

**SENATE BILL NO. 155**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 5/17/23

Referred: Transportation, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the Port of Alaska; establishing the Port of Alaska Authority to**  
2 **manage and operate the Port of Alaska; and providing for an effective date."**

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 LEGISLATIVE FINDINGS AND INTENT. The legislature finds that it is in the best  
7 interests of the state to create an authority with the powers, duties, and functions needed to  
8 operate the Port of Alaska in Anchorage and manage its seaport, rail, industrial, and other  
9 properties in the best interests of the people of the state and to ensure that the authority is  
10 exclusively responsible for managing the financial and legal obligations of the Port of Alaska.  
11 The legislature considers the continued operation of the Port of Alaska by the authority as  
12 provided in this Act an essential government function of the state.

13 \* **Sec. 2.** AS 30 is amended by adding a new chapter to read:

14 **Chapter 19. Port of Alaska Authority.**

1 **Article 1. Establishment and Organization.**

2 **Sec. 30.19.010. Creation of authority.** The Port of Alaska Authority is  
3 created. The authority is a public corporation of the state and a body corporate and is  
4 an instrumentality of the Department of Commerce, Community, and Economic  
5 Development, but with separate and independent legal existence.

6 **Sec. 30.19.020. Board of directors.** (a) The powers of the authority are vested  
7 in the board of directors. The board consists of

8 (1) the commissioner of commerce, community, and economic  
9 development;

10 (2) the commissioner of transportation and public facilities; and

11 (3) seven public members appointed as follows:

12 (A) one member appointed by the governor;

13 (B) one member appointed by the speaker of the house of  
14 representatives;

15 (C) one member appointed by the president of the senate;

16 (D) one member appointed by the mayor of the Municipality of  
17 Anchorage;

18 (E) three members appointed by the Anchorage Assembly.

19 (b) The board members appointed under (a) of this section must have the  
20 following qualifications:

21 (1) one member must have at least five years of experience in port  
22 management; a person who is not a resident of the state may be appointed under this  
23 paragraph;

24 (2) the member appointed under (a)(3)(A) of this section must be from  
25 a judicial district, other than the Third Judicial District, directly served by the port;

26 (3) either the member appointed under (a)(3)(B) of this section or the  
27 member appointed under (a)(3)(C) of this section must have at least five years of  
28 experience as an owner or manager of a business in the state and be from a judicial  
29 district directly served by the port;

30 (4) of the members appointed under (a)(3)(E) of this section,

31 (A) one member must be a member of a bargaining unit

1 representing employees of the authority; and

2 (B) one member must have current or former experience as an  
3 executive official of an entity that is deemed a citizen of the United States  
4 under 46 U.S.C. 50501 (sec. 2 of the Shipping Act, 1916) engaged in the  
5 transport of merchandise in the United States domestic coastwise trade; a  
6 person who is not a resident of the state is qualified under this subparagraph.

7 (c) If a member described in (a)(1) or (2) of this section is unable to attend a  
8 meeting of the authority, the member may, by an instrument in writing filed with the  
9 authority, designate a deputy or assistant to act in the member's place at the meeting.  
10 For purposes of this chapter, the designee is a member of the board at the meeting.

11 (d) The public members of the board appointed under (a)(3)(A), (B), and (C)  
12 of this section and the member qualified under (b)(4)(B) of this section serve three-  
13 year terms.

14 (e) If a vacancy occurs in the membership of the board, the appointing  
15 authority shall appoint a member for the unexpired portion of the term.

16 (f) The board shall create staggered terms for members in its first organizing  
17 meeting.

## 18 **Article 2. Management.**

19 **Sec. 30.19.100. Management by board.** The board is responsible for the  
20 management of the authority but shall delegate certain powers and duties to the chief  
21 executive officer under AS 30.19.120. In managing the authority, the board shall

22 (1) manage the financial and legal obligations of the authority;

23 (2) generally manage the authority on a self-sustaining basis;

24 (3) apply to the legislature for an appropriation with the concurrence of  
25 the governor to be used to provide a particular service or project that is not otherwise  
26 self-sustaining if a subsidy is required to maintain that service or project;

27 (4) provide for safe, efficient, and economical transportation to meet  
28 the overall needs of the state;

29 (5) raise needed capital by issuing revenue bonds of the authority upon  
30 approval by the legislature while ensuring that borrowing by the authority does not  
31 directly or indirectly endanger the state's own borrowing capacity;

1 (6) ensure that the procurement procedures of the authority meet  
2 accepted industry standards;

3 (7) ensure that the accounting procedures of the authority meet  
4 generally accepted accounting principles consistent with industry standards for  
5 comparable authorities;

6 (8) consider the effect on port users and shippers and make good faith  
7 efforts to reach a consensus among affected port users before implementing a funding  
8 plan for a physical change, improvement, or modification to the port that requires  
9 funding, in whole or in part, from affected port users; a change, improvement, or  
10 modification under this paragraph must be made with the expectation, consistent with  
11 precedent, that the funding be borne solely by the port users whose operations directly  
12 benefit from the change, improvement, or modification;

13 (9) approve any tariff, surcharge, or fee assessed against a user of the  
14 port.

15 **Sec. 30.19.110. Executive officer.** The board shall appoint a chief executive  
16 officer of the authority who serves at the pleasure of the board. The board shall set  
17 compensation for the chief executive officer.

18 **Sec. 30.19.120. Delegation.** The board shall by rule delegate powers and  
19 duties to the chief executive officer.

### 20 **Article 3. Administrative Provisions.**

21 **Sec. 30.19.150. Meetings of board.** (a) The chair of the board shall call  
22 meetings of the board. The chair shall preside at meetings.

23 (b) Except for executive sessions, the meetings of the board are public. The  
24 board shall provide by rule for a method of providing reasonable notice to the public  
25 of its meetings.

26 (c) The board shall keep minutes of each meeting.

27 **Sec. 30.19.160. Quorum and voting.** (a) Four members of the board constitute  
28 a quorum for the transaction of business.

29 (b) Four affirmative votes are required for board action. The board shall  
30 provide by rule for the manner of voting. The rules may provide for voting and  
31 conferring by electronic media.

1           **Sec. 30.19.170. Executive sessions.** The board shall determine in accordance  
 2 with AS 30.19.160 the question of whether to hold an executive session. The board  
 3 shall set by rule the actions that may be taken at executive session.

4           **Sec. 30.19.180. Rules.** (a) The board shall adopt rules to carry out its functions  
 5 and the purposes of this chapter. A meeting held by electronic media has the same  
 6 legal effect as a meeting in person.

7           (b) The board shall establish in the bylaws of the authority a procedure for the  
 8 adoption of a rule on an emergency basis.

9           (c) Adoption of a rule is not subject to (a) or (b) of this section if the rule

10                   (1) relates only to the internal management of the authority;

11                   (2) relates to a specific rate, tariff, division, or contract rate agreement;

12                   (3) is directed to a specifically named person or group of persons and  
 13 does not apply to the general public; or

14                   (4) relates to the use of public works under the jurisdiction of the  
 15 authority and the effect of the rule is indicated to the public by means of signs or  
 16 signals.

17           (d) The board shall establish rules relating to conflicts of interest.

#### 18                                   **Article 4. Powers and Duties.**

19           **Sec. 30.19.200. General powers.** In addition to the exercise of other powers  
 20 authorized by law, the authority may

21                   (1) adopt a seal;

22                   (2) adopt bylaws governing the business of the authority;

23                   (3) sue and be sued;

24                   (4) appoint trustees and agents of the authority and prescribe the  
 25 powers and duties of a trustee or agent;

26                   (5) hire legal counsel to represent the authority;

27                   (6) make contracts and execute instruments necessary or convenient in  
 28 the exercise of its powers and duties;

29                   (7) acquire by purchase, lease, bequest, devise, gift, exchange, the  
 30 satisfaction of debts, the foreclosure of mortgages, or otherwise, personal property,  
 31 rights, rights-of-way, franchises, easements, and other interests in land, and acquire by

1 appropriation water rights that are located in the state, taking title to the property in the  
2 name of the authority;

3 (8) hold, maintain, use, operate, improve, lease, exchange, donate,  
4 convey, alienate, encumber, or otherwise grant a security interest in, or authorize use  
5 or dispose of, land or personal property, subject to other provisions of this chapter;

6 (9) contract with and accept transfers, gifts, grants, or loans of funds or  
7 property from the United States and the state or its political subdivisions, subject to  
8 other provisions of federal or state law or municipal ordinances;

9 (10) undertake and provide for the management, operation,  
10 maintenance, use, and control of all property of the authority;

11 (11) recommend to the legislature and the governor any tax, financing,  
12 or financial arrangement the authority considers appropriate for expansion or  
13 extension and operation of the port;

14 (12) maintain offices and facilities at places the authority designates;

15 (13) apply to the state, the United States, and other proper agencies for  
16 a permit, license, right-of-way, or approval necessary to construct, maintain, and  
17 operate port services, and obtain, hold, and reuse a license or permit in the same  
18 manner as other ports;

19 (14) prescribe rates to be charged for services and establish port tariffs;

20 (15) enter into contracts, leases, and other agreements concerning the  
21 services, activities, operations, property, and facilities of the authority;

22 (16) plan for and undertake replacement of port facilities;

23 (17) hire and discharge personnel and determine benefits and other  
24 terms and conditions of employment;

25 (18) assume all rights, liabilities, and obligations of the port as the port  
26 previously existed as an enterprise of the Municipality of Anchorage;

27 (19) maintain a security force to enforce municipal ordinances, state  
28 laws, and the authority's rules with respect to violations that occur on or to property  
29 owned or managed by the authority;

30 (20) upon approval by the legislature under AS 30.19.230, issue  
31 revenue bonds and provide for and secure payment of bonds, provide for the rights of

1 bondholders, hold or dispose of bonds, purchase the authority's bonds at a price not  
 2 more than the principal amount of a bond plus interest, cancel bonds of the authority  
 3 purchased by the authority, or secure the payment of its bonds by pledge, mortgage, or  
 4 other lien on its contracts, revenue, income, or property;

5 (21) consent to the modification of the rate of interest, time of payment  
 6 of an installment of principal or interest, or other term of a loan, contract, or  
 7 agreement to which the authority is a party;

8 (22) borrow money, including the amounts necessary to establish  
 9 reasonable reserves, and pay financing charges and interest on bonds for a reasonable  
 10 period after which the authority estimates other money will be available to pay the  
 11 interest, consultant, advisory, and legal fees, and other expenses necessary or incident  
 12 to borrowing;

13 (23) acquire, hold, and dispose of stocks, memberships, contracts,  
 14 bonds, general or limited partnership interests, or other interests in another  
 15 corporation, association, partnership, joint venture, or other legal entity, and exercise  
 16 the powers or rights in connection with these interests that are provided in contracts or  
 17 agreements and that are allowed by law concerning the satisfaction of debts;

18 (24) undertake and provide for the acquisition, construction,  
 19 maintenance, equipping, and operation of port facilities;

20 (25) enter into agreements with a state agency or other instrumentality  
 21 or political subdivision of the state;

22 (26) apply for and receive grant funding; and

23 (27) do all things necessary or desirable to carry out the powers and  
 24 duties of the authority granted or necessarily implied in this chapter or other laws of  
 25 the state or the laws or regulations of the federal government.

26 **Sec. 30.19.210. Annual report.** Following the fiscal year of the authority, the  
 27 board shall deliver a report describing the operations and financial condition of the  
 28 authority during the preceding fiscal year to the governor and to the senate secretary  
 29 and chief clerk of the house of representatives and notify the legislature that the report  
 30 is available.

31 **Sec. 30.19.220. Audits.** The board shall have the financial records of the

1 authority audited annually.

2 **Sec. 30.19.230. Legislative approval required.** Unless the legislature  
3 approves the action by law, the authority may not

4 (1) exchange, donate, sell, or otherwise convey its entire interest in  
5 land;

6 (2) issue bonds; or

7 (3) lease land for a period of more than 35 years; this paragraph does  
8 not apply if the lease agreement reserves the right of the authority to terminate the  
9 lease should the land become needed for authority purposes.

10 **Sec. 30.19.240. Long-range capital improvement and program plan.** The  
11 authority shall prepare, and the board shall adopt, an annual long-range capital  
12 improvement and program plan.

13 **Sec. 30.19.250. Use of authority assets.** The authority shall apply all money,  
14 property, other assets, and credit of the authority toward activities authorized by this  
15 chapter.

16 **Sec. 30.19.260. Indemnification.** (a) The authority may defend and indemnify  
17 a current or former member of the board, employee, or agent of the authority against  
18 all costs, expenses, judgments, and liabilities, including attorney fees, incurred by or  
19 imposed on that person in connection with a civil or criminal action in which the  
20 person is involved by affiliation with the authority, if the person acted in good faith on  
21 behalf of the authority and within the scope of official duties or powers.

22 (b) The authority may purchase insurance to protect and hold personally  
23 harmless its employees, agents, and board members.

#### 24 **Article 5. Authority Property.**

25 **Sec. 30.19.300. Land, facilities, and other property.** (a) The Municipality of  
26 Anchorage shall transfer to the authority, and the authority shall take in its own name,  
27 title to property owned and managed by, or under the control of, the Port of Alaska as  
28 it was structured on the effective date of this Act, as an enterprise of the Municipality  
29 of Anchorage. The property transferred under this subsection includes

30 (1) the port property as defined by Tracts H and I, Port of Anchorage  
31 Subdivision, Addition 1 (Plat No. 2015-122, Anchorage Recording District), and Tract

1 J, Port of Anchorage Subdivision, Addition No. 2 (Plat No. 2012-19, Anchorage  
2 Recording District); and

3 (2) tidelands that have been transferred to the municipality and tidal  
4 waters within the corporate limits of the municipality, except areas within the  
5 exclusive jurisdiction of either the state or the United States.

6 (b) The authority may, subject to AS 30.19.230 and (c) of this section, lease,  
7 grant easements in or permits for, or otherwise authorize use of land.

8 (c) A lease or disposal of land approved by the legislature under AS 30.19.230  
9 by the authority to a party other than the state shall be made at fair market value, as  
10 determined by a qualified appraiser, or by competitive bid.

11 **Sec. 30.19.310. Eminent domain.** The authority may exercise the power of  
12 eminent domain under AS 09.55.240 - 09.55.460 to acquire land for port purposes  
13 consistent with this chapter.

14 **Sec. 30.19.320. Land use rules.** The board may adopt exclusive rules  
15 governing land use by persons having interest in or permits for land owned or  
16 managed by the authority.

17 **Sec. 30.19.330. Vacating easements.** The authority may vacate an easement  
18 acquired under this chapter by executing and filing a deed in the appropriate recording  
19 district.

20 **Sec. 30.19.340. Public use of land.** Upon request of a municipality or the  
21 state, the authority may authorize use of land for public purposes.

22 **Sec. 30.19.350. Acquisition of governmental property.** The authority, as an  
23 instrumentality of the state, may acquire in its own name from the United States under  
24 40 U.S.C. 545 note (Surplus Property Act of 1944), 40 U.S.C. 471 et seq. (Federal  
25 Property and Administrative Services Act of 1949), or other law, property under the  
26 control of a federal department or agency that is useful for the authority's purposes.  
27 The authority may acquire from the Department of Administration property of the  
28 state made available under AS 44.68.110 - 44.68.140.

29 **Sec. 30.19.360. Adverse possession.** No prescription or statute of limitations  
30 runs against the title or interest of the authority to or in land owned by the authority or  
31 under its jurisdiction. Title to or interest in land owned by the authority or under its

1 jurisdiction may not be acquired by adverse possession or prescription, or in any other  
2 manner except by conveyance from or formal vacation by the authority.

### 3 **Article 6. Financial Provisions.**

4 **Sec. 30.19.400. Limitation of liability.** A liability incurred by the authority  
5 shall be satisfied exclusively from the assets or revenue of the authority and no  
6 creditor or other person has a right of action against the state because of a debt,  
7 obligation, or liability of the authority.

8 **Sec. 30.19.410. Fidelity bond.** The authority shall obtain a fidelity bond in an  
9 amount determined by the board for board members and each executive officer  
10 responsible for accounts and finances.

11 **Sec. 30.19.420. Insurance.** The authority shall protect its assets, services, and  
12 employees by purchasing insurance or providing for certain self-insurance retentions.  
13 The authority shall also maintain casualty, property, business interruption, marine,  
14 boiler and machinery, pollution liability, and other insurance in amounts reasonably  
15 calculated.

16 **Sec. 30.19.430. Revenue.** Revenue generated by or appropriated to the  
17 authority shall be retained and managed by the authority for port and related purposes.

18 **Sec. 30.19.440. Appropriations.** The authority may request, with the  
19 concurrence of the governor, a direct appropriation or grant from the legislature to  
20 assist in carrying out the provisions of this chapter.

### 21 **Article 7. Revenue Bonds.**

22 **Sec. 30.19.600. General bond provisions.** (a) Upon receiving legislative  
23 approval under AS 30.19.230, the authority may issue revenue bonds by resolution to  
24 provide money to carry out its purposes.

25 (b) Bonds may be issued in one or more series as provided by the resolution of  
26 the board.

27 **Sec. 30.19.610. Payment of bonds.** The principal of and interest on bonds of  
28 the authority is payable from authority money or assets. Bonds may be additionally  
29 secured by a pledge of a grant or contribution from the federal or state government, a  
30 municipality, a corporation, an association, an institution or a person, or a pledge of  
31 money, income, or revenue of the authority from any source.

1           **Sec. 30.19.620. Security for bonds.** In the discretion of the board, an issue of  
2 bonds may be secured by a trust indenture.

3           **Sec. 30.19.630. Validity of signatures.** If an officer of the authority whose  
4 signature or electronic signature appears on a bond, or coupon attached to a bond, is  
5 no longer an officer at the time of delivery of the bond or coupon, the signature or  
6 electronic signature is valid the same as if the person had remained in office until  
7 delivery.

8           **Sec. 30.19.640. Validity of pledge.** (a) The pledge of assets or revenue of the  
9 authority to the payment of the principal or interest on bonds of the authority is valid  
10 and binding from the time the pledge is made, and the assets or revenue are  
11 immediately subject to the lien of the pledge without physical delivery or further act.

12           (b) Nothing in this section prohibits the authority from selling assets subject to  
13 a pledge, except that a sale may be restricted by the trust agreement or resolution  
14 providing for the issuance of the bonds.

15           **Sec. 30.19.650. State pledge.** The state pledges to and agrees with the holders  
16 of bonds issued under this chapter, and with the federal agency that loans or  
17 contributes funds in respect to a project, that the state will not limit or alter the rights  
18 and powers vested in the authority by this chapter to fulfill the terms of a contract  
19 made by the authority with the holders or federal agency, or in any way impair the  
20 rights and remedies of the holders until the bonds, together with the interest on the  
21 bonds, including interest on unpaid installments of interest, and all costs and expenses  
22 in connection with an action or proceeding by or on behalf of the holders, are fully met  
23 and discharged. The authority may include this pledge and agreement of the state,  
24 insofar as it refers to holders of bonds of the authority, in a contract with the holders,  
25 and insofar as it relates to a federal agency, in a contract with the federal agency.

26           **Sec. 30.19.660. Remedies.** The board shall develop by resolution remedies for  
27 bondholders for nonpayment.

28           **Sec. 30.19.670. Credit of state not pledged.** The state and its political  
29 subdivisions are not liable for the debts of the authority.

30                           **Article 8. Personnel and Labor Relations.**

31           **Sec. 30.19.700. Political activities.** Money, assets, or property of the authority

1 may not be used for political activities. However, board members and employees may  
 2 communicate with and appear before committees of the United States Congress, the  
 3 state legislature, and municipal governing bodies in connection with matters directly  
 4 affecting the authority.

5 **Sec. 30.19.710. Authority employees.** Employees of the port are employees of  
 6 the authority and not of the state. The provisions of AS 39 do not apply to employees  
 7 of the authority.

8 **Sec. 30.19.720. Collective bargaining rights.** The provisions of AS 23.40.070  
 9 - 23.40.260 (Public Employment Relations Act) do not apply to the authority or to its  
 10 employees. However, employees who are not executive officers may organize and  
 11 form, join, or assist an organization to engage in collective bargaining through  
 12 representatives of the employees' choosing and engage in concerted activities for the  
 13 purpose of collective bargaining or other mutual aid or protection.

#### 14 **Article 9. General Provisions.**

15 **Sec. 30.19.900. Claims.** (a) All claims and lawsuits involving activities of the  
 16 authority, including suits in contract, quasi-contract, or tort, shall be brought against  
 17 the authority and not against the state.

18 (b) Claims against the authority are not subject to the provisions of AS 44.77  
 19 regarding claims against the state.

20 (c) The authority is not subject to the provisions of AS 44.80.010 regarding  
 21 the state as a party to an action.

22 **Sec. 30.19.910. Exemption from taxation.** (a) The exercise of the powers  
 23 granted by this chapter shall be in all respects for the benefit of the people of the state,  
 24 for the well-being and prosperity of the people, and for the improvement of people's  
 25 social and economic conditions. Subject to (b) of this section, the real and personal  
 26 property of the authority and its assets, income, and receipts are exempt from all taxes  
 27 and special assessments of the state or a political subdivision of the state, except that  
 28 the Municipality of Anchorage may by ordinance obligate the authority to make a  
 29 payment in lieu of taxes, which shall be calculated substantially as the authority's  
 30 adjusted plant in service located within the municipality, multiplied by the applicable  
 31 annual mill rate. In this subsection,

1 (1) "adjusted plant in service" means the final, year-end, audited net  
 2 classified noncontributed plant in service value, less exclusions specified in this  
 3 subsection, for the calendar year preceding the mill rate year;

4 (2) "applicable annual mill rate" means the aggregate of general  
 5 property tax mill rates that the Municipality of Anchorage levied against taxable  
 6 property in the authority's taxing district in the calendar year preceding the payment  
 7 for payment in lieu of taxes, including all areawide general property tax mill rates and  
 8 general property tax mill rates levied in service areas within which the authority is  
 9 located;

10 (3) "net" means plant values that are net of accumulated depreciation  
 11 and amortization;

12 (4) "noncontributed" means that portion of a capital improvement  
 13 funded directly with authority funds.

14 (b) Bonds and notes issued under this chapter are issued by a body corporate  
 15 and public of the state and for an essential public and governmental purpose.  
 16 Therefore, the bonds and notes, the interest and income from the bonds and notes, and  
 17 all fees, charges, funds, revenue, income, and other money pledged or available to pay  
 18 or secure the payment of the bonds and notes, or interest on the bonds and notes, are  
 19 exempt from taxation, except for inheritance, transfer, and estate taxes.

20 (c) This section does not affect or limit an exemption from license fees,  
 21 property taxes, or excise, income, or other taxes provided under any other law, nor  
 22 does this section create a tax exemption with respect to the interest of any business  
 23 enterprise or other person, other than the authority.

24 **Sec. 30.19.920. Application of existing laws.** Unless specifically provided  
 25 otherwise in this chapter, the following laws do not apply to the operations of the  
 26 authority:

27 (1) AS 19;

28 (2) AS 30.15;

29 (3) AS 35;

30 (4) AS 37.05;

31 (5) AS 37.07;

1 (6) AS 37.10.010 - 37.10.060;

2 (7) AS 37.10.085;

3 (8) AS 37.20;

4 (9) AS 37.25;

5 (10) AS 38;

6 (11) AS 44.62.040 - 44.62.320.

7 **Sec. 30.19.930. Conflicting laws inapplicable.** If provisions of this chapter  
8 conflict with the provisions of other state law, the provisions of this chapter prevail.

9 **Sec. 30.19.990. Definitions.** In this chapter, unless the context otherwise  
10 requires,

11 (1) "authority" means the Port of Alaska Authority created by this  
12 chapter;

13 (2) "board" means the board of directors of the authority;

14 (3) "bond" means a bond, bond anticipation note, note, refunding bond,  
15 or other obligation;

16 (4) "collective bargaining" means the performance of the mutual  
17 obligation of the authority or its designated representatives and the representatives of  
18 the employees to meet at reasonable times, including meetings in advance of the  
19 budget making process, and negotiating in good faith with respect to wages, hours,  
20 and other terms and conditions of employment, or the negotiation of an agreement, or  
21 negotiation of a question arising under an agreement and the execution of a written  
22 contract incorporating an agreement reached if requested by either party, but these  
23 obligations do not compel either party to agree to a proposal or require the making of a  
24 concession;

25 (5) "date of transfer" means the date on which the transfer of  
26 substantially all of the land, facilities, and assets owned and managed by, or under the  
27 control of, the Port of Alaska as it existed while an enterprise of the Municipality of  
28 Anchorage are transferred to the authority by duly enacted ordinance of the  
29 Municipality of Anchorage;

30 (6) "employee" means a person employed by the authority, including  
31 an executive officer;

1 (7) "executive officer" means the authority's chief executive officer;

2 (8) "land" means any interest in real property, including tide and  
3 submerged land, and any right appurtenant to the interest;

4 (9) "port" means the Port of Alaska in Anchorage;

5 (10) "rule" means a standard of general application or the amendment,  
6 supplement, revision, or repeal of a standard adopted by the authority to implement,  
7 interpret, or make specific the law enforced or administered by the authority or to  
8 govern its procedure;

9 (11) "terms and conditions of employment" means the hours of  
10 employment, the compensation and fringe benefits, and the employer's personnel  
11 policies affecting the working conditions of the employees, but does not mean the  
12 general policies describing the function and purposes of an employer.

13 **Sec. 30.19.995. Short title.** This chapter may be referred to as the Port of  
14 Alaska Authority Act.

15 \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to  
16 read:

17 TRANSITIONAL PROVISIONS. (a) Not later than 180 days after the effective date  
18 of this Act, the Municipality of Anchorage shall by ordinance enumerate and transfer to the  
19 authority property and funds presently owned and managed by, or under the control of, the  
20 Port of Alaska as it is presently structured as an enterprise of the municipality. The property  
21 described in this subsection includes

22 (1) the port property as defined by Tracts H and I, Port of Anchorage  
23 Subdivision, Addition 1 (Plat No. 2015-122, Anchorage Recording District), and Tract J, Port  
24 of Anchorage Subdivision, Addition No. 2 (Plat No. 2012-19, Anchorage Recording District);  
25 and

26 (2) tidelands that have been transferred to the municipality and tidal waters  
27 within the corporate limits of the municipality, except areas within the exclusive jurisdiction  
28 of either the state or the United States.

29 (b) As of the effective date of the ordinance described in (a) of this section, the  
30 authority shall fund litigation related to proceedings for Anchorage, a Municipal Corporation  
31 v. United States, Case No. 14-166C, United States Court of Federal Claims, and the ordinance

1 must obligate the Municipality of Anchorage to transfer to the authority funds received  
2 resulting from the litigation. The ordinance must also obligate the municipality to transfer to  
3 the authority all funds not yet expended that were granted to the municipality, and that have  
4 been or will be received by the municipality, for a component of the Port of Anchorage  
5 Intermodal Expansion Project or the Port of Alaska Modernization Project. Notwithstanding  
6 any other provision of law, the Municipality of Anchorage is not required to conduct a  
7 termination cost study under AS 39.35, or make a payment under AS 39.35.625 for any  
8 department, group, or classification of employees that, after the date of transfer and as a result  
9 of this Act, no longer participate in a plan under AS 39.35.

10 (c) As soon as practicable after the transfer of the Port of Alaska to the Port of Alaska  
11 Authority, the Port of Alaska and its employees shall adopt collective bargaining agreements  
12 that continue the provisions of the agreements in effect between the Port of Alaska and its  
13 employees on the date of the transfer.

14 (d) The board of directors of the Port of Alaska Authority may provide by resolution  
15 that rules and orders in effect on the date of transfer remain in effect until amended or  
16 repealed by the board.

17 \* **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).