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For Today's Calendar

1 IN THE SENATE

BY THE RULES COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 27 (Rules) am H

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to planning and establishment of the
7 new state capital; and providing for an effective date."

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

9 * Section 1. The people of the State of Alaska, by initiative, have re-
10 quired the legislature to provide for the planning of a new capital city with-
11 in the bounds of the area selected and for the construction of necessary state
12 and public facilities and their administration. The people have further
13 declared that this relocation of the seat of government be accomplished so as
14 to preclude unnecessary reduction of state employees employed by the state in
15 Juneau. To this end, and in the context of an overriding obligation to
16 thoughtful and meticulous planning balanced against a public demand for ac-
17 curate information within a limited time frame terminating on or before the
18 next general election, the legislature, through this Act, establishes a means
19 by which the state government and the people may obtain and analyze relevant
20 information, consider alternative proposals, provide guidance and direction
21 to and secure timely management of the critical factors and sequential events
22 applicable to the process of affecting a relocation of the seat of government.

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

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

25 Sec. 44.06.200. LEGISLATIVE INTENT. It is the intent of the
26 legislature in enacting secs. 200 - 300 of this chapter that the plan-
27 ning and development process attending relocation of the seat of govern-
28 ment provide both an incentive and a means to achieve quality develop-
29 ment of a new capital city consistent with the long-term needs and

1 interests of the people of the region and the state. To that end, the
2 legislature seeks to assure that

3 (1) the initial size of state government in the new capital
4 city be limited subject to additional development by future legislatures;

5 (2) the process and decisions affecting the planning and
6 development of a new capital city include full opportunity for public
7 participation;

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

13 (4) the new capital city reflect the unique qualities of the
14 state and its people;

15 (5) the state resident-hire laws be utilized to the maximum
16 extent possible in each stage of the planning, development and reloca-
17 tion process;

18 (6) in planning for the location, nature and construction of
19 public facilities in the new capital city, consideration be given to the
20 development and use of the natural resources available in the region and
21 state as the source of energy for the community;

22 (7) to the maximum extent possible, decisions and actions
23 affecting construction of public facilities, provision of public ser-
24 vices, and activities in the private sector be undertaken cooperatively
25 with officials of local governments and the residents of the area
26 adjacent to the new capital city community.

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

1 Sec. 44.06.220. MEMBERSHIP. (a) Within 15 days after the effec-
2 tive date of this Act, the governor shall appoint a commission consist-
3 ing of nine members who shall be subject to confirmation by a majority
4 of the members of the legislature in joint session. Members are ap-
5 pointed for four-year terms and may be reappointed. The commission
6 shall be composed of one member from the Northwest district, two members
7 from the Southeast district, two members from the Central district, and
8 three members from the South Central district, who shall be appointed on
9 a nonpartisan basis. The mayor of the Matanuska-Susitna Borough, or his
10 designee, shall be the ninth member of the commission.

11 (b) Two state senators chosen by the president of the senate and
12 two state representatives chosen by the speaker of the house shall serve
13 as ex officio nonvoting members of the commission.

14 (c) Voting members of the commission are entitled to receive \$100
15 a day for their service on the commission, and per diem and travel
16 expenses authorized by law for other boards and commissions.

17 Sec. 44.06.230. MEETING OF THE COMMISSION. Commission members
18 shall elect a chairman and vice-chairman from among their membership.
19 The governor shall call the first meeting of the commission within 15
20 days after appointment of the members. A majority of the members con-
21 stitutes a quorum for conducting business and exercising the powers of
22 the commission. The commission shall meet at the call of the chairman,
23 at the request of a majority of the members, or at a regularly scheduled
24 time as determined by the members.

25 Sec. 44.06.240. DUTIES OF THE COMMISSION. (a) The purpose of the
26 commission is to prepare a detailed plan for development of the new
27 capital city site within the guidelines enumerated in this chapter. A
28 detailed plan for initial development shall be proposed in the context
29 of a prospective plan for additional development. In this section,

1 reference to "initial development" means the transfer to the new capital
2 city site by October 1, 1980 of each of the following branches or
3 offices of state government, including provisions for staff necessary
4 for the support of each:

5 (1) the Office of the Governor, including the lieutenant
6 governor, and appropriate staff;

7 (2) the legislature, Legislative Affairs Agency, the divi-
8 sions of legislative finance and legislative audit, and temporary staff
9 to provide services necessary to support the First Session of the
10 Twelfth Alaska Legislature at the new capital city; and

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

16 (b) In this section, reference to additional development means a
17 proposal encompassing the transfer of all central state positions to the
18 new capital site, which are necessary for the operation of the state
19 government.

20 (c) The plan required in (a) of this section shall be presented in
21 two stages. A detailed plan for initial development (hereafter referred
22 to as the initial development plan), which includes substantially
23 accurate proposals for additional development shall be presented to the
24 legislature no later than February 15, 1978. A final development plan
25 (hereafter referred to as the final development plan) shall be presented
26 to the legislature no later than February 1, 1979. Following completion
27 of the plans, the commission shall make public presentations of each
28 throughout the state.

29 (d) The initial and final development plans shall include, but are

1 not limited to, the following elements: government facilities, com-
2 munity facilities, transportation, public utilities, communications
3 facilities, commercial and industrial development, residential develop-
4 ment, resources, and environmental aspects.

5 (e) The initial development plan shall definitively provide for
6 those state governmental functions enumerated in sec. 240(a)(1), (2),
7 and (3) of this chapter and appropriate infrastructure and support
8 services as outlined in sec. 240(d) of this chapter. The initial
9 development plan shall also include substantially accurate proposals for
10 additional development of the capital city site. This projection for
11 additional development shall present reasonable alternatives to develop-
12 ment in accordance with sec. 240(d) of this chapter, including a re-
13 location phasing analysis which offers proposals for the decentraliza-
14 tion, regionalization, and reorganization of state government. These
15 proposals shall include the offices to be moved, the number of personnel
16 employed in those offices, and the anticipated required office space for
17 that number of persons. The final development plan shall refine each
18 substantially accurate alternative to complete and final form.

19 (f) In preparing all development plans, the commission shall

20 (1) perform physical and geotechnical site-specific analysis
21 and related mapping;

22 (2) in cooperation with officials of the Matanuska-Susitna
23 Borough, assess and evaluate, and issue a report summarizing the anti-
24 cipated resultant effects of the relocation of the seat of government
25 on the Matanuska-Susitna Borough; suggest alternatives for the exercise
26 of powers, provision of services, and construction and maintenance of
27 public facilities by the state and any local government within the new
28 capital city site boundaries and the region, including cooperation or
29 joint exercise of a power or function; and recommend to the legislature

1 the type of development entity which would be responsible for the new
2 capital city development as well as the powers and authorities which
3 would be vested in the development entity;

4 (3) provide a comprehensive assessment of the social, economic
5 and environmental impact on the Matanuska-Susitna Borough and the City
6 and Borough of Juneau in accordance with generally accepted standards
7 for these procedures; the assessment shall emphasize the effect of
8 governmental relocation on all items listed in sec. 240(d) of this
9 chapter;

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

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

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

23 (7) provide a comprehensive plan for a statewide telecommuni-
24 cations link to the capital city;

25 (8) organize and conduct by April 15, 1978 a capital city
26 name contest between all school children attending grades kindergarten
27 through 12 in public or private schools in the state, judge the entries,
28 and select three finalist names; the three finalist names shall be
29 placed on the next general election ballot along with a brief statement

1 by the commission explaining why each name was chosen; the commission
2 shall award the entrant whose capital city name is selected by the
3 voters at the election a scholarship in the amount of \$500.

4 (g) In conjunction with plans for initial and additional
5 development, the commission shall conduct a cost analysis of potential
6 costs to the state for the move proposing construction schedules and
7 related cost studies. This analysis shall evaluate all necessary one-
8 time costs for equipment, materials and services for planning, design,
9 construction and occupation of all facilities required to be constructed
10 by the state. The costs shall include, but not be limited to, escala-
11 tion for inflation, personnel moving costs, potential financing costs,
12 indemnification costs, and potential economic impact costs to the
13 Matanuska-Susitna Borough and the City and Borough of Juneau. These
14 one-time costs shall be separately evaluated for initial development and
15 for proposed additional development. The commission shall also sepa-
16 rately evaluate life cycle costs in accordance with state law, not to
17 exceed 15 years after the effective date of this Act, of those state
18 facilities contemplated under initial and additional development. In
19 addition, the commission shall

20 (1) develop comparative life cycle costs for the next 15
21 years following the effective date of this Act on construction, opera-
22 tion, and maintenance of existing and future facilities in Juneau; for
23 purposes of this comparison, Juneau hypothetically remains the seat of
24 government;

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

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

1 (h) A complete financial plan which contains the elements outlined
2 in (g) of this section, including an investigation of funding alterna-
3 tives, shall be presented to the legislature along with the initial
4 development plan no later than February 15, 1978. During fiscal year
5 1979, the state shall also provide funding for an economic diversifi-
6 cation study in an effort to determine viable future economic alterna-
7 tives for the City and Borough of Juneau. This study shall be completed
8 on or before July 1, 1980.

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

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

16 Sec. 44.06.260. ASSISTANCE TO THE COMMISSION. (a) The commission
17 shall use all competent professional and technical services required
18 to assist in the planning. The commission shall hire staff to provide
19 support services, and it may choose the consultants which in its judgment
20 are necessary to assist in the planning. The commission may also request
21 any information which it considers essential from any agency of the
22 state and the agency shall furnish it in an expeditious manner. Agencies
23 shall receive timely notice from the commission regarding any matters
24 substantially relevant to that agency's function.

25 (b) The commission shall develop an appropriate procedure in order
26 to select competent firms to develop the elements involved in the capital
27 site development plan within the time frame called for in sec. 240 of
28 this chapter.

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

4 (b) All financial reports, estimates, alternatives and analyses
5 shall clearly delineate funds projected to be provided by the state
6 general fund, state bonds, and all other state sources from funds to be
7 provided by local government, private enterprise sources, and the
8 federal government. Sources of local government revenue shall be
9 specified.

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

15 Sec. 44.06.290. TERMINATION. The commission established in sec.
16 210 of this chapter expires June 30, 1982.

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

18 (a) In order to create, protect and preserve the right of Alaska
19 residents to employment, the commissioner of natural resources shall
20 incorporate into all oil and gas leases, easements or right-of-way
21 permits for oil or gas pipeline purposes, unitization agreements, or any
22 renegotiation of any of the preceding to which the state is a party,
23 and into leases, easements or right-of-way permits issued by the state
24 for land within the area withdrawn as "reserved use land" under AS 44.-
25 06.130 for the site of the new capital city, provisions requiring the
26 lessee to comply with applicable laws and regulations with regard to the
27 employment of Alaska residents, a provision requiring the employment
28 of qualified Alaska residents, a provision prohibiting discrimination
29 against Alaska residents and, when in the determination of the commis-

1 sioner of natural resources it is practicable, a provision requiring
2 compliance with the Alaska Plan, all in accordance with the provisions
3 of this chapter.

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

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

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

21 (MM) New Capital City Site Planning Commission (AS 44.-
22 06.210).

23 * Sec. 6. No less than 15 per cent of the state land within the bounds of
24 the area selected under AS 44.06.150 and within the bounds of the area desig-
25 nated by the Capital Site Selection Committee as North Willow shall be made
26 available for homesite entry in accordance with the provisions of the Alaska
27 Land Act (AS 38). The director of the division of lands shall classify,
28 survey and plat for homesite entry the land available which is suitable for
29 erection of residential dwellings to use as permanent abodes. No later than

1 December 15, 1977, the director shall adopt regulations under the Administra-
2 tive Procedure Act (AS 44.62) for the implementation of this section. The
3 Administrative Regulation Review Committee shall, no later than February 15,
4 1978, make formal recommendations with respect to annulment or amendment of
5 regulations adopted by the director, which, in the opinion of the committee,
6 fail to implement, interpret or carry out the policies and objectives of this
7 Act. The recommendations of the committee shall be transmitted to the Second
8 Session of the Tenth Alaska Legislature.

9 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
10 070(c).

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