

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 135

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the establishment of a
7 Department of Transportation; providing for
8 its duties, powers, and responsibilities;
9 and providing for an effective date."

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

11 Section 1. ESTABLISHMENT OF DEPARTMENT OF TRANSPORTATION.

12 The Department of Transportation is established as a principal
13 department of state government in addition to the departments
14 created by Ch. 64, SLA 1959. The department is vested with the
15 duties, powers, and responsibilities of operating the ferries and
16 ferry facilities of the state existing on the effective date of
17 this Act; of operating the ferries and ferry facilities to be
18 acquired and financed by the sale of general obligation bonds as
19 provided by Ch. 170, SLA 1960; of operating the Anchorage and
20 Fairbanks International Airports; and of acquiring, constructing,
21 maintaining, and operating any airports, toll bridges, causeways,
22 tunnels, ferry boats, slips and terminals, railroads, ports and
23 harbor facilities, and any other transportation facility which may
24 be financed after the effective date of this Act by the issuance
25 of revenue bonds authorized by the legislature. The functions and
26 authority heretofore performed and exercised by the Department of
27 Public Works under Ch. 64, SLA 1959, and Sec. 3, Ch. 189, SLA
28 1959, which relate to the construction or to the operation of
29 transportation facilities included in this Act are transferred to

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1 the Department of Transportation.

2 Sec. 2. ESTABLISHMENT OF BOARD OF TRANSPORTATION. a. The
3 Board of Transportation is established as the head of the Depart-
4 ment of Transportation.

5 b. The board consists of seven members appointed by the
6 governor, subject to confirmation by a majority of the members of
7 the legislature in joint session. Board members may be removed by
8 the governor. Any actions by the governor removing board members
9 shall be subject to the approval or disapproval of the legislature
10 If the legislature disapproves any removal action of the governor
11 the board member concerned shall be restored to his position.

12 Board members shall be residents of Alaska and no more than four
13 members may be of the same political party. No more than one
14 qualified public officer or employee may be appointed. A board
15 member who has a financial interest, direct or indirect, in any
16 contract with the department or in any sale of any land, material,
17 supplies or services to the department, shall make known that
18 interest to the board.

19 c. The term of service of a board member is five years. The
20 term of one member shall expire on February 1 of each year, except
21 that on February 1 of the third and fifth years the terms of two
22 members shall expire. A member appointed by the governor to fill
23 a vacancy occurring other than by expiration of a term shall serve
24 for the unexpired term of the member he succeeds. Newly appointed
25 members are qualified to act and to receive compensation between
26 the time of their appointment and the time of confirmation or
27 rejection by the legislature.

28 d. Board members receive no salary, but shall receive the
29 same per diem and travel expenses as are authorized for state

1 boards.

2 Sec. 3. ORGANIZATION AND MEETINGS OF THE BOARD. a. Within
3 60 days after the effective date of this Act, the governor shall
4 appoint the board. At the time of these appointments, the gover-
5 nor shall designate which members have been appointed for the
6 terms of service provided by Sec. 2c of this Act. Within 14 days
7 after the last of the original appointments have been made, the
8 board shall meet and organize by electing from its members a
9 chairman, a vice chairman, and a secretary. At the first regular
10 meeting of every odd-numbered year the board shall elect new
11 officers.

12 b. The meetings of the board shall be public. Four members
13 shall constitute a quorum for the transaction of business, unless
14 the by-laws require a larger number. The board shall keep minutes
15 of its meetings and send certified copies to the governor.

16 Sec. 4. POWERS OF THE BOARD. The board of transportation
17 has, but is not limited to, the following powers:

18 (1) to conduct studies necessary for planning future
19 development or expansion of transportation facilities prescribed
20 by this Act;

21 (2) to acquire by gift, purchase, lease, the powers of
22 eminent domain, and by any other lawful means at its disposal,
23 lands, buildings, rights-of-way, or other necessary and proper
24 real or personal property when to do so would further the purposes
25 of this Act;

26 (3) to accept grants of real or personal property from
27 any person under conditions requiring the pledging of state funds
28 or revenues from certain facilities for the use of such money for
29 furthering the purposes of this Act;

1 (4) to establish the schedule and routes of transporta-
2 tion facilities operated by the department;

3 (5) to fix, alter, and collect charges for the use of
4 its projects, or its services, at reasonable rates determined by
5 the board;

6 (6) to assign functions, prescribe regulations for the
7 administration of the department, establish administrative divi-
8 sions and other units, and appoint the department staff in the
9 manner prescribed for other principal departments by Secs. 3, 4,
10 and 5, Ch. 64, SLA 1959;

11 (7) to enter on any lands, waters, and premises for the
12 purpose of making surveys, soundings, and examinations;

13 (8) to enter into agreements with any state, political
14 subdivision, or other public agencies for the undertaking of any
15 project authorized by this Act;

16 (9) to enter into agreements with other state agencies
17 in order to utilize their staff and facilities in planning, con-
18 tracting for, construction of, maintaining, or operating any pro-
19 ject.

20 Sec. 5. PRINCIPAL EXECUTIVE OFFICER. The board shall appoint
21 a principal executive officer as commissioner of transportation.
22 He shall be professionally trained and experienced in the perfor-
23 mance of his duties. The selection of the commissioner is subject
24 to the approval of the governor. If the commissioner has any
25 financial interest, direct or indirect, in any contract with the
26 department or in any sale of any land, material, supplies, or ser-
27 vices to the department, he shall make known the interest to the
28 board.

29 Sec. 6. EMPLOYEES. All employees of the department, except
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1 those excluded by this section, are subject to all state laws re-
2 lating to state employees. Employees engaged in the operation of
3 any ferry or ferry facility are exempt from the state laws pertain-
4 ing to state employees as provided by the Public Employees Retire-
5 ment Act, Ch. 143, SLA 1960; the State Personnel Act, Ch. 144, SLA
6 1960, except Secs. 19 and 20 thereof; the State System of Leaves
7 of Absence, Ch. 145, SLA 1960; and the State Employees Life and
8 Health Insurance System, Ch. 151, SLA 1955, as amended.

9 Sec. 7. OATHS AND BONDS. a. The members of the board of
10 transportation and the commissioner of transportation shall, be-
11 fore entering upon their duties, take, subscribe to, and file an
12 oath of office as is required by the constitution.

13 b. Board members, the commissioner, and subordinate officials
14 shall furnish corporate surety bonds in the manner prescribed for
15 commissioners, board members, and subordinate officials of other
16 principal departments by Sec. 26, Ch. 64, SLA 1959.

17 Sec. 8. REVENUE BONDS. Revenue bonds may be issued in the
18 interest of furthering the purposes of this Act upon approval of
19 the legislature. Bonds issued pursuant to legislative authoriza-
20 tions, their transfer and their income, are free of taxes and
21 assessments, with the exception of inheritance and estate taxes.

22 Sec. 9. ADVISORY DUTIES. The board shall, upon request of
23 the governor, make specific recommendations to the governor re-
24 garding the determination of the specific capital improvements for
25 ferries and ferry facilities to be acquired, constructed, and made
26 out of proceeds of the sale of the general obligation bonds
27 authorized by Ch. 170, SLA 1960.

28 Sec. 10. AWARD OF CONSTRUCTION CONTRACTS. The board shall
29 award contracts for the construction of transportation facilities

1 in the manner presented by Title IV, Art. III, Ch. 152, SLA 1957,
2 as amended.

3 Sec. 11. ANNUAL REPORT. Before December 1 of each year the
4 board shall submit to the governor and the legislature a general
5 report and a personnel report. The general report shall describe
6 the board's operations, fiscal transactions, financial condition,
7 and future plans in a comprehensive form to be prescribed by the
8 governor. The personnel report shall describe the board's per-
9 sonnel administration, including its policies on recruitment,
10 classification, promotion, compensation, employee services, and
11 other related personnel matters.

12 Sec. 12. ANNUAL AUDIT. The Department of Transportation
13 shall have its financial records audited annually by a private or
14 independent certified public accountant who shall be rotated at
15 least every four years.

16 Sec. 13. TRANSFER OF FUNCTIONS. The functions, records,
17 equipment, officers, and employees of the Department of Public
18 Works relating to the construction and operation of transportation
19 facilities included in this Act shall be accomplished pursuant to
20 the provisions of Secs. 21, 22, and 23, Ch. 64, SLA 1959.

21 Sec. 14. SAVING CLAUSE. This Act does not affect any civil
22 action or administrative or criminal proceeding commenced before
23 the effective date of this Act.

24 Sec. 15. EFFECTIVE DATE. This Act takes effect on the day
25 after its passage and approval or on the day it becomes law with-
26 out such approval. To assure that there is no interruption of the
27 administrative business of the state, the governor may, for a
28 period not to exceed four months, postpone the actual transfer of
29 all or a portion of the functions from the Department of Public

1 Works to the Department of Transportation until such time as the
2 Department of Transportation is organized for the assumption of
3 its duties as prescribed by this Act.

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