

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 HOUSE BILL NO. 283

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating within the office of the
7 governor a division of industrial and
8 economic development; providing for the
9 powers, duties and authority of the divi-
10 sion; and providing for an effective date."

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

12 Section 1. DIVISION AND OFFICES CREATED. The division of
13 industrial and economic development is created within the office
14 of the governor. An executive director of industrial and economic
15 development shall be appointed and shall serve at the pleasure
16 of the governor. An office of economic research and planning, an
17 office of industrial development and an office of tourist develop-
18 ment shall be established within this division. The executive
19 director is authorized to employ directors to head the offices
20 and to employ other employees as he deems necessary.

21 Sec. 2. GENERAL POWERS AND DUTIES OF DIVISION OF INDUSTRIAL
22 AND ECONOMIC DEVELOPMENT. The division of industrial and economic
23 development has the following general powers and duties:

24 (1) The division shall conduct research studies, as
25 directed by the governor, on subjects relating to the economic
26 condition of the state or to the future industrial and economic
27 development of the state. The division shall advise the governor
28 on such subjects, and shall recommend to the governor state poli-
29 cies for the industrial and economic development of the state.

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1 Such research studies and recommendations of the division shall
2 include, but are not limited to, studies and recommendations on
3 state laws and policies relative to the human resources, natural
4 resources, and economic resources of the state, the special
5 economic needs and special economic advantages of local areas
6 and political subdivisions in the state, the current condition of
7 the economy of the state and its relationship to the various
8 state programs, the economic effects of actual and proposed state
9 construction and other state expenditure programs upon local
10 areas and political subdivisions in the state. The division may
11 enter into research contracts with the University of Alaska and
12 private research organizations to carry out the purposes of this
13 Act, and to otherwise cooperate with appropriate public and
14 private institutions in research and investigations.

15 (2) The division shall, with approval of the governor,
16 conduct research studies on the means of advancing the industrial
17 and economic development of individual local areas or political
18 subdivisions, upon the request of the civic organizations or the
19 governmental agencies of such local areas or political subdivi-
20 sions, and shall, upon request, submit factual information to
21 civic organizations, and governmental agencies of local areas or
22 political subdivisions. Priority shall be given to research
23 studies for the use and benefit of distressed areas. Such re-
24 search studies and information may include, but are not limited
25 to, subjects relative to the special economic needs or advantages
26 of such local areas or subdivisions, such as industries, commer-
27 cial enterprises, public capital improvements, governmental
28 improvements, or human, natural, or economic resources. Such
29 studies and information may include descriptions of the best

1 known civic and governmental techniques for advancing the indus-
2 trial and economic development of such local areas or political
3 subdivisions. The division may provide planning assistance to
4 governmental agencies of political subdivisions with respect to
5 surveys, land use studies, urban renewal plans, technical ser-
6 vices, and other planning work.

7 (3) The division shall, with approval of the governor,
8 conduct research studies and provide factual information for
9 prospective industrial and commercial investors, upon subjects
10 relative to the selection of locations in Alaska for establish-
11 ment or expansion of industrial or commercial installations.
12 Such prospective investors may be business firms operating within
13 or outside of Alaska, or they may be persons, within or outside
14 of Alaska, who contemplate the establishment of new business firms
15 to operate wholly or partially in Alaska. Such research studies
16 may be conducted upon the request of local civic organizations
17 and business organizations or governmental agencies, that may
18 request such information on behalf of prospective investors.

19 (4) The division shall collect and disseminate infor-
20 mation concerning the agricultural, historical, industrial,
21 governmental, recreational, and other economic advantages and
22 attractions of the state which may be useful in the promotion of
23 tourism, commerce and industry and of the state as a whole. To
24 achieve these ends, the division may utilize newspapers and
25 magazines, and outdoor, radio, and television advertising, both
26 within and outside of the state. It may prepare and publish
27 pamphlets, bulletins, brochures, and other printed matter in the
28 performance of its duties, and shall undertake, or coordinate,
29 such research or investigations as are necessary. The division

1 shall undertake such other programs as will tend to create and
2 maintain a favorable climate which will promote the retention of
3 existing industries as well as encourage and attract new indus-
4 tries to the state.

5 (5) The division shall review the work and annual
6 reports of other departments and agencies of the executive branch
7 as they may be related to the economic development of the state,
8 and to prepare as a result of such review an integrated annual
9 report on the long range economic development program, which shall
10 be submitted to the governor for incorporation into his report to
11 the legislature.

12 (6) The division shall formulate a continuing program
13 for basic economic development, and for necessary promotion,
14 planning and research, which will advance the economic development
15 of the state, and to issue annual public reports on the status of
16 the program.

17 (7) The division shall serve as the state planning
18 agency and may receive for the State of Alaska, from agencies and
19 instrumentalities of the United States, or other public or
20 private sources, gifts, grants, or other aids as may facilitate
21 the carrying out of this Act. It may receive grants available
22 to state planning agencies for the provision of planning assist-
23 ance to governmental agencies of political subdivisions. The
24 division shall receive and administer federal grants in accord-
25 ance with laws and regulations of the United States, and in
26 accordance with the laws of Alaska. It may contract with politi-
27 cal subdivisions of government, and any regional planning commis-
28 sions which may be established and with qualified persons to
29 carry out the purposes for which such grants for planning were

1 furnished.

2 (8) The division may require, and shall have immediate
3 access to, any and all information in the possession of any
4 department, division, institution, commission, or office of the
5 state, which is useful to the division of industrial and economic
6 development in performing the duties prescribed in this Act. The
7 division shall cooperate with other state departments, divisions,
8 agencies and commissions and shall furnish information from its
9 records to such departments, divisions, agencies and commissions
10 upon their request. The division shall coordinate its services
11 and activities with those of other state departments, divisions,
12 agencies and commissions to the fullest extent possible, in order
13 to avoid duplication.

14 (9) The executive director of the division may, in
15 addition to the general powers and duties set forth in this Act,
16 exercise the powers and duties specifically assigned to the
17 various offices created by this Act. The executive director may
18 assign duties and projects authorized under this Act to such
19 directors and employees of the division as he deems proper not-
20 withstanding the specific assignment of powers and duties to the
21 various offices under this Act.

22 Sec. 3. SPECIFIC POWERS AND DUTIES OF OFFICE OF ECONOMIC
23 RESEARCH AND PLANNING. The office of economic research and plan-
24 ning has the following powers and duties:

25 (1) To gather, analyze, and compile basic data on popu-
26 lation trends, economic development, resources, income, employ-
27 ment and related factors in the state economy.

28 (2) To plan and make programs for state capital improve-
29 ments, including preparation of annual and long range capital

1 improvement programs based on need for public works and on
2 ability to finance such improvements, review of capital project
3 plans of all departments and agencies and preparation of related
4 financial analyses and programs.

5 (3) To assist operating departments and agencies of
6 the state upon request for professional aid information for plan-
7 ning agency programs, or as directed by the governor.

8 (4) To conduct research studies on (a) desirable
9 priorities to be given efforts to develop the state's economy;
10 (b) methods of improving the investment climate in the state;
11 (c) the effect of existing laws and lack of laws on economic
12 development of the state; and (d) the economic effect of exist-
13 ing development programs on the economy of the state.

14 (5) To provide research assistance to any state or
15 private development bank which may be authorized by the legisla-
16 ture.

17 (6) To apply to nonprofit organizations for research
18 grants aimed at improving methodology in economic development
19 research.

20 (7) To assemble and correlate basic data generated in
21 other agencies for use in economic research, industrial and tour-
22 ist development.

23 (8) To request special statistical compilations from
24 federal and state agencies and provide liaison with the U. S.
25 Bureau of the Census.

26 (9) To maintain a current index of economic activity
27 by major sectors of the state's economy.

28 (10) To supply quantitative data to economic develop-
29 ment consultants and to local development organizations.

1 (11) To cooperate with the Alaska State Housing Author-
2 ity in administering planning and urban renewal activities financ-
3 ed in part by the Housing and Home Finance Agency, the carrying
4 out of statewide planning studies under Section 701 of the
5 Federal Housing Act, and in providing general assistance to units
6 of local government in planning problems, zoning and land use con-
7 trol problems.

8 (12) To provide any necessary research assistance to
9 the governor and the legislature for achieving balanced and co-
10 ordinated economic policies and programs.

11 (13) To perform such other functions and duties relat-
12 ed to economic development as the governor may direct.

13 Sec. 4. SPECIFIC POWERS AND DUTIES OF OFFICE OF INDUSTRIAL
14 DEVELOPMENT. The office of industrial development shall have the
15 following powers and duties:

16 (1) To systematically search for investors in Alaska
17 industrial, commercial, mining and agricultural enterprises and
18 to make opportunities for investment in Alaska known to potential
19 investors.

20 (2) To carry out project feasibility analyses to serve
21 as a basis for attracting industry and investment capital to
22 Alaska.

23 (3) To carry on negotiations with potential investors
24 with respect to the carrying on of studies and other activities
25 under this Act which may be of service to such investors.

26 (4) To provide technical assistance to potential in-
27 vestors and industries interested in investment in Alaska by
28 drawing upon specialized, technical and professional employees
29 within the division and within other governmental agencies.

1 (5) To provide liaison with any development bank or
2 state mortgage association which may be created and private
3 sources of capital.

4 (6) To prepare and distribute among potential investors
5 industrial opportunity prospectuses, industry studies and analy-
6 ses, and promotional literature regarding Alaska investment
7 opportunities.

8 (7) To encourage and attract investment in Alaska's
9 hydroelectric and water resources by private investors and the
10 United States Government.

11 (8) To provide technical assistance to cities and poli-
12 tical subdivisions which wish to attract industrial and commercial
13 investors.

14 (9) To administer the Alaska Industrial Incentive Act
15 of 1957 with the advice of the commissioner of commerce and the
16 commissioner of revenue.

17 (10) To perform such other duties related to industrial
18 development as the governor may direct.

19 Sec. 5. SPECIFIC POWERS AND DUTIES OF OFFICE OF TOURIST
20 DEVELOPMENT. The office of tourist development has the following
21 powers and duties:

22 (1) To evaluate opportunities for investment in the
23 tourist industry and to make such opportunities known to potential
24 investors.

25 (2) To cooperate with organizations representing pri-
26 vate tourist operators in inventorying tourist attractions and
27 facilities, upgrading standards, and maintaining standards.

28 (3) To promote and develop the Alaska tourist industry
29 by publicizing the state's tourist attractions through display

1 advertising in magazines and newspapers of Alaska, the United
2 States and Canada, the printing of pamphlets and other graphic
3 and pictorial publicity.

4 (4) To promote and develop the Alaska tourist industry
5 through participation in travel shows, through the design and
6 publication of materials used to answer inquiries concerning
7 Alaska and its attractions, and through surveys of existing tour-
8 ist facilities and suggestions for their improvement.

9 (5) To stimulate the interest of the citizens of
10 Alaska in the size and economic importance of the tourist indus-
11 try and to encourage in-state travel.

12 (6) To assist potential investors in finding financial
13 backing for tourist facilities.

14 (7) To negotiate with and assist state and federal
15 agencies regarding programs affecting the tourist industry, such
16 as licensing and inspection of tourist facilities, construction
17 and maintenance of camp grounds, development of facilities of
18 interest to tourists in national parks and national forests, and
19 highway maintenance and construction programs which are likely to
20 have an impact on the tourist industry.

21 (8) To administer any program for making state matching
22 monies available to political subdivisions of the state, non-
23 profit organizations, nonprofit civic, fraternal or service or-
24 ganizations which undertake tourist development programs which
25 entitle them to state tourist attraction development matching
26 monies.

27 (9) To cooperate with public bodies and private per-
28 sons, firms and organizations in promoting tourism.

29 Sec. 6. CREATION OF TOURISM ADVISORY COMMITTEE. The gover-

1 nor shall appoint an advisory committee on tourism. Such commit-
2 tee shall consist of 25 members appointed for overlapping three-
3 year terms. The initial composition of the committee shall
4 consist of the members of the tourism advisory board as appointed
5 by the governor, confirmed by the legislature, and serve on the
6 effective date of this Act. The provisions of Sec. 6, Ch. 64,
7 SLA 1959, apply to the committee except that committee members
8 shall not be compensated for their services by payment of salary
9 or per diem, nor be reimbursed for travel expenses or any other
10 expenses. Committee members shall be appointed from persons with
11 experience in the tourist industry, the hotel, motel and lodge
12 industry, commercial airlines, other transportation industries,
13 commerce, labor and the general public. The committee shall
14 advise and recommend to the office of tourist development in
15 regard to the promotion and development of a program to attract
16 tourists to Alaska and the advertising and publicizing of Alaska's
17 tourist attractions. The committee is authorized to devise a
18 plan for the organization of local tourism promotion groups in
19 the several geographic regions of the State of Alaska, to acquaint
20 such groups with the program of the state office of tourist
21 development, to receive from such groups recommendations as to
22 the state programming, and to encourage the expenditure of private
23 and regional funds for the promotion of tourism to supplement
24 the program in which the state is engaging.

25 Sec. 7. CREATION OF OTHER ADVISORY COMMITTEES. The governor
26 may appoint an advisory committee on industrial and economic
27 development. Such committee shall consist of between three and
28 nine members appointed for overlapping terms as provided in Sec.
29 6, Ch. 64, SLA 1959. The provisions of Sec. 6, Ch. 64, SLA 1959,

1 shall apply to such committee except that committee members shall
2 not be compensated for their services by payment of salary or per
3 diem, nor be reimbursed for travel expenses or other expenses,
4 unless the governor should otherwise direct. Not more than two-
5 thirds of the members shall be members of one political party.
6 Not less than one-half of the committee shall be representative
7 of business and industry and at least one member shall represent
8 organized labor. If such a committee is appointed, it shall assist
9 and advise the division of industrial and economic development
10 regarding the programs to be carried out by the division, and in
11 particular by its office of industrial development. Similar
12 committees may be appointed by the governor to assist and advise
13 the division regarding special programs and projects such as pro-
14 motion of separate sectors of the Alaska economy, development of
15 specific resources and cultivation of special markets.

16 Sec. 8. TRANSFER OF AUTHORITY RELATED TO INDUSTRIAL TAX
17 INCENTIVE. The functions and authority performed and exercised
18 by the Department of Commerce with respect to the Alaska Industri-
19 al Incentive Act of 1957 are transferred to the division of
20 industrial and economic development.

21 Sec. 9. TRANSFER OF PROPERTY OF DIVISION OF TOURISM AND
22 ECONOMIC DEVELOPMENT. All appropriations, records, equipment and
23 other property of the division of tourism and economic development
24 as established in the Department of Commerce pursuant to Sec. 5,
25 Ch. 186, SLA 1960, are hereby transferred to the division of
26 industrial and economic development.

27 Sec. 10. Sec. 14, Ch. 64, SLA 1959, as amended by Sec. 6,
28 Ch. 186, SLA 1960, is amended to read as follows:

29 Sec. 14. DEPARTMENT OF COMMERCE. There shall be a

1 principal executive officer of the Department of Commerce
2 to be known as the Commissioner of Commerce.

3 The Department of Commerce is hereby vested with the
4 duties, powers and responsibilities involved in the admin-
5 istration of the state programs relating to commerce and in
6 the enforcement of laws relating thereto, including the
7 promulgation of rules and regulations under such laws; [THE
8 ACCUMULATION, ANALYSIS, AND REPORTING OF COMMERCIAL AND
9 INDUSTRIAL STATISTICS;] and the enforcement of state laws
10 regulating public utilities and other public service enter-
11 prises, banking and securities, insurance, and other busi-
12 nesses and enterprises touched with a public interest [; AND
13 THE PROMOTION OF THE ECONOMIC AND TOURIST DEVELOPMENT OF THE
14 STATE]. The Department is also hereby vested with the
15 duties, powers and responsibilities involved in making
16 veterans' loans; the inspection of weights and measures; the
17 promotion and development of civil aviation; and the fur-
18 nishing of the budgeting, clerical and administrative ser-
19 vices for regulatory agencies and professional and occupa-
20 tional licensing boards not otherwise provided for in this
21 Act. The functions and authority heretofore performed and
22 exercised by the Alaska World War II Veterans' Board, the
23 Commissioner of Veterans' Affairs, and the Veterans' Service
24 Council; the Alaska Housing Authority; the Weights and
25 Measures Division of the Department of Territorial Police,
26 the Inspector of Weights and Measures; the Alaska Insurance
27 Commission and the Commissioner of Insurance; the Territor-
28 ial Banking Board; and the Alaska Real Estate Commission
29 [; AND THE BOARD OF ADMINISTRATION WITH RESPECT TO INDUSTRIAL

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TAX INCENTIVES] are hereby transferred to the Department of
Commerce.

There is hereby created within the Department of
Commerce an Alaska State Housing Authority consisting of
three members appointed for overlapping three-year terms;
and the corporate status heretofore vested in the Alaska
Housing Authority together with all its rights, duties,
powers, functions, assets, liabilities, debts and claims is
hereby transferred to the Alaska State Housing Authority.

Sec. 11. REPEALER. Ch. 184, SLA 1960, Ch. 186, SLA 1960,
and Ch. 12, SLA 1961, are repealed.

Sec. 12. EFFECTIVE DATE. This Act shall take effect on
July 1, 1962.