

Introduced: 3/21/80
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY ROGERS AND MCKINNON

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 796

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the University of Alaska Research
7 Corporation, placing faculty and employees of the
8 corporation in the teachers' retirement system, and
9 amending statutes governing appropriations to preclude
10 annual lapse of amounts appropriated for research
11 projects of the corporation; and providing for an
12 effective date."

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

14 * Section 1. PURPOSE. In establishing a nonprofit scientific research
15 corporation within the University of Alaska, it is the purpose of the legis-
16 lature to

17 (1) assure that scientific inquiry in the physical, biological,
18 and social sciences, and the application of the fruits of that inquiry in
19 economics, engineering, arctic technology, and other disciplines and en-
20 deavors, achieve excellence;

21 (2) encourage and promote expansion, acceleration, and development
22 of research, inquiry, analysis and information distribution for the benefit
23 of the people of the state;

24 (3) centralize responsibility for research and coordinate the
25 conduct of research on a statewide basis; and

26 (4) provide flexibility in the expenditure of funds received for
27 organized research, to better assure that amounts appropriated or granted for
28 research are used for projects for the duration of the research effort.

29 * Sec. 2. AS 14 is amended by adding a new chapter to read:

1 CHAPTER 41. UNIVERSITY OF ALASKA RESEARCH CORPORATION.

2 Sec. 14.41.010. UNIVERSITY OF ALASKA RESEARCH CORPORATION. The
3 University of Alaska Research Corporation is a public corporation and
4 instrumentality of the University of Alaska and has a continuing exis-
5 tence until its existence is terminated by law. If the existence of the
6 corporation is terminated, its assets, obligations, rights and property
7 pass to the University of Alaska, unless otherwise specifically provided
8 by law.

9 Sec. 14.41.020. CORPORATION GOVERNING BODY. (a) The corporation
10 shall be governed by a board of directors composed of the members of the
11 Board of Regents of the University of Alaska.

12 (b) Members of the board of directors serve without compensation
13 except that each member may be reimbursed by the corporation for actual
14 and necessary expenses.

15 Sec. 14.41.030. MEETINGS OF BOARD. The board shall elect a chair-
16 man from among its membership at its first meeting in each year. A
17 majority of the members constitutes a quorum for organizing the board,
18 conducting its business, and exercising the powers of the corporation.
19 The board shall meet at the call of its chairman. The board shall meet
20 not less than once each four months.

21 Sec. 14.41.040. MINUTES OF MEETINGS. The board shall keep minutes
22 of each meeting.

23 Sec. 14.41.050. ADMINISTRATION OF AFFAIRS. The board shall manage
24 the assets and business of the corporation and may prescribe, amend, and
25 repeal bylaws and regulations governing the manner in which the business
26 of the corporation is conducted and the manner in which its powers are
27 exercised.

28 Sec. 14.41.060. EXECUTIVE DIRECTOR. The corporation shall employ
29 an executive director, who may not be a member of the board. The execu-

1 tive director shall be appointed by the president of the university and
2 serves at the pleasure of the president.

3 Sec. 14.41.070. EMPLOYMENT OF FACULTY AND PERSONNEL. (a) The
4 board may appoint other officers and engage professional and technical
5 advisors as independent contractors.

6 (b) The executive director may hire the faculty and employees of
7 the corporation and, subject to the approval of the board, engage pro-
8 fessional and technical advisors under contract with the corporation.
9 The board shall prescribe the duties and compensation of corporation
10 personnel. The personnel of the corporation are exempt from AS 39.25.

11 (c) The rights, privileges and provisions for promotion and tenure
12 of faculty, officers and employees of the corporation are the same as
13 the rights, privileges and provisions for promotion and tenure of
14 faculty, officers and employees of the university.

15 (d) Faculty members employed by the corporation may be assigned
16 instructional and public service duties for students of the university
17 comparable to instructional and public service duties assigned to members
18 of the university faculty.

19 Sec. 14.41.080. INTERDEPARTMENTAL COOPERATION. All departments,
20 agencies and public corporations of the state shall assist the corpora-
21 tion upon its request. The corporation shall reimburse departments,
22 agencies and public corporations of the state for expenses incurred on
23 the corporation's behalf.

24 Sec. 14.41.090. REGULATIONS. (a) The board may adopt regulations
25 to carry out the purposes of this chapter.

26 (b) The board may adopt regulations by motion or by resolution, or
27 in any other manner permitted by its bylaws.

28 Sec. 14.41.100. DUTIES. The corporation shall

29 (1) assist the university and other educational institutions

1 in the state in obtaining funds for initiation, maintenance, and ex-
2 pansion of their authorized academic pursuits;

3 (2) coordinate research, technological development and in-
4 formation transfer activities with the administrative units of the
5 university or other institutions of higher education or research, and
6 government agencies in the state;

7 (3) cooperate with the departments and agencies of the federal
8 government, and with the departments, agencies, and political subdivi-
9 sions of this and other states, in development of research, technological
10 development and information transfer programs of value and concern to
11 the state; and

12 (4) stimulate the expansion of scientific inquiry, research,
13 technological and information transfer activities and promote new co-
14 operative research, development and information exchange activities
15 between scientific investigators of the University of Alaska and the
16 corporation and those of other universities, and scientists and engi-
17 neers of the private and governmental sectors.

18 Sec. 14.41.110. POWERS. The corporation may

19 (1) coordinate activities and projects of the corporation
20 with the work of state agencies for the purpose of relating the acti-
21 vities to resource management and economic development for the state;

22 (2) receive, hold and disburse money from contracts, grants,
23 gifts, appropriations, devises, bequests, and other sources, including
24 money granted or provided on a contractual, installment, periodic,
25 contingent or other basis;

26 (3) sue and be sued in its own name;

27 (4) negotiate, make and enter into contracts and agreements
28 necessary, desirable or incidental to the performance of the purposes of
29 this chapter;

- 1 (5) have an official seal;
- 2 (6) appoint and prescribe the duties of its officers and
3 employees as may be necessary to carry out its functions, and fix the
4 compensation to them for their services as the corporation may deter-
5 mine;
- 6 (7) accept gifts or grants of money or property of any nature
7 from any source for the general purposes of the corporation, for speci-
8 fic purposes within the general purposes of the corporation, or to be
9 held in trust for the benefit of the corporation with the income to be
10 used for a specific purpose within the general purposes of the corpora-
11 tion;
- 12 (8) receive, own, hold, use, lease, assign, and convey real
13 or personal property either absolutely or in a limited, contingent or
14 future estate or condition;
- 15 (9) receive, hold, assign, license, lease, or sell a patent
16 right or copyright, rent, profit, chose in action, or other intangible
17 right or interest;
- 18 (10) apply for and obtain a copyright, patent or similar right
19 from the government of the United States or another government, and
20 acquire by purchase, license or otherwise that right, and sell, assign,
21 lease, license, or contract to derive benefits from the right or an
22 interest in it;
- 23 (11) invest money or a right or particular interest of the
24 corporation;
- 25 (12) prepare, print or publish a manuscript, research article,
26 report, discussion, or reference;
- 27 (13) purchase or acquire contracts or policies of insurance
28 for any purpose; and
- 29 (14) do all things necessary or appropriate to carry out the

1 purpose of this chapter.

2 Sec. 14.41.120. INSTITUTES AND CENTERS OF THE CORPORATION. (a)
3 Each of the following is established as a research institute, research
4 center, or laboratory of research of the corporation, conducting the
5 work described:

6 (1) Geophysical Institute: examination and analysis of the
7 earth's surface, internal structure and movement, energy and mineral
8 resources, atmosphere, weather and climate, glaciers and their effects,
9 and the planets and space;

10 (2) Institute of Marine Sciences: research concerning the
11 physical, chemical, biological and geological processes of the ocean and
12 continental shelf adjacent to Alaska, including but not limited to
13 fishery and shellfish resources and the study of anadromous fish;

14 (3) Alaska Sea Grant Program: research and technical assis-
15 tance in the development and use of the resources of the seas;

16 (4) Institute of Water Resources: water research, the pro-
17 vision of supplies of pure water to Alaskans, and the development of
18 techniques of treatment of waste water;

19 (5) Institute of Arctic Biology: examination of the adap-
20 tation of plants, animals and man to past and present climates and
21 environments of arctic and subarctic regions, with emphasis on eco-
22 logical studies and the effects of cold climate on the physiology and
23 biochemistry of species;

24 (6) Alaska Cooperative Wildlife Research Unit: wildlife
25 research and training in wildlife biology, conservation, and management
26 at the graduate level and as extension education programs;

27 (7) Alaska Cooperative Park Studies Unit: research and
28 training relating to parks and wilderness and management of cultural
29 resources;

1 (8) Alaska Cooperative Fishery Research Unit: research and
2 training relating to arctic and subarctic ecosystems and their rela-
3 tionship to fisheries resources;

4 (9) WAMI Medical Program: research and provision of medical
5 and health training in cooperation with the School of Medicine of the
6 University of Washington;

7 (10) Agricultural Experiment Station: cooperatively with the
8 United State Department of Agriculture, research for increased produc-
9 tion of food and wood products and the development of the state's land
10 for agriculture, forestry, and recreation;

11 (11) Institute of Social and Economic Research: research and
12 analysis for the development of information and statistics useful to the
13 development and welfare of the state's economy, its people, and its
14 government and business;

15 (12) Center for Cross-Cultural Studies: research and policy
16 analysis involving the human resources of the state, particularly in
17 education, public service, and related social service programs, and
18 those programs which involve communication between Alaskans of different
19 cultures;

20 (13) Mineral Industry Research Program: a laboratory and
21 field research program studying the mineral resources of the state,
22 training students, and providing advisory services to the mineral in-
23 dustry;

24 (14) Arctic Environmental Information and Data Center: a
25 library and source of environmental information and data for government
26 agencies and industry;

27 (15) Alaska Native Language Center: study of languages native
28 to Alaska, together with the development of materials and training of
29 persons in these languages;

1 (16) Criminal Justice Center: research, training and com-
2 munity services concerning crime and the administration of criminal
3 justice;

4 (17) Center for Alcohol Addiction Studies: research con-
5 cerning alcohol and drug abuse and addiction;

6 (18) Arctic Research Laboratory: a center of research and
7 scientific inquiry at Barrow for programs in arctic biology, earth
8 sciences, atmospheric sciences, and the oceanography of the Arctic
9 Ocean;

10 (19) Alternative Energy Research Center: research and techni-
11 cal assistance in the development and use of alternative energy re-
12 sources and technology.

13 (b) The board of directors of the corporation, or the legislature,
14 may provide for the establishment of additional research institutes,
15 centers of research, or organized research programs under (a) of this
16 section.

17 Sec. 14.41.130. CORPORATION MONEY. Money of the corporation shall
18 be deposited in a separate account maintained for it by the university.
19 All disbursements shall be drawn on the account. The treasurer of the
20 corporation is authorized to draw upon the account for the payment of
21 payrolls or vouchers which are itemized and approved by the executive
22 director in the name of the corporation under rules approved by the
23 board of directors.

24 Sec. 14.41.140. RECORDS. (a) The corporation shall maintain
25 financial books and records in accordance with generally acceptable
26 accounting theory and practice.

27 (b) The financial books and records of the corporation shall be
28 audited at least once each year by a certified public accountant or firm
29 of certified public accountants who shall report to the board. The

1 audit is a public record, and a copy shall be furnished to each direc-
2 tor, the governor, and the legislature.

3 Sec. 14.41.150. PATENTS AND RELATED INTERESTS. (a) A discovery
4 or patentable invention resulting from the work of the corporation, or
5 of an employee or person assisted by a grant from the corporation,
6 becomes the property of the corporation by assignment or transfer from
7 the discoverer or inventor. Royalties and other income received from
8 the use of a patent or discovery shall be paid to the corporation to be
9 used for its general purposes.

10 (b) The corporation shall, by bylaw or regulation, provide for the
11 sharing of royalties and other income received from the use of a patent
12 or discovery with its discoverer or inventor if the discoverer or inven-
13 tor was an employee of the corporation or a person assisted by a grant
14 from the corporation at the time of the invention or discovery that is
15 the basis of the patent.

16 (c) The corporation shall require each employee and each person
17 receiving a financial grant from the corporation to sign an agreement
18 providing for assignment or transfer to the corporation of the right,
19 title and interest of the employee or recipient of a grant in a develop-
20 ment or patent acquired as a result of his employment or receipt of
21 financial assistance. The signature of the employee or proposed reci-
22 pient of a grant is a prerequisite to his employment or receipt of
23 financial assistance.

24 (d) On dissolution of the corporation, patents and similar in-
25 terests held by the corporation become the property of the university.

26 (e) This section does not apply to interests in literature, ar-
27 tistic, musical or other products of authorship covered by the copyright
28 laws of the United States.

29 Sec. 14.41.160. TAX EXEMPTION. The exercise of the powers granted

1 by this chapter will be in all respects for the benefit of the people of
2 the state, for their well-being and prosperity, and for the improvement
3 of their social and economic conditions, and the corporation is not
4 required to pay a tax or assessment on any property owned by the cor-
5 poration under the provisions of this chapter or upon the income from
6 it, except taxes on real property of which the corporation is fee owner.

7 Sec. 14.41.170. ANNUAL REPORT. The corporation shall prepare and
8 transmit annually a report accounting to the governor and the legisla-
9 ture for the efficient discharge of all responsibility assigned by law
10 or by directive to the corporation.

11 Sec. 14.41.900. DEFINITIONS. In this chapter, unless the context
12 indicates otherwise,

13 (1) "board" means the Board of Directors of the University of
14 Alaska Research Corporation;

15 (2) "corporation" means the University of Alaska Research
16 Corporation;

17 (3) "governmental agency" means a department, division,
18 public agency, political subdivision or other public instrumentality of
19 the state or federal government;

20 (4) "president" means the president of the University of
21 Alaska;

22 (5) "university" means the University of Alaska.

23 * Sec. 3. AS 14.25.220(4) is amended to read:

24 (4) "employer" means a public school district, the Board of
25 Regents of the University of Alaska, the University of Alaska Research
26 Corporation, the Department of Education, or the state legislature with
27 respect to a state legislator who elects membership under AS 14.25.-
28 040(b);

29 * Sec. 4. AS 14.25.220(5)(A) is amended to read:

1 (A) service as a teacher in a public school within the
2 Territory or State of Alaska, or both, under the supervision and
3 control of the Territorial Board of Education, the Department of
4 Education, the school board of any city or borough school district,
5 [OR] the Board of Regents of the University of Alaska, or the
6 University of Alaska Research Corporation;

7 * Sec. 5. AS 14.25.220(12) is amended to read:

8 (12) "salary authorized" means that salary fixed by the State
9 Board of Education and the Department of Education under law; or, if an
10 employee of the Department of Education, University of Alaska, the
11 University of Alaska Research Corporation, or a community college, the
12 salary paid to the employee;

13 * Sec. 6. AS 14.25.220(15) is amended to read:

14 (15) "teacher" or "member" means

15 (A) a certified teacher, certified school nurse, prin-
16 cipal, supervisor, or superintendent employed on a full-time or a
17 part-time basis in a position having duties which normally require
18 a year of service in the public schools of the state; [,]

19 (B) the commissioner of education and [,] supervisors
20 within the Department of Education; [,]

21 (C) all full-time resident professional and adminis-
22 trative personnel of the University of Alaska and the Alaska Re-
23 search Corporation; [, AND]

24 (D) a state legislator who elects membership under
25 AS 14.25.040(b); and

26 (E) in case of doubt, the administrator shall finally
27 determine whether or not a person is a teacher as defined in this
28 chapter;

29 * Sec. 7. AS 14.40.010 is amended to read:

1 Sec. 14.40.010. UNIVERSITY OF ALASKA. The University of Alaska
2 shall consist of the College of Agriculture, the School of Mines, [THE
3 DEPARTMENT OF AGRICULTURAL EXPERIMENT STATION,] the Department of Agri-
4 cultural Extension Work, and other colleges and departments which may be
5 established, including departments of anthropology, archaeology, ethno-
6 logy, museum, natural history and palaeontology.

7 * Sec. 8. AS 37.25 is amended by adding a new section to read:

8 Sec. 37.25.030. UNEXPENDED BALANCE OF APPROPRIATION FOR UNIVERSITY
9 OF ALASKA RESEARCH CORPORATION PROJECT. (a) Unless otherwise speci-
10 fically provided in the appropriation, an appropriation for a research
11 project conducted or sponsored by the University of Alaska Research
12 Corporation under AS 14.41 is valid for the life of the research project.
13 The unexpended balance of the appropriation shall be carried forward to
14 subsequent fiscal years.

15 (b) Between July 1 and August 31 of each year, a statement indi-
16 cating the amount of the unexpended balance of an appropriation required
17 to complete the project for which the appropriation was made and the
18 amount of the unexpended balance that may be lapsed shall be filed by
19 the fiscal officer of the University of Alaska Research Corporation with
20 the commissioner of the Department of Administration.

21 * Sec. 9. The following laws are repealed: AS 14.40.080, 14.40.110, 14.-
22 40.115, and 14.40.117.

23 * Sec. 10. TRANSITIONAL PROVISIONS. (a) The Board of Regents of the
24 University of Alaska shall redistribute or transfer the property, assets and
25 state or federal funds of the University of Alaska relating to the operation,
26 maintenance and support of organized research within the university to the
27 University of Alaska Research Corporation.

28 (b) Litigation, hearings, investigations and other proceedings relating
29 to functions which are transferred by this Act continue in effect and may be

1 continued and completed notwithstanding a transfer provided for in this Act.
2 A contract or other obligation created by virtue of a function which may be
3 transferred by this Act, and in effect on the effective date of this Act,
4 remains in effect unless revoked or modified under the provisions of this
5 Act.

6 (c) Faculty, staff, officers or employees engaged in organized research
7 by the University of Alaska, and those statewide or regional faculty, staff,
8 officers or employees of the university whose functions, powers, duties and
9 responsibilities relate in whole or in the major part to organized research
10 and who are employed on the effective date of this Act shall be employed by
11 the Alaska Research Corporation on the same terms as their employment by the
12 University of Alaska without interruption of service or loss of benefits.
13 The Board of Regents of the University of Alaska and the Board of Directors
14 of the University of Alaska Research Corporation may jointly provide that a
15 person may serve as a member of the faculty of the University of Alaska while
16 he is serving as staff of the University of Alaska Research Corporation.

17 (d) The Board of Directors of the University of Alaska Research Cor-
18 poration succeeds the Board of Regents of the University of Alaska as a party
19 to an existing cooperative agreement between the Board of Regents of the
20 University of Alaska and a school district, municipality, or an agency of the
21 federal government, or a nonprofit corporation or association with respect to
22 the establishment, operation and maintenance of any research project. A co-
23 operative agreement in effect on the effective date of this Act remains in
24 effect and may be modified or extended by mutual agreement unless, before the
25 agreed expiration, it is mutually cancelled by the contracting parties in
26 accordance with law.

27 (e) The Board of Regents of the University of Alaska and Board of
28 Directors of the University of Alaska Research Corporation shall provide for
29 the assignment of the work of the university, distinguishing between academic

1 and instructional services and organized research services. Organized re-
2 search services offered by the University of Alaska as of July 1, 1980, shall
3 be transferred to the University of Alaska Research Corporation.

4 * Sec. 11. This Act takes effect July 1, 1980.

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29