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Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 27 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a New Capital City Site Planning
7 Commission; and providing for an effective date."

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

9 * Section 1. The legislature, aware of its responsibility under AS 44.06.
10 160 to provide for the planning and subdivision of a new capital city and
11 district within the bounds of the area selected and for the construction of
12 necessary state and public facilities and their administration, in this Act
13 establishes a means by which the state government and the people may obtain
14 and analyze relevant information, consider alternative proposals, provide
15 guidance and direction to and secure timely management of the critical fac-
16 tors and sequential events applicable to the process of affecting a reloca-
17 tion of the seat of government.

18 * Sec. 2. AS 44.06 is amended by adding new sections to read:

19 ARTICLE 3. PLANNING AND DEVELOPMENT OF A NEW CAPITAL CITY.

20 Sec. 44.06.200. LEGISLATIVE INTENT. It is the intent of the
21 legislature in enacting secs. 200 - 290 of this chapter that the plan-
22 ning and development process attending relocation of the seat of govern-
23 ment provide both an incentive and a means to achieve quality develop-
24 ment of a new capital city consistent with the long-term needs and
25 interests of the people of the region and the state. To that end, the
26 legislature seeks to assure that

27 (1) the process and decisions affecting the planning and
28 development of a new capital city include full opportunity for public
29 participation;

1 (2) the new capital city be accessible to a majority of the
2 residents of the state and that provision be made from the inception of
3 a relocation for adequate transportation and telecommunications facili-
4 ties in the community to assure full public participation in the process
5 of government;

6 (3) the new capital city reflect the unique qualities of the
7 state and its people;

8 (4) the state resident-hire laws be utilized to the maximum
9 extent possible in each stage of the planning, development and reloca-
10 tion process;

11 (5) in planning for the location, nature and construction of
12 public facilities in the new capital city, consideration be given to the
13 development and use of the natural resources available in the region and
14 state as the source of energy for the community;

15 (6) to the maximum extent possible, decisions and actions
16 affecting construction of public facilities, provision of public ser-
17 vices, and activities in the private sector be undertaken cooperatively
18 with officials of local governments and the residents of the area
19 adjacent to the new capital city community.

20 Sec. 44.06.210. NEW CAPITAL CITY SITE PLANNING COMMISSION. There
21 is created in the Office of the Governor the New Capital City Site Plan-
22 ning Commission.

23 Sec. 44.06.220. MEMBERSHIP. (a) Within 15 days after the effec-
24 tive date of this Act, the governor shall appoint a commission consist-
25 ing of 11 members who shall be subject to confirmation by a majority of
26 the members of the legislature in joint session. Members are appointed
27 for four-year terms and may be reappointed. The commission shall be
28 composed of one member from the Northwest district, two members from the
29 Southeast district, two members from the Central district, and three

1 members from the South Central district, who shall be appointed on a
2 nonpartisan basis. The mayor of the Matanuska-Susitna Borough, the
3 mayor of the City and Borough of Juneau, and the commissioner of natural
4 resources, or their designees, shall be the ninth, tenth, and eleventh
5 members of the commission.

6 (b) Members of the commission are entitled to receive \$100 a day
7 for their service on the commission, and per diem and travel expenses
8 authorized by law for other boards and commissions.

9 Sec. 44.06.230. MEETING OF THE COMMISSION. Commission members
10 shall elect a chairman and vice-chairman from among their membership.
11 The governor shall call the first meeting of the commission within 15
12 days after appointment of the members. A majority of the members con-
13 stitutes a quorum for conducting business and exercising the powers of
14 the commission. The commission shall meet at the call of the chairman,
15 at the request of a majority of the members, or at a regularly scheduled
16 time as determined by the members.

17 Sec. 44.06.240. DUTIES OF THE COMMISSION. (a) The purpose of the
18 commission is to prepare a detailed plan for initial and overall develop-
19 ment of the entire capital city site within the guidelines enumerated in
20 this chapter. In this section, reference to "initial development" means
21 the transfer to the new capital city site of each of the following
22 branches or offices of state government, including provisions for staff
23 necessary for the support of each:

24 (1) the Office of the Governor, including the lieutenant
25 governor, and appropriate staff;

26 (2) the legislature, Legislative Affairs Agency, the divisions
27 of legislative finance and legislative audit, and temporary staff to
28 provide services necessary to support the First Session of the Twelfth
29 Alaska Legislature at the new capital city; and

1 (3) the Department of Law, exclusive of personnel of that
2 department whose presence is not clearly required for the conduct of the
3 business of the department essential to advising the governor, lieute-
4 nant governor, and the legislature during and after the First Session of
5 the Twelfth Alaska Legislature.

6 (b) In this section, "overall development of the entire capital
7 city" means the development of those facilities, public and private,
8 described in the Capital Site Selection Committee Report dated
9 December 11, 1976. The initial and overall site specific development
10 plan shall be presented to the legislature no later than March 15, 1978.

11 (c) The development plan shall include, but is not limited to, the
12 following elements: government facilities, community facilities, trans-
13 portation, public utilities, communications facilities, commercial and
14 industrial development, residential development, resources, and en-
15 vironmental aspects.

16 (d) The plan shall present reasonable alternatives to development
17 including a relocation phasing analysis which offers proposals for the
18 decentralization, regionalization, and reorganization of state govern-
19 ment. These proposals shall include the offices to be moved, the number
20 of personnel employed in those offices, and the anticipated required
21 office space for that number of persons.

22 (e) In preparing the development plan, the commission shall

23 (1) perform physical and geotechnical site-specific analysis
24 and related mapping;

25 (2) in cooperation with officials of the Matanuska-Susitna
26 Borough, assess and evaluate, and issue a report summarizing the anti-
27 cipated resultant effects of the relocation of the seat of government on
28 the Matanuska-Susitna Borough; suggest alternatives for the exercise of
29 powers, provision of services, and construction and maintenance of

1 public facilities by the state and any local government within the new
2 capital city site boundaries and the region, including cooperation or
3 joint exercise of a power or function; and recommend to the legislature
4 the type of development entity which would be responsible for the new
5 capital city development as well as the powers and authorities which
6 would be vested in the development entity;

7 (3) provide a comprehensive assessment of the social, econo-
8 mic and environmental impact on the Matanuska-Susitna Borough and the
9 City and Borough of Juneau in accordance with generally accepted stan-
10 dards for these procedures; the assessment shall emphasize the effect of
11 governmental relocation on all items listed in (c) of this section;

12 (4) investigate the possibility of using existing facilities
13 currently in the state which could serve as a construction camp and any
14 fixtures or equipment necessary to operate the camp for the construction
15 of the capital; the commission may accept the facilities, furnishings,
16 and equipment as a donation to the state or it may execute an option on
17 this property;

18 (5) determine the environmental and use permits necessary for
19 the construction of the capital and recommend to the legislature any
20 possible methods to expedite this process while protecting the environ-
21 mental quality of the area;

22 (6) investigate and recommend to the legislature alternatives
23 for the housing and attendant support facilities to be provided by the
24 private sector for those involved in the initial development;

25 (7) provide a comprehensive plan for a statewide telecommuni-
26 cation link to the capital city.

27 (f) In conjunction with the development plan, the commission shall
28 conduct a cost analysis of potential costs to the state for the move
29 proposing construction schedules and related cost studies. This analy-

1 sis shall evaluate all necessary one-time costs for equipment, materials
2 and services for planning, design, construction and occupation of all
3 facilities required to be constructed by the state during the develop-
4 ment for the next 15 years following the effective date of this Act.
5 The costs shall include, but not be limited to, escalation for infla-
6 tion, personnel moving costs, potential financing costs, indemnification
7 costs, and potential economic impact costs to the Matanuska-Susitna
8 Borough and the City and Borough of Juneau. The commission shall also
9 separately evaluate long-term costs of maintenance, operation and occu-
10 pancy of those state facilities contemplated under the development plan,
11 including program costs and nonfacility related support costs. In
12 addition, the commission shall

13 (1) develop comparison costs on construction, operation, and
14 maintenance of existing and future facilities in Juneau for the next 15
15 years following the effective date of this Act; for purposes of this
16 comparison, Juneau hypothetically remains the seat of government;

17 (2) investigate the effect of capital relocation on the
18 bonded indebtedness of the City and Borough of Juneau;

19 (3) study the merits of and potential revenue to be gained
20 from the disposal by sale or lease of state land within the area of the
21 new capital city site.

22 (g) A financial plan which contains the elements outlined in (f)
23 of this section, including an investigation of funding alternatives,
24 shall be presented to the legislature along with the development plan no
25 later than March 15, 1978. During fiscal year 1979, the state shall
26 also provide funding for an economic diversification study in an effort
27 to determine viable future economic alternatives for the City and
28 Borough of Juneau. This study shall be completed on or before July 1,
29 1980.

1 (h) The commission may undertake other activities as are appro-
2 priate to carry out its functions, including but not limited to investi-
3 gating the most economical and expeditious means of procurement, con-
4 struction methods, construction alternatives, and labor costs.

5 Sec. 44.06.250. FUNDING. The legislature shall provide funding as
6 required. The commission is subject to the Executive Budget Act (AS
7 37.07) and funding by the legislature.

8 Sec. 44.06.260. ASSISTANCE TO THE COMMISSION. (a) The commission
9 shall enter into a prime contract with a nationally recognized business
10 school or with full-time faculty members of a nationally recognized
11 business school for the preparation of the financial plan required in
12 sec. 240(g) of this chapter. The school or faculty members shall have
13 the following duties:

14 (1) have full responsibility and authority for the prepara-
15 tion of the financial plan required under sec. 240(g) of this chapter;

16 (2) report all findings directly to the commission;

17 (3) enter into subcontracts to form a multi-disciplinary team
18 as considered necessary by the school or faculty members to assist in
19 preparing the financial plan;

20 (4) interview and review the work of geographically distri-
21 buted Alaskan economists to the extent considered necessary by the
22 school or faculty members for the purpose of obtaining and analyzing
23 specialized knowledge of local conditions.

24 (b) Subject to the requirement that in all phases of the prepara-
25 tion of the financial plan, the role of the business school or faculty
26 members described in (a) of this section shall be primary, the commis-
27 sion shall use all competent professional and technical services re-
28 quired to assist in the planning. The commission shall hire staff to
29 provide support services, and it may choose the consultants which in its

1 judgment are necessary to assist in the planning. The commission may
2 also request any information which it considers essential from any
3 agency of the state and the agency shall furnish it in an expeditious
4 manner. Agencies shall receive timely notice from the commission re-
5 garding any matters substantially relevant to that agency's function.

6 (c) The commission shall develop an appropriate procedure in order
7 to select competent firms to develop the elements involved in the capi-
8 tal site development plan within the time frame called for in sec. 240
9 of this chapter.

10 Sec. 44.06.270. REPORTS. (a) The commission shall report on its
11 work every six months. This report shall be distributed to the governor,
12 all members of the legislature, the chief justice of the supreme court,
13 and the general public.

14 (b) All financial reports, estimates, alternatives and analyses
15 shall clearly delineate funds projected to be provided by the state
16 general fund, state bonds, and all other state sources from funds to be
17 provided by private enterprise sources and by the federal government.

18 Sec. 44.06.280. LEGISLATIVE REVIEW AND APPROVAL. The reports
19 submitted by the commission under sec. 240 of this chapter shall be
20 submitted on the dates specified. The legislature may approve, with or
21 without modification in whole or in part, or reject a report or recom-
22 mended action submitted by the commission.

23 Sec. 44.06.290. TERMINATION. The commission established in sec.
24 210 of this chapter expires June 30, 1982.

25 * Sec. 3. AS 38.40.030(a) is amended to read:

26 (a) In order to create, protect and preserve the right of Alaska
27 residents to employment, the commissioner of natural resources shall
28 incorporate into all oil and gas leases, easements or right-of-way
29 permits for oil or gas pipeline purposes, unitization agreements, or any

1 renegotiation of any of the preceding to which the state is a party, and
2 into leases, easements or right-of-way permits issued by the state for
3 land within the area withdrawn as "reserved use land" under AS 44.06.130
4 for the site of the new capital city, provisions requiring the lessee to
5 comply with applicable laws and regulations with regard to the employ-
6 ment of Alaska residents, a provision requiring the employment of quali-
7 fied Alaska residents, a provision prohibiting discrimination against
8 Alaska residents and, when in the determination of the commissioner of
9 natural resources it is practicable, a provision requiring compliance
10 with the Alaska Plan, all in accordance with the provisions of this
11 chapter.

12 * Sec. 4. AS 38.40.050(a) is amended to read:

13 (a) The provisions of this chapter apply to all employment which
14 is a result of oil and gas leases, easements, leases or right-of-way
15 permits for oil or gas pipeline purposes, unitization agreements or any
16 renegotiation of any of the preceding to which the state is a party
17 after July 7, 1972, and to leases, easements or right-of-way permits
18 issued by the state for land within the area withdrawn as "reserved use
19 land" under AS 44.06.130 for the site of the new capital city; however,
20 the activity which generates the employment must take place inside the
21 state and it must take place either on the property under the control of
22 the person subject to this chapter or be directly related to activity
23 taking place on the property under his control and the activity must be
24 performed directly for the person subject to this chapter or his con-
25 tractor or a subcontractor of his contractor or a supplier of his con-
26 tractor or subcontractor.

27 * Sec. 5. AS 39.50.200(9) is amended by adding a new subparagraph to
28 read:

29 (MM) New Capital City Site Planning Commission (AS 44.-

1 06.210).

2 * Sec. 6. SEVERABILITY. If any of the provisions of this Act is held
3 invalid, the invalidity does not affect the provisions of this Act which can
4 be given effect without the invalid provisions, and to this end the provi-
5 sions of this Act are declared to be severable.

6 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
7 070(c).