

CS FOR HOUSE BILL NO. 196(ENE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON ENERGY

Offered: 4/1/09

Referred: Finance

Sponsor(s): HOUSE SPECIAL COMMITTEE ON ENERGY

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the alternative energy revolving loan fund; and providing for an**
2 **effective date."**

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

4 *** Section 1.** AS 45.88.010 is amended by adding a new subsection to read:

5 (e) The fund consists of

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

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

8 (3) principal and interest payments or other income earned on loans or
9 investments in the fund and appropriated to the fund.

10 *** Sec. 2.** AS 45.88.020(a) is amended to read:

11 (a) The department may

12 (1) make loans for the purchase, construction, and installation of
13 alternative energy systems **that are located in the state;**

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

1 AS 45.88.010 - 45.88.090, including regulations to establish reasonable fees for
2 services provided and charges for collecting the fees;

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

5 * **Sec. 3.** AS 45.88.030 is amended by adding new subsections to read:

6 (f) A loan must be secured by a mortgage or other security instrument in the
7 real property to be improved, and a lien on the improvements financed under
8 AS 45.88.010.

9 (g) The interest rate

10 (1) may not exceed the maximum rate of eight percent a year and may
11 not be less than five percent a year;

12 (2) shall be established by the department based on the bank prime rate
13 listed in the Wall Street Journal during the previous quarter plus one percentage point,
14 set to the nearest one-half point for loans made; and

15 (3) set for a quarter remains in effect until the department changes the
16 rate.

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

18 (a) In AS 45.88.010 - 45.88.090, "alternative energy system"

19 (1) means a source of thermal, mechanical, or electrical energy **that**
20 [WHICH] is not dependent on oil or gas or a nuclear fuel for the supply of energy for
21 space heating and cooling, refrigeration and cold storage, electrical power, mechanical
22 power, or the heating of water;

23 (2) includes

24 (A) an alternative energy property as defined by 26 U.S.C.
25 48(a)(3)(A) (Sec. 301, P.L. 95-618, Internal Revenue Code);

26 (B) a method of architectural design and construction which
27 provides for the collection, storage, and use of direct radiation from the sun;

28 (C) a woodstove with a catalytic converter or a catalytic
29 converter for a wood stove; [AND]

30 (D) a steam, hot water, or ducted hot air central heating system
31 that uses wood or coal for fuel; **and**

