

Alaska Statute & Administrative Code Research for Solar and Alternative Energy Citations

Compiled for
Alaska Sun

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Summary:

An online search was conducted for keywords “alternative energy” and “solar” in the Alaska Statutes (AS) and Alaska Administrative Code (AAC). The online search was then verified with the actual print version. This may not be totally comprehensive or completely accurate, however it should give a sense of solar’s status in Alaska.

Please note:

- Statutes deal with actual laws.
- Administrative codes deal with regulations on how those laws are applied or implemented.

The statutes refer to:

1. The University of Alaska being mandated to offer professional education programs on alternative energy and solar
2. The Department of Transportation and Public Facilities being required to perform energy audits of public facilities and recommendations for improvements which may include measures involving solar technology and other alternative energy systems
3. An alternative energy revolving loan fund under the Department of Community and Economic Development being established to be used to develop means of energy production which includes solar energy devices
4. The financing of energy efficient homes and buildings shall take into consideration the economic benefits of alternative energy systems, when financing homes and buildings with state financial assistance.
5. Mechanical contractors and mechanical administrators must follow the Uniform Solar Energy Code
6. Establishment of the Alaska State Climate Center within the University of Alaska to conduct research activities on the availability of solar
7. The state plumbing code use of 1997 edition of the Uniform Solar Energy Code
8. Solar easements
9. Loans for the Power Project Fund may include solar.

The administrative code refers to:

1. Alternative energy loan requirements being repealed
2. Plumbing standards following the Uniform Solar Energy Code
3. Mechanical administrator license holders working on commercial and industrial solar energy systems
4. Alaska Housing Finance Corporation loan programs allowing solar and alternative energy systems (refinance and second mortgage for home improvements)
5. Alternative energy loan regulations under the Department of Community and Economic Development (with loan requirements being repealed...see 1 above)
6. Alternative energy income credit for corporations being repealed.

The actual text citations are listed below, with reader notes at the beginning of each section. Key sections are in **bold**.

Alaska Statutes –Online Search 6.4.2001

KEYWORDS : Alternative energy

NOTE: THIS SECTION DEALS WITH UNIVERSITY OF ALASKA

Sec. 14.40.055. Educational expansion program.

To expand educational and cultural opportunities in the state, to keep pace with the expansion of the state in other fields, and to provide educational facilities of particular interest to residents of the state, the Board of Regents shall

- (1) make a study of the principles and applicability of the junior college to the state;
- (2) establish additional extension courses and such other expansion of accredited courses for students as it considers advisable;
- (3) provide facilities suitable for carrying out a university program;
- (4) employ personnel;
- (5) procure supplies;
- (6) take all other appropriate measures to carry out the intent and purpose set forth in this section; and
- (7) develop and offer at one or more of the senior college or community college campuses a continuing professional education program for architects, engineers, building officials, and officers and employees of financial institutions on **alternative energy systems and on energy conservation and solar design and construction methods applicable to the state.**

NOTE: THIS SECTION DEALS WITH ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

Sec. 44.42.065. Conservation of energy in public buildings.

(a) The department shall, as soon as practicable after July 1, 1980, and at least once every seven years thereafter, perform an energy audit of each public building.

(b) The department shall include in each energy audit required by (a) of this section recommendations for corrective measures to improve the energy efficiency and to minimize the life-cycle cost of the public building surveyed. These measures may include (1) energy conservation measures, (2) **measures involving solar technology and other alternative energy systems**, (3) energy management, and (4) maintenance and operating procedures and energy-related modifications. In recommending the corrective measures, the department shall give priority to changes in maintenance and operating procedures over measures requiring substantial structural modification or installation of equipment.

(c) In this section, "energy audit" means a determination of

(1) the energy consumption characteristics of a building, including the size, type, and rate of energy consumption of major energy-consuming systems of the building and the climate characterizing the region where the building is located; and

(2) a determination of the energy conservation and cost savings likely to result from appropriate energy-conserving maintenance and operating procedures and modifications, including the purchase and installation of energy-related fixtures.

NOTE: THIS SECTION DEALS WITH ALASKA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.

Chapter 45.88. ALTERNATIVE ENERGY REVOLVING LOAN FUND

Sec. 45.88.010. Fund established.

- (a) There is established in the Department of Community and Economic Development the alternative energy revolving loan fund to carry out the purposes of this chapter. Loans made under this chapter are to be used to develop means of energy production utilizing energy sources other than fossil or nuclear fuel, including, but not limited to, windmills, water and solar energy devices.
- (b) Money in the fund may be used by the legislature to make appropriations for costs of administering this chapter.
- (c) On June 30 of each fiscal year the unexpended and unobligated cash balance of the fund that is attributable to loans owned by the fund lapses into the general fund.

Sec. 45.88.015. Special account established.

- (a) There is established, as a special account within the revolving loan fund established under [AS 45.88.010](#), the foreclosure expense account. This account is established as a reserve from fund equity.
- (b) The commissioner of community and economic development may expend money credited to the foreclosure expense account when necessary to protect the state's security interest in collateral on loans made under [AS 45.88.020](#) or to defray expenses incurred during foreclosure proceedings after a default by an obligor.

Sec. 45.88.020. Powers and duties of the department in administering the fund.

- (a) The department may
 - (1) make loans for the purchase, construction, and installation of alternative energy systems;
 - (2) adopt regulations necessary to carry out the provisions of this chapter, including regulations to establish reasonable fees for services provided and charges for collecting the fees;
 - (3) collect the fees and collection charges established under this subsection.
- (b) The department shall develop eligibility standards for loans made under this chapter and adopt guidelines for the determination of loan terms.
- (c) The department may not make a loan under this chapter to a person who has a past due child support obligation established by court order or by the child support enforcement division under [AS 25.27.160](#) - 25.27.220 at the time of application.

Sec. 45.88.030. Loan terms.

- (a) A loan for the development of an alternative energy system under this chapter may not exceed \$30,000.
- (b) The duration for repayment of the loan may not exceed 20 years.
- (c) Loans made under this chapter may be used to finance the cost of purchase, construction, and installation of an alternative energy system or "centralized multifuel heating systems" which is likely to result in energy conservation or energy cost savings.
- (d) All principal and interest payments, and money chargeable to principal or interest that is collected through liquidation by foreclosure or other process on loans made under this chapter, shall be paid into the alternative energy revolving loan fund.
- (e) The rate of interest for a loan for an alternative energy system is five percent for the first \$15,000 of the loan and 15 percent for the amount of the loan that exceeds \$15,000.

Sec. 45.88.040. Sale or transfer of mortgages and notes.

- (a) The commissioner may sell or transfer at par value or at a premium or discount to any bank or other private purchaser for cash or other consideration the mortgages and notes held by the Department of Community and Economic Development as security for loans made under this chapter.
- (b) [Repealed by Sec. 14 ch 122 SLA 1980].

Sec. 45.88.050. Disposal of property acquired by default or foreclosure.

The Department of Community and Economic Development shall dispose of property acquired through default or foreclosure of a loan made under this chapter. Disposal shall be made in a manner that serves the best interests of the state, and may include the amortization of payments over a period of years.

Sec. 45.88.500. Definition.

(a) In this chapter, "alternative energy system"

(1) means a source of thermal, mechanical or electrical energy which is not dependent on oil or gas or a nuclear fuel for the supply of energy for space heating and cooling, refrigeration and cold storage, electrical power, mechanical power, or the heating of water;

(2) includes

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

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

(C) a woodstove with a catalytic converter or a catalytic converter for a wood stove; and

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

(3) does not include

(A) a stove that uses only wood, coal or oil for fuel; or

(B) a fireplace or fireplace insert.

(b) Notwithstanding any other provision in this chapter, a multifuel heating system that uses the combination of wood or fossil fuel for fuel does qualify under this loan fund.

NOTE: THIS SECTION DEALS WITH STATE FINANCING OF BUILDINGS (includes ALASKA HOUSING FINANCE CORPORATION)

Sec. 46.11.050. Financing of energy efficient homes and buildings.

(a) After December 31, 1980, a financial institution shall take into consideration the economic benefits of **alternative energy systems**, life-cycle energy costs, energy efficient building design, and energy conservation when financing homes and buildings with state financial assistance.

(b) After December 31, 1980, a financial institution that makes home mortgage loans with money provided to it by the commissioner of revenue from surplus state general fund investments authorized by [AS 37.10.070](#) , or a state agency that makes a direct home mortgage loan to an applicant, shall include estimated heating and lighting costs as determined by an energy audit in standard principal, interest, taxes, and insurance calculation of the cost of buying a housing unit. An applicant for a home mortgage loan shall provide the financial institution or the state agency with a copy of an energy audit.

Sec. 46.11.900. Definitions.

In this chapter

(1) "alternative energy system"

(A) means a source of thermal, mechanical, or electrical energy that is not dependent on oil or gas or a nuclear fuel for the supply of energy for space heating and cooling, refrigeration and cold storage, electrical power, mechanical power, or the heating of water;

(B) includes

(i) an alternative energy property as defined by 26 U.S.C. 48(a)(3)(A); and

(ii) a method of architectural design and construction that provides for the collection, storage, and use of direct radiation from the sun

KEYWORD: Solar

NOTE: THIS SECTION DEALS WITH LICENSING OF CONTRACTORS

Sec. 08.18.171. Definitions.

In this chapter,

- (1) "builder" means general contractor;
- (2) "cash deposit" means a cash deposit or other negotiable security filed with the commissioner in lieu of a surety bond under AS 08.18.071(b);
- (3) "commissioner," unless the text reads otherwise, means the commissioner of the Department of Community and Economic Development;
- (4) "contractor" means a person who, in the pursuit of an independent business, undertakes or offers to perform, or claims to have the capacity to perform, or submits a bid for a project to construct, alter, repair, move, or demolish a building, highway, road, railroad, or any type of fixed structure, including excavation and site development and erection of scaffolding; "contractor" includes a general contractor, builder, mechanical contractor, specialty contractor, and subcontractor;
- (5) "department" means the Department of Community and Economic Development, unless the context indicates otherwise;
- (6) "general contractor" means a contractor whose business operations require the use of more than three trades or the use of mechanical or specialty contractors and subcontractors who are under the supervision of the contractor;
- (7) "mechanical contractor" means a contractor whose business operations involve plumbing, pipe fitting, sheet metal, heating, air conditioning, ventilating, or sprinkler and dry chemical fire protection trades in order to install or modify mechanical piping and systems, devices, fixtures, and equipment or other mechanical materials subject to the following codes as published by the International Association of Plumbing and Mechanical Officials or the International Conference of Building Officials:
 - (A) Uniform Plumbing Code;
 - (B) Uniform Swimming Pool, Spa, and Hot Tub Code;
 - (C) **Uniform Solar Energy Code; and**
 - (D) Uniform Mechanical Code;
- (8) "residential contractor" means a general contractor whose business and operation involve undertaking the construction or alteration of a privately-owned residential structure of one to four units that is used or intended to be used as a human dwelling;
- (9) "specialty contractor" means a contractor, other than a mechanical contractor, whose business operations require the use of not more than three trades;
- (10) "trade" means a skill used in the field of construction, as defined by regulation by the department.

Sec. 08.18.180. - 08.18.350 [Repealed, Sec. 1 ch 100 SLA 1968].

Repealed or Renumbered

NOTE: THIS SECTION DEALS WITH LICENSING AND REGULATION OF MECHANICAL ADMINISTRATORS

Sec. 08.40.270. Examination of applicant.

- (a) Each applicant shall be examined to determine the applicant's
 - (1) ability to understand plans, design specifications, and engineering terms commonly used in the mechanical field;
 - (2) knowledge of mechanical installations and piping;
 - (3) familiarity with the requirements of the Uniform Plumbing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, **Uniform Solar Energy Code**, and the Uniform Mechanical Code currently in effect in the state;
 - (4) [Repealed, Sec. 37 ch 101 SLA 1994].
 - (5) personal skill and ability.
- (b) If an applicant for a license submits proof satisfactory to the department that the applicant is licensed as a mechanical administrator or the equivalent by another state or territory, meets qualifications established by the

department under [AS 08.40.230](#) , and has passed an examination equivalent to the test administered under (a) of this section, the department shall waive all of the examination required under (a) of this section.

Sec. 08.40.280. Administrator limited to one licensed contractor.

A person may not qualify or operate as a mechanical administrator for more than one registered contractor, corporation, joint venture, or other business entity unless the municipality or community where the person qualifies or operates as a mechanical administrator is the principal place of business of fewer than three mechanical administrators.

Sec. 08.40.290. Renewal and reinstatement.

(a) A license issued under [AS 08.40.210](#) - 08.40.490 is nontransferable and, unless revoked or suspended, may be renewed on a date set by the department upon proof of continued competency.

(b) A lapsed license may be reinstated upon proof of continued competency and by payment of all unpaid renewal fees and any penalty fee established under [AS 08.01.100](#) (b) unless the license has been lapsed for more than two years. If a person's license has been lapsed for more than two years, the person is required to take an examination under [AS 08.40.270](#) .

Sec. 08.40.300. Issuance and possession of license.

An applicant who successfully passes the examination shall receive a license. The licensee shall have the license in immediate possession at all times when performing activities for which the license is required and shall present the license for inspection upon the demand of an authorized representative of the department identified as such to the licensee by the representative.

Sec. 08.40.310. Fees.

Each applicant and each licensee shall pay application and renewal fees established under [AS 08.01.065](#) .

Sec. 08.40.320. Disciplinary actions.

(a) The department may take the disciplinary actions set out in (d) of this section upon a finding that

(1) the license application is fraudulent or misleading;

(2) the licensee has knowingly violated [AS 08.40.210](#) - 08.40.490, a code listed in [AS 08.40.490](#) (3)(A), or an order or regulation of the department; or

(3) the licensee is incompetent or has engaged in fraudulent practices.

(b) Notice of a proposed disciplinary action under this section must be in writing and must state the grounds.

(c) Proceedings for a disciplinary action under this section shall be governed by AS 44.62 (Administrative Procedure Act).

(d) The department may take the following disciplinary actions under (a) of this section, singly or in combination:

(1) refuse to issue a license;

(2) permanently revoke a license;

(3) suspend a license for a specified period;

(4) censure or reprimand a licensee;

(5) impose limitations or conditions on the professional practice of a licensee;

(6) require a licensee to submit to peer review;

(7) impose requirements for remedial professional education to correct deficiencies in the education, training, and skill of the licensee;

(8) impose probation requiring a licensee to report regularly to the department on matters related to the grounds for probation.

(e) The department may withdraw probationary status if the deficiencies that required the sanction are remedied.

(f) The department may summarily suspend a license before a final hearing is held or during an appeal if the department finds that the licensee poses a clear and immediate danger to the public health and safety. A person is entitled to a hearing before the department to appeal the summary suspension within seven days after the order of suspension is issued. A person may appeal an adverse decision of the department on an appeal of a summary suspension to a court of competent jurisdiction.

(g) The department may reinstate a suspended or revoked license if, after a hearing, the department finds that the licensee is able to practice the profession with skill and safety.

(h) The department may accept the voluntary surrender of a license. A license may not be returned to the person who surrendered the license unless the department determines that the person is competent to resume practice and the person pays the appropriate renewal fee.

(i) The department shall seek consistency in the application of disciplinary sanctions. The department shall explain a significant departure from prior decisions involving similar facts in the order imposing the sanction.

Sec. 08.40.330. Investigations.

The department may investigate alleged or apparent violations of AS 08.40.210 - 08.40.490. The department, upon showing proper credentials, may enter, during regular hours of work, a construction site where it appears that mechanical work is being done. The department may make inquiries about the identity of the mechanical administrator or the person acting in the capacity of a mechanical administrator. Upon demand, a mechanical administrator or person acting in the capacity of a mechanical administrator, or that person's representative, shall produce evidence of current licensure.

Sec. 08.40.340. Issuance of citations.

The department may issue a citation for a violation if there is probable cause to believe a person has violated [AS 08.40.210](#) - 08.40.490. Each day a violation continues after a citation for the violation has been issued constitutes a separate violation.

Sec. 08.40.350. Procedure and form of citation.

(a) A citation issued under [AS 08.40.340](#) must be in writing. A person receiving the citation is not required to sign a notice to appear in court.

(b) The time specified in the notice to appear on a citation issued under [AS 08.40.340](#) must be at least five days, not including weekends and holidays, after the issuance of the citation, unless the person cited requests an earlier hearing.

(c) The department is responsible for the issuance of books containing appropriate citations and shall maintain a record of each book issued and each citation contained in it. The department shall require and retain a receipt for every book issued to an employee of the department.

(d) The department shall deposit the original or a copy of the citation with a court having jurisdiction over the alleged offense. Upon its deposit with the court, the citation may be disposed of only by trial in the court or other official action taken by the magistrate, judge, or prosecutor. The department may not dispose of it or copies of it or of the record of its issuance except as required under this subsection and (e) of this section.

(e) The department shall require the return of a copy of every citation issued under [AS 08.40.340](#) and of all copies of every citation that has been spoiled or upon which an entry has been made and not issued to an alleged violator. The department shall also maintain, in connection with every citation issued by the department, a record of the disposition of the charge by the court where the original or copy of the citation was deposited.

(f) If the form of citation issued under [AS 08.40.340](#) includes the essential facts constituting the offense charged, and if the citation is sworn to as required under the laws of this state for a complaint charging commission of the offense alleged in the citation, then the citation when filed with a court having jurisdiction is considered to be a lawful complaint for the purpose of prosecution.

Sec. 08.40.360. Cease and desist order.

(a) If the commissioner of community and economic development determines that a person is acting as a mechanical administrator in violation of [AS 08.40.210](#) - 08.40.490, the commissioner may issue a cease and desist order prohibiting further action by the person as a mechanical administrator. The cease and desist order remains in effect until the person has submitted evidence acceptable to the commissioner showing that the violation has been corrected.

(b) A person affected by an order issued under (a) of this section may seek equitable relief preventing the commissioner of community and economic development from enforcing the order.

Sec. 08.40.370. Injunctive relief.

The commissioner of community and economic development may seek an injunction in the superior court to enjoin a person from violating AS 08.40.210 - 08.40.490.

Sec. 08.40.380. Penalties.

(a) A person who knowingly violates [AS 08.40.210](#) - 08.40.490, or who knowingly violates a regulation or order of the department or a code listed in [AS 08.40.490](#) (3)(A) that was in effect at the time that the installation or repair was made, is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$5,000.

(b) Unless the citation has been voided or otherwise dismissed by the magistrate, judge, or prosecutor, a person who without lawful justification or excuse fails to appear in court to answer a citation issued under [AS 08.40.340](#), regardless of the disposition of the charge for which the citation was issued, is guilty of a class B misdemeanor.

Sec. 08.40.390. Exclusions.

(a) [AS 08.40.210](#) - 08.40.490 do not apply to a utility, municipality, or local governing body whose employees are engaged in mechanical work on an integral part of a system owned and operated by the utility, municipality, or local governing body.

(b) [AS 08.40.210](#) - 08.40.490 do not apply to a person engaged in

(1) the manufacture or repair of mechanical apparatus or equipment;

(2) mechanical work, the cost of which does not exceed \$50,000, involving residences or small commercial establishments in communities that

(A) have a population of under 5,000 according to the latest available federal or state census or other census approved by the Department of Community and Economic Development; or

(B) are over 50 miles by air or water transportation from the business place of a mechanical administrator licensed under [AS 08.40.210](#) - 08.40.490;

(3) mechanical installation on a single-family residence or a two-family residence that is not intended for sale at the time of making the installation;

(4) installation of water lines or sanitary, storm, or drain sewer lines more than five feet from a building;

(5) mechanical maintenance or repair work if the work is performed by the person as an employee of an owner or tenant of commercial property as part of the employee's work duties with respect to the property but is not offered or performed as a service to the public;

(6) design, installation, maintenance, or repair of fire extinguishing systems.

Sec. 08.40.400. Personal supervision.

A person licensed under [AS 08.40.210](#) - 08.40.490 as a mechanical administrator who is responsible for installation or modification of mechanical piping and systems, devices, fixtures, equipment, or other mechanical materials, or who is responsible for certifying that the installation or modification complies with applicable codes, shall personally inspect those materials after installation and modification unless the installation or modification amounts to simple or highly standardized work performed in less than 24 man-hours by personnel generally under the supervision of the mechanical administrator.

Sec. 08.40.490. Definitions.

In [AS 08.40.210](#) - 08.40.490,

(1) "department" means the Department of Community and Economic Development except where the context otherwise requires;

(2) "manufacture" means fabrication or completion of a product or mechanical apparatus exclusive of its completion or installation at a job site;

(3) "mechanical administrator" means a person who is responsible for

(A) installing or modifying mechanical piping and systems, devices, fixtures, equipment, or other mechanical materials subject to the Uniform Plumbing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, **Uniform Solar Energy Code**, and the Uniform Mechanical Code as published by the International Association of Plumbing and Mechanical Officials and the International Conference of Building Officials; or

(B) certifying that an installation or modification described in (A) of this paragraph complies with the applicable codes;

(4) "mechanical piping" includes piping fixtures, devices, and equipment;

(5) "utility" means every public, cooperative, or other corporation, company, individual, or association of individuals, their lessees, trustees, or receivers appointed by a court, that owns, operates, manages, or controls a plant or system for

- (A) furnishing, by generation, transmission, or distribution, electrical service, fuel gas service, district heating, sewage disposal, or domestic water service to the public for compensation;
 - (B) furnishing telecommunications service to the public for compensation.
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NOTE: THIS SECTION DEALS WITH UNIVERSITY OF ALASKA

Sec. 14.40.085. Establishment of Alaska State Climate Center.

- (a) The University of Alaska shall establish an Alaska State Climate Center within an appropriate unit of the university. The administration and management of the center is under the direction of a university employee designated the "state climatologist."
 - (b) The Alaska State Climate Center shall
 - (1) prepare and update on a biennial basis a plan for the systematic acquisition and dissemination of climate-related information; the plan must include
 - (A) an assessment of weather and climate information needs in Alaska;
 - (B) a reasonable basis for setting priorities among these needs; and
 - (C) a program for coordinating the activities of all available sources of weather- and climate-related information sources in order to meet the highest priority needs and to carry out the provisions of this section;
 - (2) establish a state climate planning advisory group composed of at least three members from organizations that provide climate-related information, and at least three members from organizations that use climate-related information on a regular basis or from the general public;
 - (3) solicit and consider the advice and recommendations of the state climate planning advisory group in preparing and updating the biennial plan for acquisition and dissemination of climate-related information;
 - (4) operate and maintain a central repository and archive for reports, books, maps, and other records, and publications relating to weather and climatological information;
 - (5) provide for public access to weather and climatological information and technical advisory services; and
 - (6) enter into cooperative agreements, on behalf of the state and the university, in order to achieve intergovernmental climate program participation by the United States and the state; these agreements must be consistent with the provisions of 15 U.S.C. 2901 - 2908 (National Climate Program Act).
 - (c) The Alaska State Climate Center may
 - (1) investigate, describe, and interpret the characteristics of the weather and climate of the state, including their hazards and limitations;
 - (2) coordinate with state and federal agencies in matters concerning weather data acquisition, collection, integration, and storage;
 - (3) monitor federal weather-related activities to assure that the interests of the state are being served;
 - (4) conduct research activities on the availability of solar, wind, and water resources that assess the impact of climate fluctuations on these resources;**
 - (5) publish bulletins, circulars, maps, or reports of the results of all research and investigations undertaken by the climate center, and distribute them to state agencies, government officials, industry, and the public;
 - (6) provide lectures, talks, displays, and exhibits on the climate of the state for the general education of the public; and
 - (7) enter into cooperative arrangements with local, state, and federal government agencies; foundations; universities; businesses; and other organizations engaged in climate-related research and services.
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NOTE: THIS SECTION DEALS WITH THE PLUMBING CODE

Sec. 18.60.705. Plumbing code.

- (a) Except as provided otherwise in this section, and unless the department adopts by regulation a later edition of the following publications or a later version of another nationally recognized code approved by the legislature by law, the following publications are adopted as the minimum plumbing code for the state:

(1) paragraphs 101.3 - 101.5.6, 103.5.1.1 - 103.5.1.4, 103.5.3.5, 103.5.4.2, 103.5.5.1 - 103.5.5.2, 103.5.6.1 - 103.5.6.3, and 103.8 - 103.8.2 of chapter 1, chapters 2 - 14, and the appendices A through L of the 1997 edition of the Uniform Plumbing Code published by the International Association of Plumbing and Mechanical Officials and adopted at the 67th annual conference, September 1996, excluding Table 4.1, "Minimum Plumbing Facilities"; and adding Appendix Chapter 29, Table A - 29 - A, "Minimum Plumbing Fixtures," of the 1997 edition of the Uniform Building Code published in April 1997 by the International Council of Building Officials, except that for the category identified in Table A - 29 - A as "Assembly places-Auditoriums, convention halls, dance floors, lodge rooms, stadiums and casinos," when the category is applied to auditoriums, convention halls, stadiums, and casinos, the ratios

(A) indicating the number of water closets required for females are changed to provide the following:

- (i) four water closets for 1 - 50 females;
- (ii) six water closets for 51 - 100 females;
- (iii) 10 water closets for 101 - 200 females;
- (iv) 14 water closets for 201 - 400 females; and
- (v) one additional water closet for each 100 females over 400 females; and

(B) indicating the number of lavatories required for females and males are changed to

- (i) one lavatory for each water closet up to four water closets; and
- (ii) one additional lavatory for each two additional water closets beyond four water closets;

(2) the 1997 edition of the Uniform Swimming Pool, Spa, and Hot Tub Code published by the International Association of Plumbing and Mechanical Officials and adopted at the 67th annual conference, September 1996, excluding pages 1 - 8 of Part I, Administration; and

(3) the 1997 edition of the Uniform Solar Energy Code published by the International Association of Plumbing and Mechanical Officials and adopted at the 67th annual conference, September 1996, excluding pages 1 - 7 of Part I, Administration.

(b) Notwithstanding (a) of this section, the use of a pipe or pipe fitting containing more than 8.0 percent lead, or of solder or flux containing more than 0.2 percent lead in the installation or repair of a public water system or in the installation or repair of plumbing of a residential or nonresidential facility that provides water for human consumption is prohibited. This subsection does not apply to the use of leaded joints necessary to repair cast iron pipe.

(c) Notwithstanding (a) of this section, a single-wall heat exchanger may be used if

- (1) the heat transfer medium is water type or propylene type glycol;
- (2) the pressure of the heat transfer medium is limited to a maximum of 30 pounds per square inch by an approved safety relief valve; and
- (3) the heat exchanger is prominently and permanently labeled with instructions concerning (1) and (2) of this subsection.

Sec. 18.60.710. Duties of the department.

The department is responsible for the administration of the code. The department may adopt regulations designed for maximum practical implementation of the code, and may grant exceptions from specific code provisions, where distance or other factors make implementation impractical. Specific consideration shall be given to outlying villages and sparsely populated areas to ensure that [AS 18.60.705](#) - 18.60.740 will not impose an undue financial burden.

The department may by regulation designate appropriate inspection to a public or private utility company. A company so designated may refuse utility connections if an installation does not meet the requirements of this code.

Sec. 18.60.715. Administration.

(a) The code applies to all new construction, all new work in relocated buildings, and to any alteration, repairs, or reconstruction of buildings except as provided otherwise under [AS 18.60.705](#) - 18.60.740.

(b) The department may inspect work installed, removed, altered, or replaced on any plumbing, gas or drainage piping, plumbing fixture, water heater, or water treating equipment in a building or other location. A permit or inspection is not required for the following work: the stopping of leaks in drains, soil, waste, or vent pipes, the clearing of stoppages in or repairing of leaks in pipe valves or fixtures, and repairs or alterations not of a substantive nature that can be reasonably exempted from inspection.

(c) Nothing in [AS 18.60.705](#) - 18.60.740 prohibits a person from performing plumbing work on the person's own property.

- (d) The department may adopt regulations establishing fees for inspections conducted under [AS 18.60.705](#) - 18.60.740. Fees may be established under this section only for inspections requested by the owner of a structure.
- (e) The department shall maintain a record of all plumbing inspections performed by it and of all inspection fees and permit fees collected by it.
-

NOTE: THIS SECTION DEALS WITH PROPERTY LAW

Sec. 34.15.145. Solar easement.

- (a) An easement obtained for the purpose of protecting the exposure of property to the direct rays of the sun must be created in writing and is subject to the recording requirements for other conveyances of real property.
- (b) An instrument creating a solar easement must include, but is not limited to,
- (1) the vertical and horizontal angles, expressed in degrees, at which the solar easement extends over the real property subject to the solar easement;
 - (2) any terms or conditions under which the solar easement is granted or under which it will be terminated;
 - (3) any provisions for compensation of the owner of the property benefiting from the solar easement in the event of interference with the enjoyment of the solar easement, or compensation of the owner of the property subject to the solar easement for maintaining the solar easement.
-

NOTE: THIS SECTION DEALS WITH STATE ENERGY PROGRAMS UNDER THE ALASKA ENERGY AUTHORITY

Sec. 42.45.010. Power project fund.

- (a) The power project fund is established as a separate fund. The fund shall be distinct from any other money or funds of the authority and includes only money appropriated by the legislature and money deposited under (g) of this section.
- (b) Subject to [AS 42.45.060](#), the authority may make loans from the power project fund
- (1) to electric utilities, regional electric authorities, municipalities, regional and village corporations, village councils, independent power producers, and nonprofit marketing cooperatives to pay the costs of
 - (A) reconnaissance studies, feasibility studies, license and permit applications, preconstruction engineering, and design of power projects;
 - (B) constructing, equipping, modifying, improving, and expanding small-scale power production facilities that are designed to produce less than 10 megawatts of power, conservation facilities, bulk fuel storage facilities, and transmission and distribution facilities, including energy production, transmission and distribution, and waste energy conservation facilities that depend on fossil fuel, wind power, tidal, geothermal, biomass, hydroelectric, **solar**, or other nonnuclear energy sources; and
 - (C) reconnaissance studies, preconstruction engineering, design, construction, equipping, modification, and expansion of potable water supply including surface storage and groundwater sources and transmission of water from surface storage to existing distribution systems;
-

Alaska Administrative Code—Online Search 6.4.2001

KEYWORD: Solar

NOTE: THIS SECTION DEALS WITH REGULATIONS ON THE ALTERNATIVE ENERGY LOANS UNDER THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

SOLAR LOAN REQUIREMENTS

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.037

SOLAR HEATING UNIT REQUIREMENTS

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.038

SUNSPACE REQUIREMENTS

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

NOTE: THIS SECTION DEALS WITH REGULATIONS FOR MINIMUM PLUMBING STANDARDS IN ALASKA UNDER THE DEPARTMENT OF LABOR

8 AAC 63.010

MINIMUM PLUMBING STANDARDS.

The codes set out in this section are adopted in accordance with AS 18.60.705 as the minimum plumbing standards to be followed throughout the state. The Department of Labor and Workforce Development adopts the following codes by reference that are published by the International Association of Plumbing and Mechanical Officials (IAPMO) and were adopted by IAPMO at its 70th annual conference, September 1999:

(1) Uniform Plumbing Code, 2000 Edition, paragraphs 101.3 - 101.5.6, 103.5.1.1 - 103.5.1.4, 103.5.3 - 103.5.3.5, 103.5.5.1 - 103.5.5.2, 103.5.6.1 - 103.5.6.3, and 103.8.1 - 103.8.2 of chapter 1, chapters 2 through 15, and appendices A through L;

(2) Uniform Swimming Pool, Spa and Hot Tub Code, 2000 edition, excluding chapter 1, Administration;

(3) Uniform Solar Energy Code, 2000 edition, excluding chapter 1, Administration.

History -

Eff. 8/5/72, Register 43; am 7/12/81, Register 79; am 11/1/2000, Register 156

Authority -

[AS 18.60.705](#)

[AS 18.60.710](#)

Editor's Notes -

Copies of the codes adopted by reference in [8 AAC 63.010](#) are available at the International Association of Plumbing and Mechanical Officials, 20001 Walnut Drive South, Walnut, California 91789-2825. In addition, the codes are available for inspection at the Lt. Governor's Office, Juneau, Alaska.

As of Register 151 (October 1999), the regulations attorney made technical revisions under [AS 44.62.125](#) (b)(6) to reflect the name change of the Department of Labor to the Department of Labor and Workforce Development made by ch. 58, SLA 1999 and the corresponding title change of the commissioner of labor.

8 AAC 63.020

NOTE: THIS SECTION DEALS WITH PROFESSIONAL REGULATIONS

12 AAC 39.212

SCOPE OF A MECHANICAL ADMINISTRATOR LICENSE IN THE UNLIMITED COMMERCIAL AND INDUSTRIAL PLUMBING CATEGORY.

(a) The holder of a mechanical administrator license in the unlimited commercial and industrial plumbing category may supervise, in accordance with [AS 08.40.400](#) ,

(1) all plumbing work described in (b) of this section;

(2) the work defined under the heating, cooling, and process piping category in [12 AAC 39.232](#) (b);

(3) the work defined under the mechanical systems temperature control category in [12 AAC 39.292](#) ; and

(4) the work defined under the residential plumbing and hydronic heating category in [12 AAC 39.312](#) (b).

(b) Plumbing work includes the installation, alteration, or retrofitting of

(1) plumbing, fixtures, fixture traps, and domestic water, waste, storm, and vent pipes, including all of their devices, appurtenances, and connections, that extend no more than five feet horizontally outside the building or structure that they serve, and through which domestic water, waste, sewage, oil, drainage, and air are carried;

(2) piping, fixtures, or equipment that is an integral part of a swimming pool, spa, or hot tub filter or heating system, **or solar energy system;**

(3) fuel oil and gas piping and appliances, and their appurtenances either within the property lines of the building or structure to be served by the fuel oil and gas, or to the point of connection with the utility system; and

(4) lawn sprinkler systems that are connected to a potable water supply, including excavation and backfilling as necessary for proper installation of the system.

(c) In this section "fixtures" includes water closets, lavatories, bathtubs, showers, kitchen sinks, laundry trays, hot water tanks, softeners, urinals, bidets, service sinks, shower pans, drink fountains, water pumps, water conditioners, water coolers, and other similar fixtures used in water systems.

(d) A mechanical administrator licensed in the unlimited commercial and industrial plumbing category may supervise, in accordance with AS 08.40.400, the installation or retrofitting of all pneumatic or electric controls, and may supervise, in accordance with [AS 08.40.400](#) , the retrofitting of all control wiring of 48 volts or less, necessary for the operation of plumbing or water conditioning equipment so long as those modifications do not alter the electrical characteristics of the mechanical system or controls. The original installation of control wiring, or the alteration or retrofitting of controls and control wiring that alters the electrical characteristics of the mechanical system, must be supervised by an electrical administrator licensed in the appropriate category under 12 AAC 32.

History -

Eff. 7/7/94, Register 131; am 11/26/94, Register 132

Authority -

[AS 08.40.230](#)

[AS 08.40.240](#)

[AS 08.40.260](#)

[AS 08.40.400](#)

12 AAC 39.220

NOTE: THIS SECTION DEALS WITH REGULATIONS FOR ALASKA HOUSING FINANCE CORPORATION

15 AAC 151.620

REFINANCE PROGRAM.

(a) The Corporation will, in its discretion and in accordance with procedures outlined in the sellers' guide and the servicers' guide, refinance any loan owned by the Corporation that the Corporation originally made or purchased under a program described in this chapter if:

(1) at least 12 calendar months have elapsed between the date of any existing loan and the date of commitment by the Corporation for a refinance loan;

(2) all loans are current and the borrower's payment record has been satisfactory;

(3) the mortgage loan owned by the Corporation is secured by a first or second lien of the residence for which it was made, and the refinance loan will be in the same or in a higher lien position as the existing loan and any other liens previously attached to the property will be subordinated or paid in full; and

(4) the residence securing the refinance mortgage loan is a single-family dwelling, a duplex, a triplex, a four-plex, or a Type I or Type II mobile home;

(b) A refinance mortgage loan under [15 AAC 151.620](#) (a) or (e) is also subject to the following terms and conditions:

(1) the principal amount of the refinance mortgage loan may not exceed the sum of:

(A) the principal amount of the mortgage loan or loans being refinanced;

(B) the amount of the closing costs borne by the borrower and approved by the Corporation; and

(C) excess subsidy owned to the Corporation by the borrower pursuant to the Home Ownership Fund program described in [15 AAC 151.300](#) - 15 AAC 151.340 if the refinance loan will not be subsidized under that program;

(2) the mortgage loan must be insured or guaranteed as provided in 15 AAC 151.020(a)(3) and (a)(4);

(3) if the monthly payment on the loan owned by the Corporation is subsidized under the Home Ownership Fund program described in 15 AAC 151.300 - [15 AAC 151.340](#), the amount of the monthly subsidy may continue to be paid by the Corporation to subsidize payments for the refinanced loan; however, the monthly subsidy may not exceed the subsidy amount as established in [15 AAC 151.330](#) or the amount of the subsidy currently being paid by the Corporation, whichever is less;

(4) the loan-to-value ratio on a refinance loan shall not exceed limits established by FNMA or FHLMC for similar refinance loans;

(5) if the property is also encumbered by a subordinate FNMA or FHLMC loan, the combined balances of all encumbrances may not exceed the Corporation's loan limits for conventional first mortgages;

(6) the maximum term of the loan will be 30 years for first lien loans; 15 years for second lien loans; and the remaining term on the existing loan or the terms outlined in the sellers' guide for Type II mobile homes, whichever is longer, if acceptable to the insurer/guarantor.

(c) The refinance loan may include improvements to the property subject to the following:

(1) the loan amount may not exceed the balance on the existing loan owned by the Corporation plus the cost of improvements and allowable closing costs;

(2) loans for which the Corporation then provides Home Ownership Fund assistance under [15 AAC 151.300](#) - [15 AAC 151.340](#) and Type II mobile home loans are not eligible under the home improvement refinance option;

(3) the improvements to the mortgaged premises may be for energy conservation, solar installation, rehabilitation, modernization and addition and must either enhance the structural integrity of the building, add to its square footage, increase its appraised value, or constitute a fixture.

(d) A person whose loan was made or purchased under any program other than a program described in this chapter may not refinance the loan under this section regardless of whether the loan has been refinanced under [15 AAC 151.630](#).

(e) The Corporation will, in its discretion, refinance more than one loan held by the Corporation which are secured by the same property if each loan being refinanced satisfies the requirements of this section.

(f) The Corporation will, in its discretion, refinance one or more loans held by the Corporation and one or more loans not held by the Corporation which are secured by the same property if the refinance mortgage loan satisfies the requirements of [15 AAC 151.625](#).

History -

Eff. 5/7/93, Register 130; am 6/11/96, Register 139

Authority -

[AS 18.56.088](#)

[AS 18.56.098](#)

Editor's Notes -

Before Register 130, July 1994, the substance of [15 AAC 151.620](#) was contained in former 115 AAC 118.287. The history note for 15 AAC 151.620 does not reflect the history of the section under its former number.

15 AAC 151.625

REFINANCE PROGRAM OF NON-CORPORATION LOANS.

(a) The Corporation will, in its discretion and in accordance with procedures outlined in the sellers' guide and the servicers' guide, refinance eligible loans not owned by the Corporation if:

- (1) at least 12 calendar months have elapsed between the date of any existing loan and the date of the commitment by the Corporation for a refinance loan;
 - (2) all loans are current and the borrower's payment record has been satisfactory;
 - (3) the refinance mortgage loan is secured by a first lien of the residence for which it is made, and any previous financing or lien relating to that property not included in the refinance subordinated to the lien of the refinance mortgage loan made by the Corporation; and
 - (4) the residence securing the refinance mortgage loan is a single-family dwelling, a duplex, a triplex, a four-plex, or a Type I mobile home.
- (b) A refinance mortgage loan under this section is also subject to the following terms and conditions:
- (1) the principal amount of the refinance mortgage loan will not exceed the sum of:
 - (A) the principal amount of the mortgage loan or loans being refinanced; and
 - (B) the amount of the closing costs borne by the borrower and approved by the Corporation.
 - (2) the mortgage loan must be insured or guaranteed as provided in 15 AAC 151.020(a)(3) and (a)(4);
 - (3) the mortgage loan will bear interest at a rate determined by the Corporation to compensate the Corporation for the cost of funds used by the Corporation to purchase the mortgage loan without state Veteran or HOF options;
 - (4) the loan-to-value ratio on a refinance loan shall not exceed limits established by FNMA or FHLMC for similar refinance loans;
 - (5) if the property is also encumbered by a subordinate FNMA or FHLMC loan, the combined balances of all encumbrances may not exceed the Corporation's loan limits for conventional first mortgages; and
 - (6) the maximum term of the loan will be 30 years.
- (c) The refinance mortgage loan may include improvements to the property subject to the following:
- (1) the loan amount may not exceed the balance on the existing loan or loans being refinanced plus the cost of improvements and allowable closing costs; and
 - (2) the improvements to the mortgaged premises may be for energy conservation, solar installation, rehabilitation, modernization, and addition and must either enhance the structural integrity of the building, add to its square footage, increase its appraised value, or constitute a fixture.**

History -

Eff. 5/7/93, Register 130; am 6/11/96, Register 139

Authority -

[AS 18.56.088](#)

[AS 18.56.098](#)

15 AAC 151.630

STREAMLINED REFINANCE.

- (a) The Corporation will, in its discretion and in accordance with procedures established under this section, refinance eligible mortgage loans owned by the Corporation if the Corporation determines that the requirements established in this section have been satisfied. The Corporation will not refinance under this section mortgage loans that it made or purchased.
- (1) pursuant to a rental refinance program, unless the borrower meets the qualifications set out in [15 AAC 151.015](#)
- (a);
- (2) pursuant to the REO financing program described in 15 AAC 151.650, except that the Corporation will, in its discretion, refinance a mortgage loan described in this clause if the loan contains a call or balloon payment provision, or
 - (3) pursuant to a rural, non-owner occupied loan program.
- (b) To qualify for the refinance of a mortgage loan owned by the Corporation, the borrower of the mortgage loan must demonstrate to the Corporation that:
- (1) the mortgage loan owned by the Corporation is secured by a first or second priority lien on the residence for which it was made; and
 - (2) the residence for which the mortgage loan was made is a single-family dwelling, duplex, type I mobile home, type II mobile home, tri-plex, or four-plex.
- (c) A loan which the Corporation refinances under this section is subject to the following terms and conditions:
- (1) the principal amount of the loan will not exceed the sum of:
 - (A) the outstanding balance of the mortgage loan owned by the Corporation which is being refinanced;
 - (B) up to 30 days interest on the existing loan;

- (C) for an FHA insured loan, the amount of the upfront mortgage insurance premium; or for a VA guaranteed loan, the VA funding fee; and
- (D) up to \$5,000 in closing costs.
- (2) if the existing loan is subject to mortgage insurance or guaranty, the Corporation may determine that coverage must be continued by all insurers or guarantors of the loan;
- (3) the priority of the lien securing the loan must not be changed for the refinance;
- (4) the maximum term of the loan will be:
 - (A) 30 years for first lien loans;
 - (B) 15 years for second lien loans; or
 - (C) the remaining term on the existing loan for Type II mobile homes;
- (5) if the monthly payment on the loan owned by the Corporation is subsidized under the Home Ownership Fund program under [15 AAC 151.300](#) - [15 AAC 151.340](#) , the amount of the monthly subsidy may continue to be paid by the Corporation to subsidize payments for the refinanced loan; however, the monthly subsidy may not exceed the subsidy amount as established in [15 AAC 151.330](#) or the amount of subsidy currently being paid by the Corporation whichever is less; and
- (6) the loan must be current at closing.
- (d) A state veteran rate is not available for a refinancing loan purchased under this section. The Corporation will establish the interest rate on a refinancing loan purchased under this section as follows:
 - (1) the interest rate shall be two percent less than the cost to the Corporation of the money used to purchase the refinancing mortgage loan, except that if the cost of money:
 - (A) is 10 percent or less, the interest rate is equal to the cost of money; or
 - (B) is more than 10 percent, the interest rate may not be less than 10 percent;
 - (2) the Corporation will, in its discretion, determine the cost of money applicable to a refinancing mortgage loan by taking into consideration one or more actual or proposed taxable or tax-exempt financings, the proceeds of which are expected to be used for purposes of funding the acquisition of refinancing mortgage loans; in considering proposed financings, the Corporation will, in its discretion, estimate the cost of money;
 - (3) if refinancing mortgage loans are, or are expected to be, purchased other than from the proceeds of taxable or tax-exempt bonds, the Corporation will, in its discretion, determine the cost of money from time to time based upon estimates and references to credit market levels; and
 - (4) cost of money may include the actual or estimated interest rate on debt, costs of issuing the debt, original issue discounts applicable to the debt, and ongoing program operation costs such as loan servicing fees, debt trustee fees, credit enhancement fees, loan guarantee or insurance fees, and other direct or allocable administrative costs of the Corporation.
- (e) The Corporation will establish procedures for application for refinance of a mortgage loan under this section and for other matters pertaining to this section in the sellers' guide.

History -

Eff. 5/7/93, Register 130; am 5/5/98, Register 147

Authority -

[AS 18.56.088](#)

[AS 18.56.090](#)

[AS 18.56.108](#)

15 AAC 151.635

SECOND MORTGAGE PROGRAM FOR HEALTH AND SAFETY REPAIRS.

- (a) The Corporation will, in its discretion, purchase mortgage loans for the purpose of making improvements to property already financed by the Corporation, if the improvements are necessary for the health and safety of the property residents. Improvements may include, but are not limited to, the replacement or repair of septic or water systems due to failure of the system, and foundation or other structural repair due to structural failure.
- (b) To qualify for a loan under this section, the borrower must demonstrate to the satisfaction of the Corporation that:
 - (1) the property is already financed by the Corporation;
 - (2) the outstanding mortgage loan held by the Corporation is current and has an acceptable payment history;
 - (3) the loan is secured by a single-family residence (but not including a unit within a condominium project), duplex, triplex, fourplex, Type I mobile home, or Type II mobile home;

- (4) the borrower has the financial ability to pay all of the borrower's debts; and
- (5) work on the improvements has not begun at the time the loan is submitted to the Corporation for commitment unless necessitated by an emergency situation.
- (c) The loans purchased by the Corporation under this section are subject to the following terms:
 - (1) the principal amount of the loan will not exceed 80 percent of the cost of the improvement plus allowable closing costs for the loan, or \$20,000, whichever is less.
 - (2) the maximum term of the loan will be

Loan Amount	Maximum Term
\$ 0 - 6,450	5 years
\$ 6,500 - 12,450	10 years
\$12,500 + over	15 years

(d) The funding for the purchase of loans under this section is limited to \$5,000,000.

History -

Eff. 5/7/93, Register 130

Authority -

[AS 18.56.088](#)

[AS 18.56.096](#)

Editor's Notes -

Before Register 130, July, 1994, the substance of [15 AAC 151.635](#) was contained in former [15 AAC 118.291](#). The history note for [15 AAC 151.635](#) does not reflect the history of the section under its former number.

15 AAC 151.640

SECOND MORTGAGE PROGRAM FOR HOME IMPROVEMENT.

- (a) The Corporation will, in its discretion and in accordance with procedures outlined in the sellers' guide,
 - (1) purchase mortgage loans made to finance permanent improvements to the mortgaged premises including energy conservation, **solar installation**, rehabilitation, modernization, and addition;
 - (2) pay reasonable and customary closing costs associated with the improvements financed by the home improvement loan.
- (b) The proceeds of a loan purchased under this section may not be used to pay off any existing lien other than a construction, interim, or bridge loan, the proceeds of which were used to finance the improvements to the property.
- (c) To qualify for a loan under this section, the borrower must demonstrate to the satisfaction of the Corporation that:
 - (1) the residence is occupied as the borrower's primary residence;
 - (2) the loan is secured by a single-family residence, duplex, tri-plex, four-plex, or Type I mobile home undamaged by fire, windstorm, or other casualty;
 - (3) if the loan is for a unit in a condominium project or a planned unit development, the proceeds of the loan will be used only to finance improvements to that unit that are allowable within the project's constituent documents and will not be used to improve common elements or areas;
 - (4) the work on the improvements has not been completed for more than six months at the time the loan is submitted to the Corporation for commitment;
 - (5) the improvements will enhance the liveability of the dwelling and will not be for cosmetic purposes only; and

- (6) each existing mortgage loan is current and has an acceptable mortgage payment history.
- (d) The loans purchased by the Corporation under this section are subject to the following terms:
- (1) the maximum term of the loan will be:

Loan Amount	Maximum Term
\$ 0 - 6,450	5 years
\$ 6,500 - 12,450	10 years
\$12,500 + over	15 years

- (2) the maximum loan amount will not exceed the lowest of the following amounts applicable to the loan:
- (A) the following loan-to-value ratios (which, notwithstanding the definition of the term at [15 AAC 150.900](#), is determined by dividing the sum of all liens by the value) for the type of dwelling involved:
- (i) 90% for single-family and duplex, except as provided in (ii) of this subparagraph;
- (ii) 80% for all tri-plexes and four-plexes; or
- (B) 50% of FNMA's conventional first mortgage limit for a single family dwelling in Alaska.
- (3) if the Corporation owns an interest in the first mortgage, the Corporation will purchase the second mortgage only if the combined original balances of both the first and second mortgages do not exceed the Corporation's limit for conventional first mortgages; and
- (4) the loan must be subject only to permitted encumbrances and a first lien mortgage loan; any other liens must be subordinated to this loan.

History -

Eff. 5/7/93, Register 130; am 2/24/99, Register 149

Authority -

[AS 18.56.088](#)

[AS 18.56.096](#)

15 AAC 151.645

Keywords: alternative energy

NOTE: THIS SECTION DEALS WITH REGULATIONS UNDER THE ALASKA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

CHAPTER 078

ALTERNATIVE ENERGY LOANS

3 AAC 78.010

APPLICATION PROCESS.

- (a) To apply for an assumption of an existing alternative energy loan, an applicant shall file with the department
- (1) a completed application for an assumption of an alternative energy loan, on a form provided by the department;
- (2) an individual financial statement, on a form provided by the department;
- (3) a business financial statement, on a form provided by the department;

- (4) a signed credit authorization, on a form provided by the department;
- (5) an employment verification, on a form provided by the department;
- (6) a signed copy of the applicant's federal income tax return for the most recent year;
- (7) a \$100 nonrefundable application fee; and
- (8) any other information that might be helpful to the applicant in qualifying for an assumption, as requested by the department.

(b) The department will, in its discretion, process an application for an assumption without the information described in (a) of this section, if the department determines that the department can make an informed lending decision without access to the information.

History -

Eff. 9/11/85, Register 95; am 1/11/87, Register 101; am 8/10/97, Register 143

Authority -

[AS 45.88.020](#)

3 AAC 78.015

EXAMINATION.

(a) The materials described in [3 AAC 78.010](#) will be processed and evaluated by a loan officer. The loan officer will evaluate the applicant's financial and credit history, ability to repay, and proposed collateral.

(b) On the basis of the evaluation, the loan officer will either inactivate the application due to lack of information required under 3 AAC 78.010, or recommend proposed action on the request to the appropriate loan committee.

However, the recommendation of a loan officer is not binding on a loan committee.

History -

Eff. 9/11/85, Register 95; am 8/10/97, Register 143

Authority -

[AS 45.88.020](#)

3 AAC 78.020

LOAN COMMITTEE.

(a) A loan committee consists of one or more persons appointed by the director to act on a loan request.

(b) A loan committee may approve, deny, or modify and approve a loan request, or may table a loan request subject to obtaining additional information.

(c) A loan committee may impose reasonable conditions on the approval of a loan, including

(1) additional collateral to secure the loan;

(2) additional guarantors; and

(3) subordination of prior lienholders' rights to the interests of the state.

(d) A loan committee shall consider the applicant's financial and credit record, ability to repay, and proposed collateral. The loan committee may also consider the recommendations of the loan officer assigned to process the application, and any other relevant for information.

(e) repealed 8/10/97.

(f) If a loan request is denied or significantly modified by a loan committee, the loan committee shall provide the applicant with statement of the reasons for the action and the information relied on.

(g) A material misstatement or omission of fact made by an applicant constitutes ground for denial of a loan request.

History -

Eff. 9/11/85, Register 95; am 8/10/97, Register 143

Authority -

[AS 45.88.020](#)

[AS 45.88.030](#)

3 AAC 78.035

ELIGIBILITY

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.036
SOLAR LOAN REQUIREMENTS

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.037
SOLAR HEATING UNIT REQUIREMENTS

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.038
SUNSPACE REQUIREMENTS

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.039
CENTRALIZED MULTIFUEL HEATING SYSTEM REQUIREMENTS

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.040
FINANCIAL AND CREDIT RECORD.

(a) The department will, in its discretion, consider the following factors in evaluating an applicant's financial and credit record:

- (1) existing and prior debts;
- (2) credit reports obtained from creditors and private credit reporting services;
- (3) prior loan history with the department;
- (4) timeliness in making payments on loans and other debts;
- (5) prior bankruptcies;
- (6) existence of tax liens;
- (7) unpaid judgments and prior foreclosures; and
- (8) financial and credit reputation.

(b) Information establishing unacceptable credit will be more heavily weighed by the department if it has occurred in recent years.

History -

Eff. 9/11/85, Register 95

Authority -

[AS 45.88.020](#)

3 AAC 78.045
ABILITY TO REPAY.

The department will, in its discretion, consider the following factors in evaluating an applicant's ability to repay a proposed assumption:

- (1) income history, including present income;
- (2) prospects for future income;

- (3) assets and their liquidity; and
- (4) liabilities.

History -

Eff. 9/11/85, Register 95; am 8/10/97, Register 143

Authority -

[AS 45.88.020](#)

3 AAC 78.050

COLLATERAL

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.055

LENDING PRACTICES

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.065

DISBURSEMENT OF LOAN MONEY

Repealed or Renumbered

Repealed.

History -

Eff. 9/11/85, Register 95; repealed 8/10/97, Register 143

3 AAC 78.070

SUPERVISION OF LOANS.

If a loan is in default, the department will, in its discretion, require the borrower to furnish annual financial statements consisting of a balance sheet, profit-and-loss statement, sources and application of all money received and a schedule of change of owner's equity. The department will, in its discretion, also require an audit or audits to determine whether the borrower has complied with the provisions of the loan, and conduct periodic inspection of collateral securing repayment of the loan.

History -

Eff. 9/11/85, Register 95

Authority -

[AS 45.88.020](#)

3 AAC 78.075

COSTS.

(a) All expenses incurred by the department in processing an application must be paid by the applicant. These expenses include the cost of title reports and insurance, recording fees, appraisals, surveys, travel, and other direct costs.

(b) An assumption fee of one percent of the loan balance is due from the borrower when applicable provisions of this chapter have been met.

(c) A late fee not to exceed five percent of the payment amount will, in the department's discretion, be charged to a borrower for each loan payment that is more than 15 days past due.

(d) An extension fee not to exceed \$100 will, in the department's discretion, be charged to a borrower to process a loan extension.

History -

Eff. 9/11/85, Register 95; am 1/11/87, Register 101; am 11/5/87, Register 104; am 7/4/91, Register 119; am 8/10/97, Register 143

Authority -
[AS 45.88.020](#)

3 AAC 78.080
ASSUMPTIONS.

- (a) The department will, in its discretion and when it is in the state's best interests, allow an assumption of a loan made under AS 45.88 and this chapter.
- (b) A request for an assumption of a loan made under [AS 45.88](#) and this chapter will be processed in the same manner as a loan application. The department will, in its discretion, require one or more of the items specified in [3 AAC 78.010](#).
- (c) Wraparound financing that includes a loan made under [AS 45.88](#) and this chapter is prohibited, and constitutes a default on the loan.

History -
Eff. 9/11/85, Register 95; am 11/5/87, Register 104
Authority -
[AS 45.88.020](#)

3 AAC 78.081
CLOSING AN ASSUMPTION.

- An assumption agreement will be considered by the department to be closed when
- (1) all required signatures have been obtained and the assumption agreement has been properly recorded;
 - (2) requirements of the loan committee have been met; and
 - (3) the borrower is in compliance with all provisions of the loan documents, including insurance requirements, and this chapter.

History -
Eff. 8/10/97, Register 143
Authority -
[AS 45.88.020](#)

3 AAC 78.082
MODIFICATIONS.

- (a) A request for a modification to a loan made under [AS 45.88](#) and this chapter will be processed in the same manner as a loan application. The department will, in its discretion, require one or more of the items specified in [3 AAC 78.010](#).
- (b) A loan committee may permit a loan modification only if the security of the state and its investment is preserved.

History -
Eff. 1/11/87, Register 101
Authority -
[AS 45.88.020](#)

3 AAC 78.085
RECONSIDERATION OF AN ASSUMPTION REQUEST.

- (a) If an assumption of a loan request is denied, inactivated, or significantly modified by the department, an applicant may file a written request for reconsideration within 30 days after receipt of notice of the department's decision.
- (b) The department will, in its discretion, reconsider a request upon a showing by the applicant that
 - (1) there has been a substantial change in the circumstances leading to the department's decision;
 - (2) additional relevant information can be provided to the department that was not initially available; or
 - (3) administrative errors were made by the department.

History -
Eff. 9/11/85, Register 95; am 8/10/97, Register 143
Authority -
[AS 45.88.020](#)
[AS 45.88.030](#)

NOTE: THIS SECTION DEALS WITH REGULATIONS UNDER THE DEPARTMENT OF REVENUE FOR CORPORATE INCOME TAX

15 AAC 20.120

ALTERNATIVE ENERGY EXPENDITURE CREDIT; ELIGIBILITY

Repealed or Renumbered

Repealed.

History -

Eff. 3/28/82, Register 81; repealed 3/6/98, Register 145

15 AAC 20.122

ALTERNATIVE ENERGY SYSTEM SUBSTANTIATION

Repealed or Renumbered

Repealed.

History -

Eff. 3/28/82, Register 81; repealed 3/6/98, Register 145

15 AAC 20.124

ENERGY CONSERVATION IMPROVEMENT SUBSTANTIATION

Repealed or Renumbered

Repealed.

History -

Eff. 3/28/82, Register 81; repealed 3/6/98, Register 145

15 AAC 20.130
