

Original sponsor: Transportation Committee

Offered: 4/1/82
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO: 651 (Finance) am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to ferries and ferry terminals and
7 establishing the Alaska Marine Highway Authority."

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

9 * Section 1. PURPOSE. The purpose of this Act is to establish an author-
10 ity for the operation, management, and planning and construction of facilities
11 for the marine highway system that is independent of the state government.
12 The authority shall be the exclusive state agency directly associated with
13 the operation, management, planning and construction of facilities for the
14 marine highway system.

15 * Sec. 2. AS 19 is amended by adding a new chapter to read:

16 CHAPTER 70. ALASKA MARINE HIGHWAY AUTHORITY.

17 ARTICLE 1. CREATION AND ORGANIZATION.

18 Sec. 19.70.010. ALASKA MARINE HIGHWAY AUTHORITY. The Alaska
19 Marine Highway Authority is established. The authority is a public
20 corporation of the state. The corporation is an instrumentality of the
21 state in the Department of Transportation and Public Facilities but has
22 a legal existence independent of and separate from the state and has
23 continuing succession until its existence is terminated by law.

24 Sec. 19.70.020. DIRECTORS. (a) The authority consists of eight
25 directors including the commissioner of transportation and public facili-
26 ties; who shall be a director ex officio without voting privileges, and
27 seven directors appointed by the governor as follows: a representative
28 of commercial carriers, a representative of the maritime industry, a
29 representative of the tourism industry, and four members of the public

1 representing regions served by the marine highway as follows: (1) two
2 members from region one (extending from Dixon entrance to Skagway); (2)
3 one member from region two (Kodiak Island); and (3) one member from
4 region three (Prince William Sound). The appointment of each director
5 other than the commissioner of transportation and public facilities is
6 subject to confirmation by the legislature.

7 (b) The directors appointed by the governor serve at his pleasure
8 for four-year terms. Each director shall hold office for the term of
9 his appointment and until his successor is appointed and qualified. A
10 director is qualified for reappointment. A vacancy in a directorship
11 occurring other than by expiration of term shall be filled in the same
12 manner as the original appointment but only for the unexpired term.

13 (c) The directors must be residents of the state and qualified
14 voters at the time of appointment and shall comply with the requirements
15 of AS 39.50 (conflict of interest). Each director before entering upon
16 his duties shall take and subscribe to an oath to perform the duties of
17 his office faithfully, impartially, and justly to the best of his
18 ability. A record of the oath shall be filed with the Office of the
19 Governor.

20 (d) The directors of the authority serve without compensation, but
21 are entitled to travel and per diem expenses as provided in AS 39.20.-
22 180.

23 Sec. 19.70.030. OFFICERS AND QUORUM. The directors shall elect
24 one of their number as chairman. The directors shall elect a secretary
25 and a treasurer who need not be directors, and the same person may be
26 elected to serve both as secretary and treasurer. The powers of the
27 authority are vested in the directors, and four voting directors of the
28 authority constitute a quorum. Action may be taken and motions and
29 resolutions adopted by the authority at any meeting by the affirmative

1 vote of at least four directors. A vacancy in the directorship of the
2 authority does not impair the right of a quorum to exercise all the
3 powers and perform all the duties of the authority.

4 Sec. 19.70.040. STAFF. The authority shall employ an executive
5 director who serves at the pleasure of the authority as its chief admin-
6 istrative officer. The executive director may with the approval of the
7 authority select and employ additional staff as necessary. Employees of
8 the authority other than legal counsel and the executive director are in
9 the classified service under AS 39.25. In addition to its staff of
10 regular employees, the authority may contract for and engage the ser-
11 vices of consultants, and professional, technical and financial advisors
12 the authority considers necessary for the purpose of developing informa-
13 tion, conducting hearings, studies, investigations or other proceedings,
14 or otherwise exercising its powers.

15 ARTICLE 2. POWERS AND DUTIES.

16 Sec. 19.70.050. POWERS OF AUTHORITY. In addition to other powers
17 granted in this chapter, the authority may

- 18 (1) sue and be sued;
- 19 (2) adopt and alter an official seal;
- 20 (3) make and enforce bylaws and regulations for the conduct
21 of its business and for the use of its services and facilities;
- 22 (4) maintain offices at any place in the state and at places
23 out of the state which are served by the marine highway system;
- 24 (5) acquire, hold, use and dispose of its income, revenues,
25 funds and money;
- 26 (6) acquire, hold, use, lease, rent, construct and dispose of
27 real and personal property for its purposes;
- 28 (7) operate, maintain, improve, and extend a system of ferries
29 connecting with the public roads and highways of the state and including

1 the boats, vessels, wharves, docks, approaches, landings and appurte-
2 nances the authority determines to be necessary or desirable for safe
3 and efficient operation of the ferry system so as to best serve the
4 public;

5 (8) do all acts and things necessary, convenient or desirable
6 to carry out the powers expressly granted or necessarily implied in this
7 chapter;

8 (9) establish rates and tariffs, after public hearings;

9 (10) modify routes, after public hearings.

10 Sec. 19.70.060. "ALASKA MARINE HIGHWAY SYSTEM": NAME AUTHORIZED.
11 The authority is authorized to operate its ferry system under the name
12 "Alaska marine highway system".

13 Sec. 19.70.070. COMPREHENSIVE LONG-RANGE PLAN. The authority,
14 with the cooperation of the Department of Transportation and Public
15 Facilities, shall prepare a comprehensive long-range plan for the devel-
16 opment and improvement of the marine highway system. The plan shall be
17 revised and updated at least every five years.

18 ARTICLE 3. ACQUISITION OF PROPERTY.

19 Sec. 19.70.080. ACQUISITION OF LAND AND EASEMENTS. The authority,
20 as part of the cost of constructing, maintaining, or improving a ferry
21 system, may acquire by purchase, gift, or exchange land in fee simple or
22 easements that it considers necessary for present public use, either
23 temporary or permanent, or that it considers necessary and reasonable
24 for the public use. By the same means, the authority may obtain
25 material, including clay, gravel, sand, or rock, or the land necessary
26 to obtain the material, including access to it. The authority may so
27 acquire the land or materials notwithstanding the fact that title to it
28 is vested in the state or a department, agency, commission or institution
29 of the state.

1 Sec. 19.70.090. AUTHORITY TO PURCHASE PROPERTY FOR THE PURPOSE OF
2 EXCHANGE. When a majority of the directors of the authority declares
3 that it is in the best public interest of the state to do so, the author-
4 ity may acquire by purchase, gift, or exchange privately or publicly
5 owned land or an interest in it for the purpose of exchanging it for
6 privately or publicly owned land that the authority is authorized by law
7 to acquire.

8 Sec. 19.70.100. VACATING OF LAND OR RIGHTS IN LAND. The authority
9 may vacate land, or part of it, or rights in land acquired for use in
10 the marine highway system by executing and filing a deed in the approp-
11 riate recording district. Upon vacating, title reverts to the persons,
12 heirs, successors, or assigns in whom it was vested at the time of the
13 taking. The authority may transfer land no longer considered necessary
14 for use in the marine highway system to the Department of Natural Re-
15 sources for disposal. The proceeds of disposal by the Department of
16 Natural Resources shall be credited to the funds from which the purchase
17 was originally made.

18 ARTICLE 4. GENERAL PROVISIONS.

19 Sec. 19.70.110. ANNUAL REPORT. By January 15 of each year, the
20 authority shall submit to the governor and the legislature a compre-
21 hensive report describing the operations, income, and expenditures for
22 the preceding fiscal year.

23 Sec. 19.70.120. ANNUAL AUDIT. The authority shall have its finan-
24 cial records audited annually by a certified public accountant. The
25 legislative auditor may prescribe the form and content of the financial
26 records of the authority and shall have access to those records at any
27 time.

28 Sec. 19.70.130. BUDGET AND APPROPRIATIONS. The authority shall
29 submit its annual budget to the legislature through the governor as

1 provided for state agencies by the Executive Budget Act (AS 37.07). It
2 may expend money directly appropriated by the legislature only as autho-
3 rized by the legislature.

4 Sec. 19.70.140. NAMING OF VESSEL OR FACILITY. (a) A vessel or
5 facility of the Alaska marine highway system constructed or acquired by
6 the authority under this chapter or AS 19.60 may be given a name only by
7 law.

8 (b) A maritime vessel shall bear the name of an Alaska glacier.

9 (c) A vessel used principally on the inland waterways of the state
10 shall bear the name of an historical vessel that used the rivers of the
11 state.

12 Sec. 19.70.160. DEFINITIONS. In this chapter, unless the context
13 requires otherwise,

14 (1) "authority" means the Alaska Marine Highway Authority
15 established by this chapter;

16 (2) "capital improvement" means a project for the construc-
17 tion, rehabilitation, rebuilding, enlarging, or improving of all or any
18 part of the marine highway system, including, without limitation, boats,
19 vessels, wharves, docks, approaches, landings, offices, and appurte-
20 nances as determined by the authority to be necessary or desirable for
21 efficient operation of the marine highway system and to best serve the
22 public;

23 (3) "ferry" means a vessel used in the common carriage of
24 passengers and self-propelled vehicles in commerce.

25 Sec. 19.70.170. SHORT TITLE. This chapter may be cited as the
26 Alaska Marine Highway Authority Act.

27 * Sec. 3. AS 19.60.010 is amended to read:

28 Sec. 19.60.010. ACQUISITION AND MAINTENANCE OF FERRY TERMINAL
29 FACILITIES. The authority [DEPARTMENT] shall construct, purchase or

1 lease ferry terminal facilities at locations it selects for the loading
2 and unloading of passengers and vehicles under their own power, on and
3 off ferries. The authority [DEPARTMENT] shall repair and maintain these
4 facilities.

5 * Sec. 4. AS 19.60.020 is amended to read:

6 Sec. 19.60.020. CONNECTION OF FACILITIES TO HIGHWAYS. The depart-
7 ment shall [MAY] connect ferry terminal facilities with local highway
8 systems.

9 * Sec. 5. AS 19.60.030 is amended to read:

10 Sec. 19.60.030. REGULATIONS. The authority [DEPARTMENT] may adopt
11 [RULES AND] regulations governing the use of ferry terminal facilities
12 by the public which it considers necessary and proper in the public
13 interest.

14 * Sec. 6. AS 19.60.070(1) is amended to read:

15 (1) "authority" ["DEPARTMENT"] means the Alaska Marine High-
16 way Authority [DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES];

17 * Sec. 7. AS 35.27.020 is amended by adding a new subsection to read:

18 (h) The requirements of this chapter apply to the Alaska Marine
19 Highway Authority. Fulfillment of the duties of the department under
20 this chapter is the sole responsibility of the authority with respect to
21 the public buildings and facilities of the authority.

22 * Sec. 8. AS 35.27.030(2) is amended to read:

23 (2) "building" or "facility" means a permanent improvement
24 constructed by the department or authority; the term

25 (A) includes, but is not limited to,

26 (i) schools, office buildings, and court buildings;

27 (ii) other buildings which the commissioner deter-
28 mines are designed for substantial public use;

29 (iii) boats and vessels of the marine highway system;

1 (iv) transportation facilities which accommodate
2 traveling passengers;

3 (B) excludes other transportation facilities; [.]

4 * Sec. 9. AS 35.27.030 is amended by adding a new paragraph to read:

5 (5) "authority" means the Alaska Marine Highway Authority.

6 * Sec. 10. AS 44.42.020(a)(1) is amended to read:

7 (1) plan, design, construct and maintain all state modes of
8 transportation and transportation facilities and all docks, floats,
9 breakwaters, buildings and similar facilities, except that the depart-
10 ment has no planning, design, construction, or maintenance responsibili-
11 ties for transportation modes or facilities under the jurisdiction of
12 the Alaska Marine Highway Authority;

13 * Sec. 11. AS 44.42.020(a)(7) is amended to read:

14 (7) manage, operate, and maintain state transportation faci-
15 lities and all docks, floats, breakwaters and buildings, including all
16 state highways, vessels, railroads, pipelines, airports, and aviation
17 facilities, except that the department has no management, operational,
18 or maintenance responsibilities for transportation facilities, vessels,
19 or equipment under the jurisdiction of the Alaska Marine Highway Author-
20 ity;

21 * Sec. 12. AS 19.60.040 ; 19.60.050 and AS 19.65 are repealed.

22 * Sec. 13. APPOINTMENT OF FIRST DIRECTORS OF ALASKA MARINE HIGHWAY AUTHOR-
23 ITY. The governor shall designate the terms of the voting directors of the
24 Alaska Marine Highway Authority first appointed under AS 19.70.020. Of the
25 seven directors first appointed

26 (1) two shall serve a term of two years;

27 (2) two shall serve a term of three years;

28 (3) three shall serve a term of four years.

29 * Sec 14. AS 39.50.200(9)(b) is amended by adding a new paragraph to

1 read:

2 (46) Alaska Marine Highway Authority (AS 19.70.010.)
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