



LAWS OF ALASKA

1970

Source

HCS CSSB 589

Chapter No.

231

AN ACT

Providing for the construction and financing of a highway from the Yukon River to the Arctic Ocean; and providing for an effective date.

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

* Section 1. AS 19 is amended by adding a new chapter to read:

CHAPTER 40. HIGHWAY FROM YUKON RIVER TO ARCTIC OCEAN.

Sec. 19.40.010. DECLARATION OF POLICY. (a) The legislature finds and declares that there is an immediate need for a public highway from the Yukon River to the Arctic Ocean and that this public highway should be constructed by the State of Alaska at this time because

(1) it will assist in the fulfillment of the Constitution of the State of Alaska, art. VIII, sec. 1, wherein it is provided that it is the policy of the state to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest;

(2) it will provide the first year-round, over-land route from north of the Yukon River to the Arctic Ocean, and will consequently result in the completion of a highway from the Pacific Ocean to the Arctic Ocean;

(3) it is in conformity with the policy of the Federal-Aid Highway Act of 1956, 23 U.S.C. 101(b), wherein it is declared to be in the national interest to accelerate the construction of certain highways which are of primary importance to the national defense;

(4) it will benefit local and interstate commerce because the area north of the Yukon River is rich in

natural resources but is inaccessible at the present time because of the lack of roads and this inaccessibility prohibits the successful use of the natural resources of this area;

(5) it is consonant with the Constitution of the State of Alaska, art. VIII, sec. 2, wherein it is provided that the legislature shall provide for the utilization, development, and conservation of all natural resources belonging to the state, including land and waters, for the maximum benefit of its people, because the highway will benefit not only local and interstate commerce but will also augment the revenues of the state and result in conservation of natural resources, for example, by facilitating a system of forest-fire suppression.

(b) It is the sense of the legislature that the construction of the highway will not impair the natural wilderness adjacent to the highway and will not unreasonably interfere with subsistence hunting, fishing, trapping and gathering.

(c) It is the intent of the legislature that the state shall be reimbursed for the cost plus interest of constructing the public highway from the Yukon River to the Arctic Ocean.

(d) It is the intent of the legislature that employment of Alaska residents be encouraged and that the provisions of AS 36.10.010 - 36.10.110 be complied with.

Sec. 19.40.020. CONTRACTUAL AUTHORITY. (a) Subject to (b) of this section, the department may contract for the construction of a secondary highway from the Yukon River to the Arctic Ocean. The department may request bids and award contracts for the construction of the highway, or it may elect to directly negotiate contracts for the construction of the highway if it appears to be in the best interests of the state. The provisions of AS 36.10 govern in employment practices on all work authorized by this chapter.

(b) The authority granted under (a) of this section may not be exercised unless and until the state enters into a contract with the participants in the Trans Alaska Pipeline System or other organization formed for the purpose of transporting oil by pipeline from the North Slope (that area of Alaska lying north of 68° latitude). The contract shall provide for reimbursement to the state by the participants, jointly and severally, in the Trans Alaska Pipeline System or other organization formed for the purpose of transporting oil by pipeline, of the full amount of the highway's cost of construction plus interest on the state's expenditures at the rate of seven and one-half per cent per year. Complete reimbursement together with interest must be made within five years from the date of the contract. The state may, with the agreement of the participants, elect to construct an oil pipeline from the North Slope. In that event, the provisions of this subsection requiring reimbursement do not apply.

(c) The contract with the participants shall include such additional terms and conditions as appear to be in

the best interests of the state. Any advance payments made under such a contract shall be deposited in a special account which will be used for disbursements to the contractor charged with construction of the highway. Disbursements to the contractor shall be made on order of the commissioner of highways on presentation of a proper voucher or the presentation of a voucher by an employee of the department authorized in writing to certify as to such payment.

Sec. 19.40.030. UNDERTAKINGS OF CONTRACTORS. The department, in place of the bonds or individual sureties required by AS 36.25.010, may accept corporate undertakings which include the same essential provisions of the bonds or individual sureties required by AS 36.25.010 and which are satisfactory to the department.

Sec. 19.40.040. EXEMPTION. The Alaska Net Income Tax Act and the Alaska Business License Act do not apply to any money received by the general contractor from the state under a highway construction contract authorized under this chapter if the money is to be paid to a subcontractor for work performed under the construction contract. The money received by the subcontractors is subject to the Alaska Net Income Tax Act, the Alaska Business License Act and any other applicable state taxes.

Sec. 19.40.050. HIGHWAY WIDTH. In accordance with AS 19.10.015, the width of this highway is designated as 200 feet.

Sec. 19.40.060. CONDITIONS TO BE MET. Construction authorized under secs. 20 - 50 of this chapter may not be undertaken until all of the following conditions are met:

(1) certification by the commissioners of the Department of Natural Resources and the Department of Fish and Game that adequate precautions have been taken to protect and preserve the total ecology of the area traversed;

(2) certification by the commissioner of the Department of Highways that the road design and construction methods will cause minimal landscape defacement or environmental degradation by erosion or waste disposal;

(3) certification by the commissioner of the Department of Health and Welfare that adequate and reasonable precautions have been taken for the prevention of pollution during construction and subsequent public use;

(4) all certifications, as well as the rules, regulations, contract provisions, specifications, inspection procedures and programs necessary to implement and accomplish secs. 20 - 50 of this chapter shall be filed with the governor's office and published;

(5) the governor has approved all certifications and supporting material submitted to him under (4) of this section as being in the best public interest, and has certified that the contract required by sec. 20 of this chapter has been executed.

Sec. 19.40.065. REGULATIONS AND PENALTIES. All departments and agencies of the state are given the specific authority to adopt under the Administrative Procedure Act (AS 44.62) emergency, temporary and permanent regulations necessary to accomplish the purposes of secs. 20 - 50 of this chapter. The violation of any regulation adopted under secs. 20 - 50 of this chapter is a misdemeanor and upon conviction the person is punishable by a fine of not more than \$10,000 for each offense.

Sec. 19.40.070. CONFLICT WITH OTHER LAWS. In the event of a conflict between this chapter and any other law of this state, the provisions of this chapter govern and supersede any such other law.

Sec. 19.40.080. DEFINITIONS. In this chapter

(1) "department" means the Department of Highways;

(2) "highway" means the secondary highway from the Yukon River to the Arctic Ocean.

* Sec. 2. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.