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NAUGHTON, PARKER, SPECKING, URION
AND WINGROVE

1 IN THE HOUSE

2 HOUSE BILL NO. 587

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for state assistance in the con-
7 struction of port facilities; and providing for an
8 effective date."

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

10 * Section 1. AS 30 is amended by adding a new chapter to read:

11 TITLE 30. HARBORS, NAVIGATION AND SHIPPING.

12 CHAPTER 30. STATE PARTICIPATION IN PORT FACILITIES DEVELOPMENT.

13 Sec. 30.30.010. STATE GRANTS FOR PORT FACILITIES CONSTRUCTION.

14 To the extent funds are appropriated by the legislature, or from the
15 proceeds from the sale of bonds, the state may make grants to municipi-
16 palities to finance a portion of the cost of constructing local,
17 regional or state port facilities. The state shall participate only
18 in those projects approved by the governor on recommendation of the
19 commissioner of public works.

20 Sec. 30.30.020. CRITERIA FOR ESTABLISHING ELIGIBILITY FOR PORT
21 FACILITIES CONSTRUCTION GRANTS. (a) Before a grant may be awarded
22 under this chapter, the commissioner of public works shall determine
23 that

24 (1) the grant is for a justifiable, economically feasible
25 project;

26 (2) the project is endorsed by resolution of the governing
27 body of the sponsoring municipality on its own behalf, or on behalf
28 of a service area in an organized borough if a service area is estab-
29 lished to finance and construct port facilities and operate and

1 maintain them once constructed; and

2 (3) the municipality can clearly demonstrate its ability to
3 finance the local share of project costs.

4 (b) No grant may be awarded under this chapter for any port
5 facilities development project until a study of its justification and
6 economic feasibility is conducted and submitted with the application
7 for the grant. The project must be justifiable on the basis of public
8 convenience and necessity. To facilitate a determination of economic
9 feasibility the commissioner shall require the applicant to furnish
10 those engineering studies of the project's practicality and other
11 economic forecasts and financial data and other technical information
12 that he considers necessary. The study shall be conducted by consul-
13 tants, engineers or other technical experts, who may or may not be
14 officers or employees of the municipality making application for a grant,
15 approved by the commissioner in advance of the conduct of the study
16 and of the submission of an application for a grant under this chapter.

17 Sec. 30.30.030. LIMITATION ON GRANTS. Grants for the development
18 of port facilities may not exceed

19 (1) 90 per cent of project costs for municipalities under
20 2,000 population;

21 (2) 80 per cent of project costs for municipalities of
22 2,000 - 25,000 population; or

23 (3) 70 per cent of project costs for municipalities over
24 25,000 population.

25 Sec. 30.30.040. DISPOSITION OF STATE LANDS FOR PORT FACILITIES
26 DEVELOPMENT PROJECTS. The division of lands of the Department of
27 Natural Resources, subject to the applicable provisions of AS 38.05
28 and 38.10, may convey title or other interests in state land, provide
29 for the exchange of state land, or make other arrangements with

1 respect to state land that may be necessary to complete projects for
2 which a state grant is approved under this chapter.

3 Sec. 30.30.050. COMBINED PORT AND FERRY TERMINAL FACILITIES. A
4 grant may be awarded under this chapter for a port facilities develop-
5 ment project that includes, or combines, state ferry terminal facilities
6 as a part of the project. However, the state shall pay the proportion-
7 ate project costs attributable to the ferry terminal including but not
8 limited to vehicle staging areas, transfer spans and aprons, passenger
9 terminal facilities and offices, docks and other docking facilities
10 for ferry vessels.

11 Sec. 30.30.060. REGULATIONS. The commissioner of public works
12 shall promulgate regulations under the Administrative Procedure Act
13 (AS 44.62) that he considers necessary to carry out the provisions of
14 this chapter.

15 Sec. 30.30.070. DEFINITIONS. In this chapter

16 (1) "commissioner" means commissioner of public works;

17 (2) "department" means department of public works;

18 (3) "municipality" means a general law municipal corporation
19 and political subdivision, which is a first or second class borough or
20 city, or a third class borough, incorporated under the laws of the
21 state, including a home rule first class borough or city, or a unifi-
22 cation of these;

23 (4) "port facilities" means docks, wharves, bulkheads,
24 seawalls, landfills, warehouses, staging areas, transfer spans and
25 aprons, lifting equipment and similar structures together with the
26 necessary equipment and facilities required to accommodate waterborne
27 commerce and shipping, including but not limited to combined port and
28 ferry terminal facilities;

29 (5) "project costs" means the cost of financing or

1 borrowing, site acquisition and rights-of-way, planning, engineering
2 and designing, construction, equipment acquisition and installation,
3 but does not include the cost of operation or maintenance of the port
4 facilities once constructed or the cost of feasibility studies required
5 in making application for a grant under this chapter.

6 * Sec. 2. This Act takes effect July 1, 1974.
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