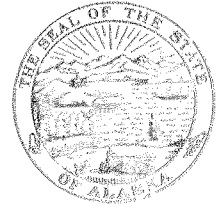


Representative Bob Herron

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House District 37

Kuskokwim Bay • Western Bristol Bay • Alaska Peninsula

Aleutian Chain • Bering Sea Islands • Bethel

Adak

Akutan

Atka

Attu Station

Bethel

Chignik

Chignik Lagoon

Chignik Lake

Clark's Point

Cold Bay

Eek

Egegik

False Pass

Goodnews Bay

Ivanof Bay

King Cove

Mekoryuk

Nelson Lagoon

Nikolski

Perryville

Pilot Point

Platinum

Port Heiden

Portage Creek

Quinhagak

Sand Point

St. George

St. Paul

Togiak

Twin Hills

Ugashik

Unalaska

SECTIONAL ANALYSIS

HB 165

ALASKA ARCTIC PORT AND DEVELOPMENT AUTHORITY

Section 24.20.201 and **Section 24.20.206** (pages 1-2) Adds the Alaska Arctic Port and Development Authority (AAPDA) to the list of entities (including AHFC, AIDEA and Alaska Aerospace Corp) that Legislative Budget and Audit Committee can audit annually and must at a minimum annually provide an operational and performance evaluation of.

Section 30.09.010 (page 3) **Creation of Authority.** Creates AAPDA as a public corporation within DCCED but with separate and independent legal status.

Section 30.09.020 (page 4) **Membership of Authority.** AAPDA Board consists of 9 governor-appointed members, 4 of whom reside in Alaska Arctic coastal region.

Section 30.09.030 **Chair and vice-chair.** Members elect chair and vice-chair

Section 30.09.040 **Meetings, compensation, officers, and employees.**

Section 30.09.050 (page 5) **Alaska Arctic Port and Development Authority revolving fund.** Creates AAPDA revolving fund consisting of appropriations made to the fund by the legislature and money or other assets transferred to the fund by the Authority. Amounts from the fund may be expended for the purposes of the Authority. The Authority may also invest amounts in the fund pursuant to 37.10.071.

Section 30.09.100 **Purpose of the Authority.** Purpose is to develop a comprehensive plan for a deepwater port development in the Alaska Arctic coastal region and to construct, develop, and improve deepwater ports and related infrastructure in the Alaska Arctic coast region by

- Developing a plan for a regional system of ports and related facilities
- Providing means of financing of ports and related facilities
- Owning and operating ports and related facilities

Section 30.09.120 (page 6) **Powers of the Authority** include:

- To acquire an interest in a project in the Alaska Arctic coastal region as necessary or appropriate to provide financing for the project
- To purchase or insure loans to finance the costs of construction of ports and related infrastructure in the Alaska Arctic coastal region
- To sell property owned by the Authority

- To accept gifts, grants or loans and to enter into contracts with various entities
- To acquire, operate and manage projects in Alaska Arctic coastal region
- To charge and collect fees
- To make cooperative agreements with DOTPF to acquire, equip, operate maintain, construct or install ports and related facilities
- To straighten, deepen, and improve any watercourse as necessary and proper in the development of a port or its facilities.

Section 30.09.130 (page 8) **Regulations.** Authority shall adopt regulations necessary for financing of projects.

Section 30.09.200 **Purchase of project and leases.** Allows the Authority flexibility in leasing, including leasing for eventual purchase and engaging two or more lessees in a single project.

Section 30.09.210 (page 9) **Finance Plan.** Details what must be included in a finance plan before the Authority approves a project. Authority must give preference to projects that don't require state financial assistance. Authority submits finance plans to the Governor and legislature before incurring debt for a project.

Section 30.09.220 **Annual audit.** Authority must have its financial records audited annually.

Section 30.09.230 **Compliance with Executive Budget Act; authority finances.**

Section 30.09.240 (page 10) **Reports and Publications.**

Section 30.09.250 (page 11) **Fees charged by the Authority; prepayments.**
A commitment fee for a loan by the Authority may not exceed 2% of the principal. The Authority may not charge for prepayment of a loan after five years from inception.

Section 30.09.260 **Confidentiality of records and information.**

Section 30.09.270 (page 12) **Personal liability.** Authority personnel may not be held liable for actions performed in good faith while on duty.

Section 30.09.500 **Definitions.** 10 definitions. Alaska Arctic coastal region is defined as area of the state north of 51 degrees North latitude and west of 156 degrees West longitude, and the area of the state east of 156 West Latitude and north of the Brooks Range. This includes Barrow, the west coast of Alaska and the islands off the west coast, and the Aleutians, including most of the southern coast of the Aleutians.

Section 36.90.300 (c)(4) (page 13) Adds AAPDA to the list of agencies defined as a "public agency" in statute.

Section 39.25.110(11) (page 14) Adds officers and employees of AAPDA to the list of employees exempt from the State Personnel Act.

Section 39.50.200(b) For abbreviation purposes, adds AAPDA to the list of agencies that "state commission or board" could refer to in statute.