

Introduced: 2/12/80
Referred: Community & Regional
Affairs and Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 437

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act changing the definitions of allowable construc-
7 tion costs which qualify for state financial partici-
8 pation; and providing for an effective date."

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

10 * Section 1. AS 02.15.155 is repealed and re-enacted to read:

11 Sec. 02.15.155. DEFINITIONS. For the purposes of AS 02.15.120--
12 02.15.155, "project costs" means those reasonable costs necessary for
13 construction of the project, including (1) indemnity and surety bonds,
14 and premiums on insurance, which are directly related to project con-
15 struction; (2) salaries and reasonable expenses of employees exclusive-
16 ly hired for and solely engaged in administration of project construc-
17 tion; and (3) fees and expenses of attorneys, trustees, depositaries
18 and financial advisors which would not be incurred but for construc-
19 tion of the project. The term does not include costs of interest or
20 financing, or land or right-of-way acquisition costs.

21 * Sec. 2. AS 03.20.080 is repealed and re-enacted to read:

22 Sec. 03.20.080. DEFINITIONS. For the purposes of this chapter,
23 "project costs for capital improvements" means those reasonable costs
24 necessary for construction of the project, including (1) indemnity and
25 surety bonds, and premiums on insurance, which are directly related to
26 project construction; (2) salaries and reasonable expenses of employees
27 exclusively hired for and solely engaged in administration of project
28 construction; and (3) fees and expenses of attorneys, trustees, deposi-
29 taries and financial advisors which would not be incurred but for con-

1 construction of the project. The term does not include costs of interest
2 or financing, or land or right-of-way acquisition costs.

3 * Sec. 3. AS 18.55.934(c) is repealed and re-enacted to read:

4 (c) For the purposes of this section, "cost of the project"
5 means those reasonable costs necessary for construction of the project,
6 including (1) indemnity and surety bonds, and premiums on insurance,
7 which are directly related to project construction; (2) salaries and
8 reasonable expenses of employees exclusively hired for and solely en-
9 gaged in administration of project construction; and (3) fees and ex-
10 penses of attorneys, trustees, depositaries and financial advisors
11 which would not be incurred but for construction of the project. The
12 term does not include costs of interest or financing, or land or
13 right-of-way acquisition costs.

14 * Sec. 4. AS 19.30.030(d) is repealed and re-enacted to read:

15 (d) For the purposes of (c) of this section, "cost of construc-
16 tion" means those reasonable costs necessary for construction of the
17 project, including (1) indemnity and surety bonds, and premiums on
18 insurance, which are directly related to project construction; (2)
19 salaries and reasonable expenses of employees exclusively hired for
20 and solely engaged in administration of project construction; and (3)
21 fees and expenses of attorneys, trustees, depositaries and financial
22 advisors which would not be incurred but for construction of the
23 project. The term does not include costs of interest or financing, or
24 land or right-of-way acquisition costs.

25 * Sec. 5. AS 43.18.010(1) is repealed and re-enacted to read:

26 (1) For the purposes of (j) of this section, "total project
27 cost" means those reasonable costs necessary for construction of the
28 project, including (1) indemnity and surety bonds, and premiums on
29 insurance, which are directly related to project construction; (2)

1 salaries and reasonable expenses of employees exclusively hired for
2 and solely engaged in administration of project construction; and (3)
3 fees and expenses of attorneys, trustees, depositaries and financial
4 advisors which would not be incurred but for construction of the proj-
5 ect. The term does not include costs of interest or financing, or
6 land or right-of-way acquisition costs.

7 * Sec. 6. AS 43.18.100(g)(2) is repealed and re-enacted to read:

8 (2) "costs of school construction" means those reasonable
9 costs necessary for construction of the project, including (1) indem-
10 nity and surety bonds, and premiums on insurance, which are directly
11 related to project construction; (2) salaries and reasonable expenses
12 of employees exclusively hired for and solely engaged in administra-
13 tion of project construction; and (3) fees and expenses of attorneys,
14 trustees, depositaries and financial advisors which would not be in-
15 curred but for construction of the project. The term does not include
16 costs of interest or financing, or land or right-of-way acquisition
17 costs.

18 * Sec. 7. AS 43.18.300(h)(3) is repealed and re-enacted to read:

19 (3) "costs of construction" means those reasonable costs
20 necessary for construction of the project, including (1) indemnity and
21 surety bonds, and premiums on insurance, which are directly related to
22 project construction; (2) salaries and reasonable expenses of employees
23 exclusively hired for and solely engaged in administration of project
24 construction; and (3) fees and expenses of attorneys, trustees, deposi-
25 taries and financial advisors which would not be incurred but for con-
26 struction of the project. The term does not include costs of interest
27 or financing, or land or right-of-way acquisition costs.

28 * Sec. 8. AS 43.18.460(2) is repealed and re-enacted to read:

29 (2) "cost of construction" means those reasonable costs

1 necessary for construction of the project, including (1) indemnity and
2 surety bonds, and premiums on insurance, which are directly related to
3 project construction; (2) salaries and reasonable expenses of employees
4 exclusively hired for and solely engaged in administration of project
5 construction; and (3) fees and expenses of attorneys, trustees, deposi-
6 taries and financial advisors which would not be incurred but for con-
7 struction of the project. The term does not include costs of interest
8 or financing, or land or right-of-way acquisition costs.

9 * Sec 9. AS 44.33.150(b) is repealed and re-enacted to read:

10 (b) For the purposes of (a) of this section, "cost of construc-
11 tion" means those reasonable costs necessary for construction of the
12 project, including (1) indemnity and surety bonds, and premiums on in-
13 surance, which are directly related to project construction; (2) sal-
14 aries and reasonable expenses of employees exclusively hired for and
15 solely engaged in administration of project construction; and (3) fees
16 and expenses of attorneys, trustees, depositaries and financial advi-
17 sors which would not be incurred but for construction of the project.
18 The term does not include costs of interest or financing, or land or
19 right-of-way acquisition costs.

20 * Sec. 10. AS 46.03.030(d) is repealed and re-enacted to read:

21 (d) When not otherwise defined by a federal agency for the pur-
22 poses of (b) of this section, "eligible costs" means those reasonable
23 costs necessary for construction of the project, including (1) indem-
24 nity and surety bonds, and premiums on insurance, which are directly
25 related to project construction; (2) salaries and reasonable expenses
26 of employees exclusively hired for and solely engaged in administra-
27 tion of project construction; and (3) fees and expenses of attorneys,
28 trustees, depositaries and financial advisors which would not be in-
29 curred but for construction of the project. The term does not include

1 costs of interest or financing, or land or right-of-way acquisition
2 costs.

3 * Sec. 11. AS 47.30.500(5) is repealed and re-enacted to read:

4 (5) "costs of improvement, renovation or new construction
5 of facilities" means those reasonable costs necessary for construction
6 of the project, including (1) indemnity and surety bonds, and premiums
7 on insurance, which are directly related to project construction; (2)
8 salaries and reasonable expenses of employees exclusively hired for
9 and solely engaged in administration of project construction; and (3)
10 fees and expenses of attorneys, trustees, depositaries and financial
11 advisors which would not be incurred but for construction of the proj-
12 ect. The term does not include costs of interest or financing, or
13 land or right-of-way acquisition costs.

14 * Sec. 12. This Act takes effect immediately in accordance with AS 01.-
15 10.070(c).

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