

Introduced: 5/5/70
Referred: State Affairs
and Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 589

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the extension of the Alaska
7 Highway System from the Yukon River to the Arctic
8 Ocean; and providing for an effective date."

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

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

11 CHAPTER 40. HIGHWAY FROM YUKON RIVER TO ARCTIC OCEAN.

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

17 (1) it will assist in the fulfillment of the Constitution
18 of the State of Alaska, Article VIII, Section 1, wherein it is
19 provided that it is the policy of the State to encourage the settlement
20 of its land and the development of its resources by making them
21 available for maximum use consistent with the public interest;

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

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

1 (4) it will benefit local and interstate commerce because
2 the area north of the Yukon River is rich in natural resources but
3 is inaccessible at the present time because of the lack of roads and
4 this inaccessibility prohibits the successful use of the natural
5 resources of this area;

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

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

19 Sec. 19.40.020. CONTRACTS FOR CONSTRUCTION OF HIGHWAY. The
20 department may contract for the construction of a secondary highway
21 from the Yukon River to the Arctic Ocean. The department may request
22 bids and award contracts for the construction of the highway, or it
23 may elect to directly negotiate contracts for the construction of
24 the highway if it appears to be in the best interests of the state.

26 Sec. 19.40.030. CONTRACTS FOR REIMBURSEMENT. The department
27 may contract with corporations interested in the use of the highway
28 so as to provide for reimbursement to the state of certain of the
29 costs of construction of the highway and related facilities on such
terms and conditions as appear to be in the best interests of the

1 state. Any advance payments made pursuant to such contract shall be
2 deposited in a special account which will be used for disbursements
3 to the contractor charged with construction of the highway. Dis-
4 bursements to the contractor shall be made on order of the commissioner
5 of highways on presentation of a proper voucher or the presentation
6 of a voucher by an employee thereof authorized in writing to certify
7 as to such payment.

8 Sec. 19.40.040. UNDERTAKINGS OF CONTRACTORS. The department,
9 in lieu of the bonds or individual sureties required by AS 36.25.010,
10 may accept corporate undertakings which include the same essential
11 provisions of the bonds or individual sureties required by AS 36.25.010
12 and which are satisfactory to the department.

13 Sec. 19.40.050. EXEMPTION. The Alaska Net Income Tax Act and
14 the Alaska Business License Act do not apply to any money received
15 by the general contractor from the state pursuant to a highway
16 construction contract authorized under this chapter if the money
17 is to be paid to a subcontractor for work performed under the
18 construction contract. The money received by the subcontractors is
19 subject to the Alaska Net Income Tax Act, the Alaska Business License
20 Act and any other applicable state taxes.

21 Sec. 19.40.060. CONFLICT WITH OTHER LAWS. In the event of a
22 conflict between this chapter and any other law of this state, the
23 provisions of this chapter shall govern and shall supercede any such
24 other law.

25 Sec. 19.40.070. DEFINITIONS. In this chapter

26 (1) "department" means the department of highways;

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

29 * Sec. 2. This Act takes effect on the day after its passage and

1 approval or on the day it becomes law without approval.

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