

**HOUSE BILL NO. 8**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVE CRAWFORD, Kerttula**

**Introduced: 1/20/09**

**Referred: Transportation, Labor and Commerce**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the purchase of pipe for use in a natural gas pipeline project under**  
2 **the Alaska Gasline Inducement Act."**

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

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

6 PIPE FOR A NATURAL GAS PIPELINE. (a) The Department of Transportation and  
7 Public Facilities shall, under AS 36.30, enter into a contract for the purchase of pipe suitable  
8 for a natural gas pipeline project under AS 43.90 (Alaska Gasline Inducement Act) in a  
9 quantity sufficient for the portion of the pipeline to be constructed within the state. The  
10 department shall store the pipe until it is delivered to a licensee in accord with an agreement  
11 entered into under (b) of this section.

12 (b) After a license is issued under AS 43.90.190(b), the Department of Revenue shall  
13 enter into negotiations for the purchase by the licensee of pipe acquired by the state under (a)  
14 of this section. The terms of the purchase may include an exchange by the state of some or all

1 of the pipe for a state interest in the natural gas pipeline to be constructed by the licensee and  
2 any other terms that the department considers necessary to protect the interests of the state.  
3 The Department of Revenue may enter into an agreement negotiated under this subsection and  
4 arrange for the delivery of the pipe to the licensee under that agreement.