemption is specifically extended by ordinance
adopted within the
24 six months before the expiration of that period;
25 (E) a residential renewable energy system that is
used to
26 develop means of energy production using energy sources other
than fossil
27 or nuclear fuel, including windmills and water and solar energy
devices
28 located in the municipality;
29 (2) classify as to type and exempt or partially exempt
some or all types
30 of personal property from ad valorem taxes.
31 * **Sec. 11.** AS 37.07.040 is amended to read:
01 **Sec. 37.07.040. Office of management and budget.** The Alaska
office of
02 management and budget shall

03 (1) assist the governor in meeting the requirements of AS
37.07.020,
04 including the coordination and analysis of state agency goals and
objectives, plans,
05 and budget requests;
06 (2) prepare for submission to the governor an annually
updated six-
07 year capital improvements program and the proposed capital
improvements budget for
08 the coming fiscal year, the latter to include individual project
justification with
09 documentation of estimated project cost;
10 (3) develop procedures to produce the information needed
for effective
11 policy decision making, including procedures to provide for the
dissemination of
12 information about plans, programs, and budget requests to be
included in the annual
13 budget and opportunity for public review and comment during the
period of budget
14 preparation;
15 (4) assist state agencies in their statement of goals and
objectives to
16 achieve, among other things, the legislature's mission and desired
results, preparation
17 of plans, assessments of the extent to which missions and desired
results have been
18 achieved, budget requests, and reporting of program performance; all
documents
19 forwarded by the office to a state agency containing instructions
for the preparation of
20 program plans and budget requests and the reporting of program
performance are
21 public information after the date they are forwarded;
22 (5) administer its responsibilities under the program
execution
23 provisions of this chapter so that the policy decisions and budget
determinations of the
24 governor and the legislature are implemented;
25 (6) provide the legislative finance division with the
budget information
26 it may request;
27 (7) provide the legislative finance division with an
advance copy of the
28 governor's budget workbooks at least seven days before the
legislature convenes in a
29 regular session;
30 (8) prepare the proposed capital improvements budget for
the coming
31 fiscal year evaluating both state and local requests from the
standpoint of need, equity,
01 and priorities of the jurisdiction; other factors such as project
amounts, population,
02 local financial match, federal funds being used for local match,
municipality or
03 unincorporated community acceptance of the facility, and all
associated costs of the

04 facility may be considered;
05 (9) for each department in the executive branch, report
to the
06 legislature by the 45th day of each regular session the amount of
money appropriated
07 to the department that is expected to lapse into the general fund at
the end of the
08 current fiscal year;
09 (10) establish and administer a state agency program
performance
10 management system involving planning, performance budgeting,
performance
11 measurement, and program evaluation; the office shall ensure that
information
12 generated under this system is useful for managing and improving the
efficiency and
13 effectiveness of agency operations;
14 (11) by January 15, list each lease-purchase agreement
entered into by
15 an agency during the immediately preceding fiscal year for the
acquisition of
16 equipment or other personal property, together with a description of
the property
17 acquired and financial details, including the purchase price, the
term for payments, the
18 amount of each payment, and the amount of interest or financing
charges paid;

19 **(12) work with state agencies to develop a standardized**
20 **methodology to collect and store energy consumption and expense**
data.

21 * **Sec. 12.** AS 38.05.810(e) is amended to read:

22 (e) The lease, sale, or other disposal of state land at
appraised fair market
23 value may be negotiated with a licensed public utility or a licensed
common carrier by
24 the director with the approval of the commissioner if the utility or
carrier reasonably
25 requires the land for the conduct of its business under its license.

A lease with a

26 **licensed public utility that is an electric utility entered into**
under this subsection

27 **may not include, as part of the rent or other fee that is negotiated**
or charged, an

28 **amount that is based on or determined by a percentage of gross**
revenue for

29 **renewable energy produced by the electric utility.**

30 * **Sec. 13.** AS 42.45.040 is repealed and reenacted to read:

31 **Sec. 42.45.040. Southeast energy fund.** (a) The Southeast energy
fund is

01 established as a separate fund. The fund consists of

02 (1) money appropriated to the fund by the legislature;

03 (2) money transferred to it under former AS 42.45.050;

04 (3) gifts, bequests, contributions from other sources,

and federal

05 money;

06 (4) interest earned on the fund balance; and

07 (5) investments, to be managed by the Department of
Revenue, which
08 shall be the fiduciary of the fund under AS 37.10.071.
09 (b) The fund is not a dedicated fund.
10 (c) The authority may make grants from the Southeast energy
fund to a
11 municipality of the state, a joint action agency established under
AS 42.45.300 and
12 42.45.310, a member-owned electric cooperative established under AS
10.25, or
13 another electric utility holding a certificate of public convenience
and necessity under
14 AS 42.05 for power projects, repayment of loans, and payments on
bonds for
15 hydroelectric projects and electrical transmission lines or
interties serving Southeast
16 Alaska that are entirely owned by the grantee.
17 (d) An appropriation from the fund for a project described in
(c) of this section
18 lapses back into the fund if substantial, ongoing work on the
project has not begun
19 within seven years after the effective date of the appropriation.
20 * **Sec. 14.** AS 42.45 is amended by adding a new section to read:
21 **Article 7A. Emerging Energy Technology Fund.**
22 **Sec. 42.45.375. Emerging energy technology fund.** (a) In order
to promote
23 the expansion of energy sources available to Alaskans, the emerging
energy
24 technology fund is established. The fund consists of
25 (1) money appropriated to the fund by the legislature to
provide grants
26 for energy projects; and
27 (2) gifts, bequests, contributions from other sources,
and federal
28 money appropriated to the fund.
29 (b) The fund is not a dedicated fund.
30 (c) The fund shall be administered by the authority, but the
authority may
31 contract for the investment of money appropriated to the fund but
not disbursed for a
01 grant. The authority, in consultation with the advisory committee
established under (f)
02 of this section, may make grants from the fund to eligible
applicants for demonstration
03 projects of technologies that have a reasonable expectation to be
commercially viable
04 within five years and that are designed to
05 (1) test emerging energy technologies or methods of
conserving
06 energy;
07 (2) improve an existing energy technology; or
08 (3) deploy an existing technology that has not previously
been
09 demonstrated in the state.
10 (d) In making grants under this section, the authority, in
consultation with the

11 advisory committee established under (f) of this section, shall give
12 priority to

13 (1) Alaska residents, associations, organizations, or
14 institutions;

15 (2) projects that demonstrate partnership with the
16 University of Alaska

17 or another Alaska postsecondary institution;

18 (3) projects supported by matching funds or in-kind
19 partnerships; and

20 (4) projects with potential for widespread deployment in
21 the state.

22 (e) In administering the fund, the authority may enter into a
23 contract or

24 agreement with the University of Alaska to provide technical and
25 economic review

26 and analysis for the advisory committee established under (f) of
27 this section and data

28 acquisition and analysis of the projects awarded grants.

29 (f) An advisory committee is established and consists of seven
30 members. Each

31 member of the committee shall have a degree in science or
32 engineering, or equivalent

33 professional experience, and at least two years of experience
34 working in the state.

35 Members of the committee shall be appointed by the governor to
36 staggered three-year

37 terms. The committee consists of one representative of each of the
38 following groups:

39 (1) a business or organization engaged in the renewable
40 energy sector;

41 (2) a business or organization engaged in the fossil fuel
42 energy sector;

43 (3) the Alaska Power Association or an Alaska electric
44 utility;

45 (4) the Denali Commission established under P.L. 105-277
46 and

47 mentioned in a note at 42 U.S.C. 3121;

48 (5) the National Renewable Energy Laboratory;

49 (6) the Arctic Energy Office of the National Energy
50 Technology

51 Laboratory;

52 (7) the Alaska Industrial Development and Export
53 Authority.

54 (g) A member of the advisory committee appointed under (f) of
55 this section

56 serves without compensation but is entitled to per diem and travel
57 expenses as

58 provided in AS 39.20.180.

59 (h) If a member of the advisory committee appointed under
60 (f) (4), (5), or (6)

61 of this section is not available to serve as a member of the
62 committee, the governor

63 shall appoint a representative from a federal agency or department
64 with a comparable

65 mission or purpose to the agency listed in (f) (4), (5), or (6) of
66 this section to fill the

11 position on the committee. If a representative from a federal agency
or department is

12 not available to fill the position, the governor may appoint a
member from a state

13 agency or department.

14 (i) A business or organization represented by a member of the
advisory

15 committee under (f) of this section is not eligible to receive a
grant from the fund.

16 (j) In this section,

17 (1) "eligible applicant" means

18 (A) an electric utility holding a certificate of
public

19 convenience and necessity under AS 42.05;

20 (B) an independent power producer;

21 (C) a local government, quasi-governmental entity,
or other

22 governmental entity, including a tribal council or housing
authority;

23 (D) a business holding an Alaska business license;
or

24 (E) a nonprofit organization;

25 (2) "energy technology" means technology that promotes,
enhances, or

26 expands the diversity of available energy supply sources or means of
transmission,

27 increases energy efficiency, or reduces negative energy-related
environmental effects;

28 "energy technology" includes technology related to renewable sources
of energy,

29 conservation of energy, enabling technologies, efficient and
effective use of

30 hydrocarbons, and integrated energy systems;

31 (3) "fund" means the emerging energy technology fund.

01 * **Sec. 15.** AS 42.45.990(4) is amended to read:

02 (4) "power project" or "project" means a plant, works,
system, or

03 facility, together with related or necessary facilities and
appurtenances, including a

04 divided or undivided interest in or a right to the capacity of a
power project or project,

05 that is used or is useful for the purpose of

06 (A) electrical or thermal energy production [OTHER
THAN

07 NUCLEAR ENERGY PRODUCTION];

08 (B) waste energy utilization and energy
conservation; or

09 (C) transmission, purchase, sale, exchange, and
interchange of

10 electrical or thermal energy, including district heating or
interties;

11 * **Sec. 16.** AS 44.42.020(a) is amended to read:

12 (a) The department shall

13 (1) plan, design, construct, and maintain all state modes
of

14 transportation and transportation facilities and all docks, floats,
breakwaters, buildings,

15 and similar facilities;
16 (2) study existing transportation modes and facilities in
the state to
17 determine how they might be improved or whether they should continue
to be
18 maintained;
19 (3) study alternative means of improving transportation
in the state
20 with regard to the economic costs of each alternative and its
environmental and social
21 effects;
22 (4) develop a comprehensive, long-range, intermodal
transportation
23 plan for the state;
24 (5) study alternatives to existing modes of
transportation in urban areas
25 and develop plans to improve urban transportation;
26 (6) cooperate and coordinate with and enter into
agreements with
27 federal, state, and local government agencies and private
organizations and persons in
28 exercising its powers and duties;
29 (7) manage, operate, and maintain state transportation
facilities and all
30 docks, floats, breakwaters, and buildings, including all state
highways, vessels,
31 railroads, pipelines, airports, and aviation facilities;
01 (8) study alternative means of transportation in the
state, considering
02 the economic, social, and environmental effects of each alternative;
03 (9) coordinate and develop state and regional
transportation systems,
04 considering deletions, additions, and the absence of alterations;
05 (10) develop facility program plans for transportation
and state
06 buildings, docks, and breakwaters required to implement the duties
set out in this
07 section, including but not limited to functional performance
criteria and schedules for
08 completion;
09 (11) supervise and maintain all state automotive and
mechanical
10 equipment, aircraft, and vessels, except vessels and aircraft used
by the Department of
11 Fish and Game or the Department of Public Safety; for state vehicles
maintained by
12 the department, the department shall, every five years, evaluate the
cost, efficiency,
13 and commercial availability of alternative fuels for automotive
purposes, and the
14 purpose for which the vehicles are intended to be used, and convert
vehicles to use
15 **alternative fuels** or purchase **energy efficient** vehicles [TO USE
ALTERNATIVE
16 FUELS] whenever practicable; the department may participate in joint
ventures with

17 public or private partners that will foster the availability of
alternative fuels for all
18 automotive fuel consumers;
19 (12) supervise aeronautics inside the state, under AS
02.10;
20 (13) implement the safety and financial responsibility
requirements for
21 air carriers under AS 02.40;
22 (14) inspect weights and measures;
23 (15) at least every four years, study alternatives
available to finance
24 transportation systems in order to provide an adequate level of
funding to sustain and
25 improve the state's transportation system.
26 * **Sec. 17.** AS 44.42 is amended by adding a new section to read:
27 **Sec. 44.42.067. Retrofits and new construction for energy
efficiency;**
28 **energy efficiency report.** (a) Not later than January 1, 2020, the
department shall
29 work with other state agencies to retrofit at least 25 percent of
all public facilities,
30 starting with those it determines are the least energy efficient, if
the department
31 determines that retrofitting the public facilities will result in a
net savings in energy
01 costs to the state within 15 years after completion of the retrofits
for a public facility
02 and if funding for the retrofits is available.
03 (b) A retrofit or deferred maintenance of a public facility
performed under this
04 section, to the extent feasible, shall meet or exceed the most
recently published edition
05 of the ASHRAE/IESNA Standard 90.1, Energy Standard for Buildings
Except for
06 Low-Rise Residential Buildings, as published by the American Society
of Heating,
07 Refrigerating and Air-Conditioning Engineers.
08 (c) New construction of a public facility under this section
shall meet or
09 exceed the most recently published edition of the ASHRAE/IESNA
Standard 90.1,
10 Energy Standard for Buildings Except for Low-Rise Residential
Buildings, as
11 published by the American Society of Heating, Refrigerating and Air-
Conditioning
12 Engineers.
13 (d) Not later than January 1 of each year, the department, in
consultation with
14 the Department of Administration, shall submit a report to the
legislature detailing the
15 department's progress in meeting the requirements of this section to
reduce state
16 energy consumption and costs and carrying out the duties listed in
AS 44.42.020 as
17 they relate to energy use. The department shall include in the
report an analysis of the

18 consumption and expense data recorded by the office of management
and budget
19 under AS 37.07.040, comparing energy consumption levels in each year
with past
20 years to determine if reductions are being achieved.

21 (e) In this section, "public facility" means a facility owned
and controlled by
22 the state for government or public use that is 10,000 square feet or
more and is not a
23 legislative building or court building.

24 * **Sec. 18.** AS 44.83.080 is amended by adding a new paragraph to read:
25 (17) to promote energy conservation, energy efficiency,
and alternative

26 energy through training and public education.

27 * **Sec. 19.** AS 44.83.990(6) is amended to read:

28 (6) "power project" or "project" means a plant, works,
system, or

29 facility, together with related or necessary facilities and
appurtenances, including a

30 divided or undivided interest in or a right to the capacity of a
power project or project,

31 that is used or is useful for the purpose of

01 (A) electrical or thermal energy production [OTHER
THAN

02 NUCLEAR ENERGY PRODUCTION];

03 (B) waste energy utilization and energy
conservation; or

04 (C) transmission, purchase, sale, exchange, and
interchange of

05 electrical or thermal energy, including district heating or
interties;

06 * **Sec. 20.** AS 45.88.010(a) is amended to read:

07 (a) There is established in the Department of Commerce,
Community, and

08 Economic Development the alternative energy conservation revolving
loan fund to

09 carry out the purposes of AS 45.88.010 - 45.88.090. Loans made under
AS 45.88.010

10 - 45.88.090 are to be used

11 (1) to develop means of energy production utilizing one
or more

12 alternative energy systems; and

13 (2) to purchase, construct, and install energy
conservation

14 improvements in commercial buildings [ENERGY SOURCES OTHER THAN

15 FOSSIL OR NUCLEAR FUEL, INCLUDING, BUT NOT LIMITED TO,

16 WINDMILLS, WATER AND SOLAR ENERGY DEVICES].

17 * **Sec. 21.** AS 45.88.010 is amended by adding a new subsection to read:

18 (e) The alternative energy conservation revolving loan fund
consists of

19 (1) money appropriated to the fund by the legislature;

20 (2) gifts, bequests, or contributions from other sources;

21 (3) principal and interest payments or other income

earned on loans or

22 investments in the fund; and

23 (4) money chargeable to principal or interest that is
collected through

24 liquidation by foreclosure or other processes on loans made under AS
45.88.010 -
25 45.88.090.

26 * **Sec. 22.** AS 45.88.020(a) is amended to read:

27 (a) The department may
28 (1) make loans for the purchase, construction, and
installation, in

29 commercial buildings that are located in the state, of

30 (A) alternative energy systems; and

31 (B) energy conservation improvements;

01 (2) adopt regulations necessary to carry out the
provisions of

02 AS 45.88.010 - 45.88.090, including regulations to establish
reasonable fees for

03 services provided and charges for collecting the fees;

04 (3) collect the fees and collection charges established
under this

05 subsection.

06 * **Sec. 23.** AS 45.88 is amended by adding a new section to read:

07 **Sec. 45.88.025. Eligibility.** To be eligible for a loan under AS

45.88.010 -

08 45.88.090, an applicant must

09 (1) physically reside in the state and maintain a
domicile in the state

10 during 12 consecutive months before the date of application for a
loan and may not

11 have

12 (A) declared or established residency in another
state; or

13 (B) received residency or a benefit based on
residency from

14 another state;

15 (2) be at least 51 percent owned by individuals described
in (1) of this

16 section if the applicant is a corporation, joint venture, or
partnership; or

17 (3) be a nonprofit organization under AS 10.20.

18 * **Sec. 24.** AS 45.88.030(a) is repealed and reenacted to read:

19 (a) A loan made under AS 45.88.010 - 45.88.090 may not exceed
\$50,000. If

20 the requested loan amount exceeds \$30,000, the applicant must
deliver to the

21 department a document from a financial institution stating that

22 (1) the applicant has been denied a loan for the same
purpose; or

23 (2) the loan from the financial institution is contingent
on the applicant

24 also receiving a loan from the fund.

25 * **Sec. 25.** AS 45.88.030(e) is amended to read:

26 (e) The rate of interest for a loan under AS 45.88.010 -
45.88.090 is the

27 prime rate, as defined by AS 44.88.599, plus one percentage point,
but may not be

28 less than five percent a year [FOR AN ALTERNATIVE ENERGY SYSTEM IS

29 FIVE PERCENT FOR THE FIRST \$15,000 OF THE LOAN AND 15 PERCENT

30 FOR THE AMOUNT OF THE LOAN THAT EXCEEDS \$15,000].

31 * **Sec. 26.** AS 45.88.030 is amended by adding a new subsection to read:

01 (f) A loan under AS 45.88.010 - 45.88.090 must be secured by a
mortgage or
02 other security instrument in the real property to be improved and a
lien on the
03 improvements financed with the loan.

04 * **Sec. 27.** AS 45.88.090(a) is amended to read:

05 (a) In AS 45.88.010 - 45.88.090,

06 (1) "alternative energy system"

07 (A) [(1)] means a source of thermal, mechanical or
electrical

08 energy that [WHICH] is not dependent on oil or gas or a nuclear
fuel for the

09 supply of energy for space heating and cooling, refrigeration
and cold storage,

10 electrical power, mechanical power, or the heating of water;

11 (B) [(2)] includes

12 (i) [(A)] an alternative energy property as
defined by 26

13 U.S.C. 48(a) (3) (A) (Sec. 301, P.L. 95-618, Internal
Revenue Code);

14 (ii) [(B)] a method of architectural design and
15 construction that [WHICH] provides for the collection,

storage, and

16 use of direct radiation from the sun;

17 (iii) [(C)] a woodstove that complies with the

18 provisions of 40 C.F.R. 60.530 [WITH A CATALYTIC

19 CONVERTER OR A CATALYTIC CONVERTER FOR A WOOD

20 STOVE];

21 (iv) [AND (D)] a steam, hot water, or ducted

hot air

22 central heating system that uses wood or coal for fuel;

and

23 (v) a high efficiency wood pellet or grain

stove;

24 (C) [(3)] does not include

25 (i) [(A)] a stove that uses only coal [WOOD,

COAL,]

26 or oil for fuel; or

27 (ii) [(B)] a fireplace or fireplace insert;

28 (2) "commercial building"

29 (A) means a building that is intended to be used for

30 commercial purposes;

31 (B) does not include

01 (i) a residential structure or mobile home that
02 contains one to four family housing units; or

03 (ii) individual units of condominiums or

04 cooperatives;

05 (3) "energy conservation improvement" means

06 (A) structural insulation;

07 (B) thermal windows and doors;

08 (C) a furnace replacement burner designed to achieve

a

09 reduction in the amount of fuel consumed as a result of

increased

10 combustion efficiency;

11 (D) a device for modifying flue openings designed to

12 increase the efficiency of operation of the heating system;

13 (E) an electrical or mechanical furnace ignition
14 system that

14 replaces a gas pilot light;

15 (F) an automatic energy-saving setback thermostat;

16 (G) a meter that displays the cost of energy usage;

17 (H) caulking and weather-stripping of doors and

windows;

18 (I) insulating shades and shutters;

19 (J) air and water recuperators.

20 * **Sec. 28.** AS 46.11.900(1) is amended to read:

21 (1) "alternative energy system"

22 (A) means a source of thermal, mechanical, or
electrical energy

23 that is not dependent on oil or gas [OR A NUCLEAR FUEL] for the
supply of

24 energy for space heating and cooling, refrigeration and cold
storage, electrical

25 power, mechanical power, or the heating of water;

26 (B) includes

27 (i) an alternative energy property as defined
by 26

28 U.S.C. 48(a) (3) (A); and

29 (ii) a method of architectural design and
construction

30 that provides for the collection, storage, and use of
direct radiation from

31 the sun;

01 * **Sec. 29.** AS 47.25.621 is amended to read:

02 **Sec. 47.25.621. Alaska affordable heating [ASSISTANCE] program.**

(a)

03 The Alaska affordable heating [ASSISTANCE] program is established in
the

04 Department of Health and Social Services to provide expanded
eligibility for Alaska

05 residents for home heating assistance, to the extent funds are
available in the Alaska

06 affordable heating fund [APPROPRIATED BY THE LEGISLATURE FOR THAT
07 PURPOSE].

08 (b) The Alaska affordable heating [ASSISTANCE] program
established

09 under this section is in addition to the federal low-income heating
and energy

10 assistance provided under 42 U.S.C. 8621 - 8629 (Low-Income Home
Energy

11 Assistance Act of 1981), as amended, and implementing regulations.

12 * **Sec. 30.** AS 47.25.621 is amended by adding a new subsection to read:

13 (c) The Alaska affordable heating fund is established as a
separate fund to be

14 managed by the Department of Revenue. The fund consists of
appropriations made to

15 it. Interest earned by the fund may be appropriated to it. The
Department of Health and

16 Social Services shall use money in the fund for Alaska affordable
heating payments.

17 * **Sec. 31.** AS 47.25.622 is amended to read:

18 **Sec. 47.25.622. Duties.** The Department of Health and Social
Services

19 [DEPARTMENT] shall
20 (1) administer the Alaska affordable heating [ASSISTANCE]
21 program provided under AS 47.25.621;
22 (2) adopt regulations under AS 44.62 (Administrative
Procedure Act)
23 to carry out the purpose of the program;
24 (3) coordinate payments among other heating assistance
programs to
25 avoid duplication of payments.

26 * **Sec. 32.** AS 47.25.623 is amended to read:
27 **Sec. 47.25.623. Eligibility; payment amount.** An individual is
eligible for
28 home heating assistance payments under the Alaska affordable heating
29 [ASSISTANCE] program if the individual
30 (1) is a resident of the state;
31 (2) is physically present and resides in a home in the
state when the
01 home heating costs are incurred;
02 (3) for assistance calculated under (b) and (c) of this
section, has
03 gross household income not to exceed, as a percentage of the federal
poverty
04 guideline for Alaska set by the United States Department of Health
and Human
05 Services and revised under 42 U.S.C. 9902(2),
06 (A) 225 percent for a determination to be made under
(c) (1)
07 - (3) of this section; and
08 (B) 250 percent for a determination to be made under
(c) (4)
09 of this section; and [HAS GROSS HOUSEHOLD INCOME ABOVE 150
10 PERCENT BUT THAT DOES NOT EXCEED 225 PERCENT OF THE
11 FEDERAL POVERTY GUIDELINE FOR ALASKA SET BY THE UNITED
12 STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES AND
13 REVISED UNDER 42 U.S.C. 9902(2);]
14 (4) meets other eligibility requirements specified in
regulations
15 adopted under AS 47.25.622.

16 * **Sec. 33.** AS 47.25.623 is amended by adding new subsections to read:
17 (b) The Department of Health and Social Services shall
determine the number
18 of points for each eligible individual based on the point formula
used under 42 U.S.C.
19 8621 - 8629 (Low-Income Home Energy Assistance Act of 1981), as
amended, and
20 implementing regulations. Except as provided in (d) of this section,
the amount of the
21 Alaska affordable heating payment for an individual equals the base
amount calculated
22 under (c) of this section minus the amount the individual is
eligible to receive under
23 the federal low-income home energy assistance program under 42
U.S.C. 8621 - 8629,
24 as amended, and implementing regulations.
25 (c) The Department of Health and Social Services shall
calculate the base

26 amount of the Alaska affordable heating payment for the individual
based on points
27 determined under (b) of this section and on the average price a
barrel of Alaska North
28 Slope crude oil for sale on the United States West Coast during
September through
29 February of the preceding fiscal year as follows:
30 (1) \$130 a point when the average price is not more than
\$75 a barrel;
31 (2) \$140 a point when the average price is more than \$75
and not more
01 than \$100 a barrel;
02 (3) \$150 a point when the average price is more than \$100
and not
03 more than \$150 a barrel;
04 (4) \$165 a point when the average price is more than \$150
a barrel.
05 (d) Under the program authorized by AS 47.25.621 - 47.25.626,
taking into
06 consideration the gross household income rates established in (a) of
this section and
07 the base amounts to be calculated under (b) and (c) of this section,
08 (1) if insufficient money is appropriated to fully fund
the Alaska
09 affordable heating payments during the fiscal year, the department
10 (A) shall, for the duration of that fiscal year,
suspend
11 calculation and payment under (a) (3) (B) of this section and
calculate and pay
12 all eligible individuals under (a) (3) (A) of this section; and
13 (B) may, to the extent there is or may be an
appropriation
14 balance surplus to the amount required to make all payments
under (A) of this
15 paragraph, by regulation, establish at any time during the
fiscal year a
16 prospective pro rata reduction of the payment rates that the
department will
17 pay to eligible individuals under the program during that
fiscal year qualifying
18 under (a) (3) (B) of this section and, thereafter, may provide
for prorated
19 payments; and
20 (2) if the commissioner reasonably determines that the
total of
21 appropriations from all sources during the fiscal year may exceed
the amount required
22 to fully fund all applications for assistance for Alaska affordable
heating payments, the
23 commissioner may expend the amount of excess money, not to exceed
the total
24 amount of the appropriations, to carry out the purpose of AS
47.25.621 - 47.25.626;
25 under the authority of this paragraph, the commissioner shall
distribute the estimated
26 excess money pro rata among individuals receiving assistance under
this section

27 without regard to the limitations set out in the dollar value of the
point formula

28 expressed in (c)(1) - (4) of this section.

29 * **Sec. 34.** AS 47.25.626(a) is amended to read:

30 (a) The Department of Health and Social Services [DEPARTMENT]
may

31 develop a regional Alaska heating [ASSISTANCE] program for the
administration of

01 AS 47.25.621 - 47.25.626 to provide home heating assistance in a
uniform and cost-

02 effective manner in a region of this state if an Alaska Native
organization is authorized

03 to implement a federally approved tribal family assistance plan that
includes that

04 region and has been awarded a tribal energy assistance grant for a
program that

05 includes that region under 42 U.S.C. 8623(d).

06 * **Sec. 35.** AS 47.25.626(b) is amended to read:

07 (b) The department may award contracts to implement a program
developed

08 under (a) of this section. A contract authorized for delivery of
home heating assistance

09 under a regional Alaska heating [ASSISTANCE] program under this
section is exempt

10 from the competitive bid requirements of AS 36.30 (State Procurement
Code). Subject

11 to appropriation, a contract under this section must be in an amount
that represents a

12 fair and equitable share of the money appropriated for the Alaska
affordable heating

13 [ASSISTANCE] program under AS 47.25.621 - 47.25.626 to serve the
state residents

14 specified in (a) of this section. The authority provided under this
section to contract is

15 in addition to the authority to contract in AS 47.05.015 or other
law.

16 * **Sec. 36.** AS 47.25.626(f) is amended to read:

17 (f) If the department establishes a regional Alaska heating
[ASSISTANCE]

18 program and awards a contract to provide home heating assistance
under this section,

19 (1) a person applying for home heating assistance under
AS 47.25.621

20 - 47.25.626 in the region of the state covered by the regional
Alaska heating

21 [ASSISTANCE] program may obtain home heating assistance from the
department

22 only through the organization designated by the department to serve
the region;

23 (2) the department may require the contractor

24 (A) to operate and administer the contract in a
manner

25 consistent with the organization's federally approved energy
assistance

26 grant and plan; or

27 (B) to apply the provisions of AS 47.25.623 to
determine

28 eligibility for home heating assistance to a person for whom
29 assistance
30 may be paid under the contract or may allow the contractor to
31 use other
32 criteria to determine that eligibility.

31 * **Sec. 37.** AS 42.45.375, enacted by sec. 14 of this Act, is repealed
January 1, 2015.

01 * **Sec. 38.** AS 45.88.010(c), 45.88.030(c), 45.88.030(d), and
45.88.040(a) are repealed.

02 * **Sec. 39.** The uncodified law of the State of Alaska is amended by
adding a new section to
03 read:

04 OFFICE OF MANAGEMENT AND BUDGET. Not later than January 31, 2011,
the
05 office of management and budget shall develop a standardized methodology
to collect and
06 store energy consumption and expense data as described in AS
37.07.040(12), as enacted by
07 sec. 11 of this Act.

08 * **Sec. 40.** The uncodified law of the State of Alaska is amended by
adding a new section to
09 read:

10 OFFICE OF THE GOVERNOR ENERGY REPORT. Not later than January 31,
2011,
11 the governor shall submit a report to the legislature providing
recommendations for how best
12 to structure state energy programs and offices to increase the
coordination and efficiency of
13 the state's efforts and describing state energy services and programs in
their entirety. The
14 report must also include an examination of existing powers and duties and
the structure of the
15 Alaska Energy Authority and its board of directors, specifically analyzing
the relationship
16 between the Alaska Energy Authority and the Alaska Industrial Development
and Export
17 Authority.

18 * **Sec. 41.** The uncodified law of the State of Alaska is amended by
adding a new section to
19 read:

20 USE OF COMPRESSED NATURAL GAS TO POWER VEHICLES; PILOT
21 PROGRAM; STUDY; PROPOSAL; REPORT. (a) The Department of Transportation and
22 Public Facilities shall, under the authority of AS 44.42.020(a)(3), study
the feasibility of using
23 compressed natural gas to power vehicles in the state. The study must
24 (1) review existing government programs and incentives offered
in Utah and
25 other North American jurisdictions that promote the use of compressed
natural gas to power
26 vehicles;
27 (2) review and summarize relevant studies and investigations
on existing
28 public policy incentives that encourage the use of compressed natural gas
to power vehicles;
29 (3) evaluate the environmental benefits and technical merits
of using
30 compressed natural gas to power vehicles;

31 (4) consider the economic, environmental, and technological
advantages and
01 disadvantages of using and promoting the use of compressed natural gas to
power vehicles in
02 the state; and
03 (5) if warranted by the findings of the study, set out a
proposal for a pilot
04 program in the state to test the use of compressed natural gas to power
vehicles owned,
05 operated, or paid for in whole or in part by the state; the proposal must
06 (A) recommend the most cost-effective and appropriate
departments
07 and geographic locations for a pilot program;
08 (B) detail how the pilot program, if successful, could be
expanded to
09 provide for increased use of compressed natural gas to power
vehicles owned or
10 operated by the state, as well as privately owned or operated
vehicles;
11 (C) estimate the costs to the state of a pilot program in
which the state
12 would purchase vehicles powered by compressed natural gas or convert
existing
13 vehicles to be powered by compressed natural gas, including
14 (i) the costs of maintaining vehicles powered by
compressed
15 natural gas and training maintenance personnel;
16 (ii) the costs of adapting, or encouraging the
adapting of, state
17 vehicle fueling locations to provide compressed natural gas;
18 (iii) the costs of using compressed natural gas
instead of diesel
19 fuel or gasoline;
20 (iv) the costs of expanding the pilot program or
developing
21 additional pilot programs under (B) of this paragraph;
22 (v) other costs or savings that can be reasonably
expected to
23 accompany the pilot program.
24 (b) The Department of Transportation and Public Facilities shall
prepare a report
25 containing the results of the study under (a) of this section not later
than January 31, 2011.
26 The department shall notify the legislature when the report is available.
27 * **Sec. 42.** The uncodified law of the State of Alaska is amended by
adding a new section to
28 read:
29 BOND AUTHORIZATION AND PROVISIONS. (a) In addition to the powers in
30 AS 18.56.090, the Alaska Housing Finance Corporation may issue bonds in an
amount not to
31 exceed \$250,000,000 to make loans from the Alaska energy efficiency
revolving loan fund
01 established by AS 18.56.855, enacted by sec. 9 of this Act, and to finance
the purposes
02 permitted by AS 18.56.855, enacted by sec. 9 of this Act. AS 18.56.110 -
18.56.190 and

03 18.56.855, enacted by sec. 9 of this Act, apply to bonds issued under this section, except that

04 bonds issued under this section are not subject to, and may not be counted against, the bond

05 issuance limitation set out in AS 18.56.110(g).

06 (b) The Alaska Housing Finance Corporation shall deposit the proceeds of bonds

07 issued under (a) of this section in the Alaska energy efficiency revolving loan fund in

08 accordance with AS 18.56.855, enacted by sec. 9 of this Act.

09 * **Sec. 43.** The uncodified law of the State of Alaska is amended by adding a new section to

10 read:

11 MUNICIPAL ENERGY IMPROVEMENTS FINANCING PROGRAM

12 RECOMMENDATION. Not later than January 31, 2011, the Department of Revenue shall

13 submit to the legislature a report and recommendations regarding the feasibility of a

14 municipal energy improvements financing program. The report must

15 (1) address financing programs for energy efficiency and renewable energy

16 projects on residential, commercial, and industrial property through property tax assessments;

17 and

18 (2) identify the costs and benefits of a municipal energy improvements

19 financing program in the state.

20 * **Sec. 44.** The uncodified law of the State of Alaska is amended by adding a new section to

21 read:

22 TRANSITION: REGULATIONS. (a) To the extent consistent with secs. 29 - 36 of

23 this Act, regulations of the Department of Health and Social Services adopted under the

24 authority of AS 47.25.622 that are in effect on the effective date of secs. 29 - 36 of this Act

25 remain in effect until the department adopts regulations consistent with secs. 29 - 36 of this

26 Act.

27 (b) A state agency affected by this Act with the authority to adopt regulations under

28 state law may proceed to adopt regulations necessary to implement the changes made by this

29 Act. The regulations take effect in accordance with applicable state law but not before the

30 effective date of the law implemented by the regulation.

31 * **Sec. 45.** The uncodified law of the State of Alaska is amended by adding a new section to

01 read:

02 REGULATIONS ATTORNEY'S INSTRUCTION. Throughout the Alaska

03 Administrative Code, the regulations attorney is instructed to change the phrase "Alaska

04 Heating Assistance Program" to "Alaska Affordable Heating Program," as appropriate, if

05 consistent with the changes made in secs. 29 - 36 of this Act.

06 * **Sec. 46.** The uncodified law of the State of Alaska is amended by adding a new section to

07 read:

08 DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. Not later
09 than one year after the effective date of this section, the Department of
10 Transportation and
11 Public Facilities, in consultation with the Alaska Energy Authority, shall
12 adopt and implement
13 a systematic process for prioritizing the retrofitting of state facilities
14 for a long-term increase
15 in energy efficiency and reduction of energy costs.

16 * **Sec. 47.** The uncodified law of the State of Alaska is amended by
17 adding a new section to

18 read:

19 REVISOR'S INSTRUCTIONS. (a) The revisor of statutes is instructed to
20 change the
21 heading of art. 6 of AS 18.56 from "Energy Conservation" to "Energy
22 Efficiency and
23 Conservation Programs."

24 (b) The revisor of statutes is instructed to change the heading of
25 art. 4 of AS 47.25
26 from "Alaska Heating Assistance Program" to "Alaska Affordable Heating
27 Program."

28 * **Sec. 48.** Section 44(b) of this Act takes effect immediately under AS
29 01.10.070(c).