



# LAWS OF ALASKA

2010

**Source**

HCS CSSB 220(FIN)

**Chapter No.**

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**AN ACT**

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



## AN ACT

1 Relating to energy efficiency, energy conservation, and alternative energy, to an emerging  
2 energy technology fund, to the lease of state land to a public electric utility, to an exemption  
3 from taxation by a municipality of certain residential renewable energy systems, to the Alaska  
4 heating assistance program, to state energy use data, to the Southeast energy fund, to the  
5 alternative energy revolving loan fund, to nuclear energy production and facilities, to the  
6 definition of "power project" or "project" as it relates to rural and statewide energy programs  
7 and the Alaska Energy Authority, and to the definition of "alternative energy system";  
8 establishing an Alaska energy efficiency revolving loan fund; directing the Department of  
9 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

1 proposal for powering some vehicles owned, operated, or paid for in whole or in part by the  
2 state with compressed natural gas; authorizing and relating to the issuance of bonds by the  
3 Alaska Housing Finance Corporation; relating to a report regarding a municipal energy  
4 improvements financing program and to an energy report by the Office of the Governor; and  
5 providing for an effective date.

6 \_\_\_\_\_  
7 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
8 to read:

9       **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

1 for it is assumed under AS 14.11.020;

2 (8) by resolution adopted by a majority of all the members of the board  
3 and provided to the commissioner of the department, assume ownership of all land and  
4 buildings used in relation to the schools in the regional educational attendance area, as  
5 provided for in AS 14.08.151(b);

6 (9) provide housing for rental to teachers, by leasing existing housing  
7 from a local agency or individual, by entering into contractual arrangements with a  
8 local agency or individual to lease housing that will be constructed by the local agency  
9 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

1 not manufacture, construct, produce, transfer, acquire, or possess a special nuclear  
2 material, by-product material, **special nuclear material facility, by-product material**  
3 **facility**, production facility, or utilization facility, or act as an operator of a production  
4 **facility** or utilization facility, wholly within the state without first obtaining a license  
5 or permit for the activity in which the person proposes to engage from the Nuclear  
6 Regulatory Commission if the commission requires a license or permit to be obtained  
7 by persons proposing to engage in the activities.

8 \* **Sec. 5.** AS 18.45.025(a) is amended to read:

9 (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

1 with the Alaska Energy Authority, provide technical assistance to municipalities  
2 related to residential and commercial building energy codes and energy efficiency  
3 standards.

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

5 **Sec. 18.56.855. Alaska energy efficiency revolving loan fund.** (a) The  
6 Alaska energy efficiency revolving loan fund is established in the corporation to carry  
7 out the purposes of this section. The revolving loan fund consists of money or assets  
8 appropriated or transferred to the corporation for the revolving loan fund, including  
9 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

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

7 (d) All regional educational attendance areas and municipal governments in  
8 the state and the University of Alaska are authorized to borrow from the corporation  
9 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



1 from that regional educational attendance area, the University of Alaska, or that  
2 municipality and pay over the money to the corporation for the purpose of paying the  
3 principal of and interest on the bonds or indebtedness. The notice must be given in  
4 each instance of default. If a notice is given under this subsection and under  
5 AS 44.85.170 and the default is continuing under this subsection and under  
6 AS 44.85.170, the department or agency shall make payment to the corporation and to  
7 the Alaska Municipal Bond Bank Authority on a pro rata basis, taking into  
8 consideration the principal amount of the respective default amounts.

9 (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;

- 1 (3) the legislative council for a building owned by the legislature;  
2 (4) the administrative director of courts for a building owned by the  
3 judicial system;  
4 (5) any other person designated in writing by a person listed in (1) - (4)  
5 of this subsection.

6 \* **Sec. 10.** AS 29.45.050(b) is amended to read:

7 (b) A municipality may by ordinance

8 (1) classify and exempt from taxation

9 (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:

1                   **Sec. 37.07.040. Office of management and budget.** The Alaska office of  
2 management and budget shall

3                   (1) assist the governor in meeting the requirements of AS 37.07.020,  
4 including the coordination and analysis of state agency goals and objectives, plans,  
5 and budget requests;

6                   (2) prepare for submission to the governor an annually updated six-  
7 year capital improvements program and the proposed capital improvements budget for  
8 the coming fiscal year, the latter to include individual project justification with  
9 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,

1 and priorities of the jurisdiction; other factors such as project amounts, population,  
2 local financial match, federal funds being used for local match, municipality or  
3 unincorporated community acceptance of the facility, and all associated costs of the  
4 facility may be considered;

5 (9) for each department in the executive branch, report to the  
6 legislature by the 45th day of each regular session the amount of money appropriated  
7 to the department that is expected to lapse into the general fund at the end of the  
8 current fiscal year;

9 (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

1 established as a separate fund. The fund consists of

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

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

4 (3) gifts, bequests, contributions from other sources, and federal  
5 money;

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

7 (5) investments, to be managed by the Department of Revenue, which  
8 shall be the fiduciary of the fund under AS 37.10.071.

9 (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

1 grant. The authority, in consultation with the advisory committee established under (f)  
2 of this section, may make grants from the fund to eligible applicants for demonstration  
3 projects of technologies that have a reasonable expectation to be commercially viable  
4 within five years and that are designed to

5 (1) test emerging energy technologies or methods of conserving  
6 energy;

7 (2) improve an existing energy technology; or

8 (3) deploy an existing technology that has not previously been  
9 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 priority to

12 (1) Alaska residents, associations, organizations, or institutions;

13 (2) projects that demonstrate partnership with the University of Alaska  
14 or another Alaska postsecondary institution;

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

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

17 (e) In administering the fund, the authority may enter into a contract or  
18 agreement with the University of Alaska to provide technical and economic review  
19 and analysis for the advisory committee established under (f) of this section and data  
20 acquisition and analysis of the projects awarded grants.

21 (f) An advisory committee is established and consists of seven members. Each  
22 member of the committee shall have a degree in science or engineering, or equivalent  
23 professional experience, and at least two years of experience working in the state.  
24 Members of the committee shall be appointed by the governor to staggered three-year  
25 terms. The committee consists of one representative of each of the following groups:

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

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

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

29 (4) the Denali Commission established under P.L. 105-277 and  
30 mentioned in a note at 42 U.S.C. 3121;

31 (5) the National Renewable Energy Laboratory;

1 (6) the Arctic Energy Office of the National Energy Technology  
2 Laboratory;

3 (7) the Alaska Industrial Development and Export Authority.

4 (g) A member of the advisory committee appointed under (f) of this section  
5 serves without compensation but is entitled to per diem and travel expenses as  
6 provided in AS 39.20.180.

7 (h) If a member of the advisory committee appointed under (f)(4), (5), or (6)  
8 of this section is not available to serve as a member of the committee, the governor  
9 shall appoint a representative from a federal agency or department with a comparable  
10 mission or purpose to the agency listed in (f)(4), (5), or (6) of 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.

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

2                     (4) "power project" or "project" means a plant, works, system, or  
3     facility, together with related or necessary facilities and appurtenances, including a  
4     divided or undivided interest in or a right to the capacity of a power project or project,  
5     that is used or is useful for the purpose of

6                             (A) electrical or thermal energy production [OTHER THAN  
7     NUCLEAR ENERGY PRODUCTION];

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

9                             (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;



1 (8) study alternative means of transportation in the state, considering  
2 the economic, social, and environmental effects of each alternative;

3 (9) coordinate and develop state and regional transportation systems,  
4 considering deletions, additions, and the absence of alterations;

5 (10) develop facility program plans for transportation and state  
6 buildings, docks, and breakwaters required to implement the duties set out in this  
7 section, including but not limited to functional performance criteria and schedules for  
8 completion;

9 (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

1 costs to the state within 15 years after completion of the retrofits for a public facility  
2 and if funding for the retrofits is available.

3 (b) A retrofit or deferred maintenance of a public facility performed under this  
4 section, to the extent feasible, shall meet or exceed the most recently published edition  
5 of the ASHRAE/IESNA Standard 90.1, Energy Standard for Buildings Except for  
6 Low-Rise Residential Buildings, as published by the American Society of Heating,  
7 Refrigerating and Air-Conditioning Engineers.

8 (c) New construction of a public facility under this section shall meet or  
9 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

1 (A) electrical or thermal energy production [OTHER THAN  
2 NUCLEAR ENERGY PRODUCTION];

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

4 (C) transmission, purchase, sale, exchange, and interchange of  
5 electrical or thermal energy, including district heating or interties;

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

7 (a) There is established in the Department of Commerce, Community, and  
8 Economic Development the alternative energy **conservation** revolving loan fund to  
9 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;**

1 (2) adopt regulations necessary to carry out the provisions of  
2 AS 45.88.010 - 45.88.090, including regulations to establish reasonable fees for  
3 services provided and charges for collecting the fees;

4 (3) collect the fees and collection charges established under this  
5 subsection.

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

7 **Sec. 45.88.025. Eligibility.** To be eligible for a loan under AS 45.88.010 -  
8 45.88.090, an applicant must

9 (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:

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

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

5 (a) In AS 45.88.010 - 45.88.090,

6 **(1)** "alternative energy system"

7 **(A)** [(1)] means a source of thermal, mechanical or electrical  
8 energy **that** [WHICH] is not dependent on oil or gas or a nuclear fuel for the  
9 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**

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

3 (ii) individual units of condominiums or  
4 cooperatives;

5 (3) "energy conservation improvement" means

6 (A) structural insulation;

7 (B) thermal windows and doors;

8 (C) a furnace replacement burner designed to achieve a  
9 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 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;

1 \* **Sec. 29.** AS 47.25.621 is amended to read:

2 **Sec. 47.25.621. Alaska affordable heating [ASSISTANCE] program.** (a)

3 The Alaska affordable heating [ASSISTANCE] program is established in the  
4 Department of Health and Social Services to provide expanded eligibility for Alaska  
5 residents for home heating assistance, to the extent funds are available in the Alaska  
6 affordable heating fund [APPROPRIATED BY THE LEGISLATURE FOR THAT  
7 PURPOSE].

8 (b) The Alaska affordable heating [ASSISTANCE] program established  
9 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

1 home heating costs are incurred;

2 (3) for assistance calculated under (b) and (c) of this section, has  
3 gross household income not to exceed, as a percentage of the federal poverty  
4 guideline for Alaska set by the United States Department of Health and Human  
5 Services and revised under 42 U.S.C. 9902(2),

6 (A) 225 percent for a determination to be made under (c)(1)  
7 - (3) of this section; and

8 (B) 250 percent for a determination to be made under (c)(4)  
9 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



1 than \$100 a barrel;

2 (3) \$150 a point when the average price is more than \$100 and not  
3 more than \$150 a barrel;

4 (4) \$165 a point when the average price is more than \$150 a barrel.

5 (d) Under the program authorized by AS 47.25.621 - 47.25.626, taking into  
6 consideration the gross household income rates established in (a) of this section and  
7 the base amounts to be calculated under (b) and (c) of this section,

8 (1) if insufficient money is appropriated to fully fund the Alaska  
9 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

1 AS 47.25.621 - 47.25.626 to provide home heating assistance in a uniform and cost-  
2 effective manner in a region of this state if an Alaska Native organization is authorized  
3 to implement a federally approved tribal family assistance plan that includes that  
4 region and has been awarded a tribal energy assistance grant for a program that  
5 includes that region under 42 U.S.C. 8623(d).

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

7 (b) The department may award contracts to implement a program developed  
8 under (a) of this section. A contract authorized for delivery of home heating assistance  
9 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 assistance**  
29 **may be paid under the contract or may allow the contractor to use other**  
30 **criteria to determine that eligibility.**

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

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

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

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

8     \* **Sec. 40.** The uncodified law of the State of Alaska is amended by adding a new section to  
9 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

1 disadvantages of using and promoting the use of compressed natural gas to power vehicles in  
2 the state; and

3 (5) if warranted by the findings of the study, set out a proposal for a pilot  
4 program in the state to test the use of compressed natural gas to power vehicles owned,  
5 operated, or paid for in whole or in part by the state; the proposal must

6 (A) recommend the most cost-effective and appropriate departments  
7 and geographic locations for a pilot program;

8 (B) detail how the pilot program, if successful, could be expanded to  
9 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

1 established by AS 18.56.855, enacted by sec. 9 of this Act, and to finance the purposes  
2 permitted by AS 18.56.855, enacted by sec. 9 of this Act. AS 18.56.110 - 18.56.190 and  
3 18.56.855, enacted by sec. 9 of this Act, apply to bonds issued under this section, except that  
4 bonds issued under this section are not subject to, and may not be counted against, the bond  
5 issuance limitation set out in AS 18.56.110(g).

6 (b) The Alaska Housing Finance Corporation shall deposit the proceeds of bonds  
7 issued under (a) of this section in the Alaska energy efficiency revolving loan fund in  
8 accordance with AS 18.56.855, enacted by sec. 9 of this Act.

9 \* **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

1 read:

2 REGULATIONS ATTORNEY'S INSTRUCTION. Throughout the Alaska  
3 Administrative Code, the regulations attorney is instructed to change the phrase "Alaska  
4 Heating Assistance Program" to "Alaska Affordable Heating Program," as appropriate, if  
5 consistent with the changes made in secs. 29 - 36 of this Act.

6 \* **Sec. 46.** The uncodified law of the State of Alaska is amended by adding a new section to  
7 read:

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

13 \* **Sec. 47.** The uncodified law of the State of Alaska is amended by adding a new section to  
14 read:

15 REVISOR'S INSTRUCTIONS. (a) The revisor of statutes is instructed to change the  
16 heading of art. 6 of AS 18.56 from "Energy Conservation" to "Energy Efficiency and  
17 Conservation Programs."

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

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