



# LAWS OF ALASKA

1992

**Source**

SCS CSHB 237(STA)

**Chapter No.**

73

**AN ACT**

Establishing certain criteria that must be considered before certain state agencies lease space; and relating to certain leases, lease renewals, lease purchase agreements, and renewals of lease purchase agreements that must receive legislative approval.

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

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: June 16, 1992  
Actual Effective Date: September 14, 1992

AN ACT

1 Establishing certain criteria that must be considered before certain state agencies lease space; and relating  
2 to certain leases, lease renewals, lease purchase agreements, and renewals of lease purchase agreements  
3 that must receive legislative approval.

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5 \* Section 1. AS 36.30.020 is amended to read:

6 Sec. 36.30.020. LEGISLATURE. The Legislative Council shall adopt and publish  
7 procedures to govern the procurement of supplies, services, professional services, and  
8 construction by the legislative branch. The procedures must be based on the competitive  
9 principles consistent with this chapter and must be adapted to the special needs of the legislative  
10 branch as determined by the Legislative Council. The procedures must be consistent with the  
11 provisions of AS 36.30.080(b) - (e) [AS 36.30.080(b) - (c)].

12 \* Sec. 2. AS 36.30.080(c) is amended to read:

13 (c) If the department, legislative branch, or judicial branch intends to enter into or renew  
14 a lease or lease-purchase agreement, except an agreement related to a refinancing, with an

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1 annual rent to the department, legislative branch, or judicial branch that is anticipated to exceed  
2 \$1,000,000, or with total lease payments that exceed \$10,000,000 for the full term of the  
3 lease, the department, legislative branch, or judicial branch shall provide notice to the legislature.  
4 The notice must include the anticipated annual lease obligation amount, [AND] the anticipated  
5 total construction, acquisition, or other costs of the project, and, if the total lease payments for  
6 the full term of the lease exceed \$10,000,000, the total lease payments for the full term of  
7 the lease. The department may not enter into or renew an agreement requiring notice under this  
8 subsection unless the project has been approved by the legislature by law. An appropriation for  
9 the project does not constitute approval of the project for purposes of this subsection. The  
10 department may not enter into an agreement under this subsection if the optional renewal period  
11 allowed under the agreement exceeds two years. In this subsection, "term" includes defined  
12 renewal options.

13 \* Sec. 3. AS 36.30.080 is amended by adding new subsections to read:

14 (d) When the department is evaluating proposals for a lease of space, the department  
15 shall consider, in addition to lease costs, the life cycle costs, function, indoor environment, public  
16 convenience, planning, design, appearance, and location of the proposed building.

17 (e) When the department is considering leasing space, the department should consider  
18 whether leasing is likely to be the least costly means to provide the space.