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Offered: 5/19/81  
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 86 (Finance) am H

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to relocation of the state capital:  
7 repealing and reenacting the law enacted by the initia-  
8 tive popularly known as the 'FRANK Initiative' to  
9 provide for the determination of the costs of capital  
10 relocation, and repealing and reenacting laws estab-  
11 lishing the Alaska Capital City Development Corporation  
12 and the Capital City Development Oversight Committee,  
13 constituting the Alaska Capital Planning Board and  
14 conditionally repealing laws relating to relocation of  
15 the state capital."

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

17 \* Section 1. AS 44.06.196 is repealed and reenacted to read:

18 Sec. 44.06.196. CAPITAL RELOCATION EXPENDITURES. (a) Except for  
19 money used for planning, design, studies, and field investigations,  
20 state money may be expended to relocate the state capital from its  
21 present location to the new capital site at Willow only after a  
22 majority of those voting on the proposition at the 1982 general elec-  
23 tion have approved a ballot proposition as provided in this section.  
24 The ballot proposition shall provide for a vote on the question of  
25 approving the expenditure of the amount of the true costs of relocation  
26 to the state as estimated by the Alaska Capital Planning Board; it may  
27 also provide an authorization for borrowing if the legislature so  
28 determines. It shall contain the estimates of the numbers of employees  
29 to be relocated from Anchorage and from Juneau through the relocation

1 completion date. The ballot proposition shall contain provisions  
2 substantially as follows:

3 Shall the state provide for completion of relocation of a  
4 functional state capital to the new capital site at Willow at an  
5 estimated true cost to the state of \$ \_\_\_\_\_ through 1992? This  
6 estimate is based on completion of relocation by December 31,  
7 19 \_\_\_\_\_ and will provide the necessary public facilities, both  
8 state and municipal, as well as cover the cost of moving personnel  
9 and equipment to the new capital site and payment of indemnifica-  
10 tion to Juneau. True costs exclude additional expenditures of  
11 \$ \_\_\_\_\_ estimated to be covered by proceeds from sale or lease of  
12 lands in the new capital site through 1992 [and \$ \_\_\_\_\_ on  
13 account of savings to the state (for example, from avoidance of  
14 additional construction in Juneau) if the capital is relocated by  
15 1992]. It is estimated that by completion of relocation approx-  
16 imately \_\_\_\_\_ central state employees will have been relocated  
17 from Juneau and \_\_\_\_\_ from Anchorage.

18 The bracketed language shall be inserted, deleted or amended depending  
19 upon the determinations of the board under AS 44.07.111(d). The  
20 official explanation of the ballot proposition provided to voters shall  
21 include, without limitation, the following:

22 (1) a brief description of the facilities and other items  
23 covered by the dollar figures which appear on the ballot and of how  
24 those figures were determined, including a specification of the costs  
25 for capital improvements, relocation of personnel and equipment, and  
26 indemnification under AS 44.08; and a statement of how it is proposed  
27 these costs be met, whether through general fund appropriations,  
28 proceeds from sale or lease of land in the new capital site, from  
29 borrowing or otherwise;

1 (2) an estimate of population in the new capital site at  
2 Willow by the relocation completion date and through 1992;

3 (3) a comparison of

4 (A) the estimated cost to the state of relocation to  
5 the new capital site at Willow through 1992 with

6 (B) the estimated cost to the state of providing the  
7 public facilities which would be required in Juneau through 1992  
8 in the absence of relocation; and

9 (4) a comparison of

10 (A) the estimated cost to the state at the new capital  
11 site at Willow of providing for the public facilities necessary to  
12 accommodate the estimated growth in state government to the year  
13 2000 with

14 (B) the estimated cost of providing comparable facil-  
15 ities during the same period if relocation of the capital does not  
16 take place.

17 (b) The Alaska Capital Planning Board shall

18 (1) prepare a basic development plan and estimates of costs  
19 in accordance with AS 44.07.111 and this section;

20 (2) estimate the cost of providing the public facilities  
21 required in Juneau in the absence of relocation; in making an estimate  
22 under this paragraph, the board shall use a basis comparable to the  
23 basis which it used in making its estimates for the costs of providing  
24 public facilities at the new capital site at Willow; and

25 (3) study and prepare recommendations as to the numbers and  
26 classifications of central state employees to be relocated to the new  
27 capital site at Willow; the studies and recommendations made by the  
28 board under this paragraph shall be based on efficiency of state  
29 government without reducing unnecessarily the numbers and classifica-

1 tions of state employees in Juneau.

2 (c) The plan, estimates of costs, and recommendations prepared  
3 under (b) of this section shall be presented to the legislature by  
4 April 15, 1982, and shall also be presented to the governor and made  
5 available to the public by appropriate means.

6 (d) If the ballot proposition provided for in this section is  
7 approved by a majority of the votes cast on the question, an amount  
8 equal to the estimate of true costs plus the amount equal to adjust-  
9 ments under AS 44.07.111(d) including the board's estimate of proceeds  
10 of sale or lease of lands in the new capital site through 1992 may be  
11 expended through 1992 to relocate the capital. If the ballot proposi-  
12 tion is rejected by a majority of those voting on the proposition, the  
13 Capital Relocation Initiative (AS 44.06.100 - 44.06.190), the 'FRANK  
14 Initiative' as amended (AS 44.06.195, 44.06.196), the laws establish-  
15 ing the New Capital Site Planning Commission (AS 44.06.200 - 44.06.260),  
16 the laws establishing the Alaska Capital City Development Corporation  
17 (AS 44.07) and the Relocation Indemnification Act (AS 44.08) are  
18 repealed.

19 (e) In this section

20 (1) "board" means the Alaska Capital Planning Board, a  
21 special board which shall be concerned only with planning, design,  
22 studies, field investigations and related activities and which shall  
23 constitute the governing body of the Alaska Capital City Development  
24 Corporation, AS 44.07, during the transitional period through the date  
25 on which the director of elections certifies the results of the 1982  
26 general election;

27 (2) "central state employees" means employees principally  
28 involved in matters which concern statewide activities of the state  
29 government rather than regional or local activities of the state

1 government;

2 (3) "functional state capital" means a city which has the  
3 public buildings, public utilities, access roads, streets, and other  
4 public facilities necessary for a seat of state government to accommo-  
5 date the executive and legislative branches of state government, with  
6 numbers and classifications of central state employees to be relocated  
7 based on efficiency of state government without reducing unnecessarily  
8 the numbers and classifications of state employees in Juneau;

9 (4) "true costs of relocation to the state" means the amount  
10 of state expenditures for relocation required under AS 44.07.111(c)  
11 over and above the adjustments under AS 44.07.111(d) including the  
12 estimated proceeds through 1992 from sale or lease of lands in the new  
13 capital site.

14 \* Sec. 2. AS 44.07 is amended by adding new sections to read:

15 ARTICLE 1. ESTABLISHMENT OF CORPORATION; POWERS.

16 Sec. 44.07.011. ALASKA CAPITAL CITY DEVELOPMENT CORPORATION.

17 There is established the Alaska Capital City Development Corporation.  
18 The corporation is a public corporation and governmental instrumental-  
19 ity of the state in the Department of Commerce and Economic Develop-  
20 ment, but has a legal existence independent of and separate from the  
21 state. The exercise by the corporation of the powers conferred by this  
22 chapter is considered an essential governmental function of the state.

23 Sec. 44.07.021. GOVERNING BODY; ALASKA CAPITAL PLANNING BOARD  
24 CONSTITUTED. The corporation is governed by a board which consists of  
25 11 members appointed as follows:

26 (1) During the transitional period, the board consists of  
27 the following members who shall constitute the Alaska Capital Planning  
28 Board:

29 (A) five ex officio members, including the commissioner

1 of commerce and economic development, the mayor of the Matanuska-  
2 Susitna Borough, the mayor of the City and Borough of Juneau, the  
3 mayor of the Fairbanks North Star Borough, and the mayor of the  
4 Municipality of Anchorage;

5 (B) persons appointed by the governor under AS 44.06.-  
6 210(a)(1), (2) and (5) who, on May 1, 1981, were physically present  
7 in the state and were members of the New Capital Site Planning  
8 Commission (AS 44.06.200 - 44.06.260);

9 (C) an additional number of members, appointed by the  
10 governor, required to bring the membership of the board to a total  
11 of 11; the directors appointed under this subparagraph shall  
12 include, insofar as the number of appointments to be made permits,

13 (i) a civil engineer registered in Alaska;

14 (ii) a person who is a resident of an unorganized  
15 borough or other rural area of Alaska.

16 (2) After the transitional period, the board consists of the  
17 following members:

18 (A) the commissioner of commerce and economic develop-  
19 ment;

20 (B) the mayor of the Matanuska-Susitna Borough;

21 (C) the mayor of the City and Borough of Juneau;

22 (D) the mayor of the Fairbanks North Star Borough;

23 (E) the mayor of the Municipality of Anchorage;

24 (F) the mayor of the new capital city, except that,  
25 until a mayor of the new capital city has been elected by the  
26 voters of the city, the governor shall appoint a person who is a  
27 resident of the election district in which the new capital site at  
28 Willow is located to serve as a director; and

29 (G) five persons appointed by the governor and con-

1           firmed by a majority of the members of the legislature in joint  
2           session, including

3                   (i) a civil engineer registered in Alaska who has  
4                   extensive experience in the state;

5                   (ii) a person who is a resident of an unorganized  
6                   borough or other rural area of Alaska; and

7                   (iii) three other persons.

8           (3) Board members shall be appointed with due regard to  
9           their experience in subjects relevant to public and private planning,  
10           development, finance, and marketing and with due regard for the general  
11           public interest. A board member shall be a resident and qualified  
12           voter of the state. A board member appointed by the governor may not  
13           be a full-time elected or appointed official or employee of the state  
14           or of a municipality. A state legislator may not be appointed or serve  
15           as a board member.

16                   (4) An ex officio board member serving under (1)(A) or  
17                   (2)(A) - (F) of this section may designate a person to serve in the  
18                   director's place. A person designated to serve under this paragraph  
19                   must meet the qualifications for appointment of (3) of this section.

20                   (5) A board member who serves during the transitional period  
21                   may be appointed to serve after the transitional period.

22           Sec. 44.07.031. TERM OF OFFICE. (a) A board member appointed to  
23           serve during the transitional period serves until the end of the trans-  
24           itional period.

25                   (b) After the transitional period, board members appointed under  
26                   AS 44.07.021(2)(F) and (G) serve for terms of four years.

27                   (c) A person appointed to a vacancy shall hold office for the  
28                   balance of the term for which his predecessor on the board was ap-  
29                   pointed.



1           Sec. 44.07.041. BOARD ORGANIZATION AND QUORUM. (a) The board  
2 shall elect a chairman and a vice-chairman from among its members.

3           (b) Unless otherwise specifically required by this chapter, a  
4 majority of the board members of the corporation constitutes a quorum  
5 for the transaction of business and the exercise of the powers and  
6 duties of the board.

7           (c) A vacancy on the board does not impair the authority of a  
8 quorum of the board to exercise the powers and perform all the duties  
9 of the board.

10          Sec. 44.07.051. COMPENSATION. A board member other than a state  
11 employee is entitled to receive \$200 per day for each meeting day if  
12 the board member attends a meeting of the board. A board member is  
13 entitled to per diem and travel allowances as provided by law for a  
14 member of a state board or commission.

15          Sec. 44.07.061. EMPLOYMENT OF PERSONNEL. (a) The board shall  
16 appoint and determine the salary of an executive director. The execu-  
17 tive director is the chief executive officer of the corporation, and  
18 serves at the pleasure of the board. The executive director may not be  
19 a member of the board.

20          (b) The board may appoint and determine the salary of other  
21 officers specified in the bylaws of the corporation. The officers  
22 appointed shall have the powers and duties set out in the bylaws.

23          (c) The executive director

24               (1) may employ additional staff in accordance with regula-  
25 tions adopted by the board and with the approval of the board; and

26               (2) may retain the services of other persons which he con-  
27 sidered necessary or appropriate to carry out the purposes of the  
28 corporation.

29          (d) Officers and employees of the corporation are in the exempt



1 service under AS 39.25.

2 (e) Unless the board determines that compliance with AS 36.10.010  
3 would impede or delay the scheduled preparation or implementation of a  
4 development plan, consultants or contractors hired by the board shall  
5 be hired in accordance with AS 36.10.010.

6 Sec. 44.07.071. OTHER EMPLOYMENT OF DIRECTORS PERMITTED. Except  
7 as provided in AS 44.07.021(3), a board member may hold any position of  
8 public or private employment while serving on the board.

9 Sec. 44.07.081. MEETINGS. (a) Meetings of the board are governed  
10 by the provisions of AS 44.62.310 and 44.62.312.

11 (b) The board shall establish procedures for newspaper publica-  
12 tion and other notice of all meetings sufficient to inform the public  
13 adequately of the subject matter proposed to be acted on, and shall  
14 establish procedures for public participation at its meetings.

15 (c) The corporation may establish procedures for meeting by  
16 simultaneous telephone communication to take necessary action when, in  
17 the judgment of the chairman, weather or other conditions make a  
18 meeting in person difficult or impossible to conduct. A meeting  
19 conducted in accordance with procedures established under this sub-  
20 section has the same legal force and effect as a meeting in person.

21 Sec. 44.07.091. REGULATIONS. (a) The board may adopt, amend,  
22 and repeal regulations in accordance with AS 44.62.

23 (b) The board shall file copies of the regulations in the office  
24 of the lieutenant governor within 10 days following any action taken on  
25 the regulations, and shall make available to the public copies of its  
26 regulations.

27 (c) The adoption, amendment, or repeal of regulations by the  
28 board is subject to review in accordance with AS 24.20.400 - 24.20.460  
29 and AS 44.62.320.

1           Sec. 44.07.101. POWERS OF THE CORPORATION. In addition to other  
2 powers granted by AS 44.06.196 and this chapter, and for the purpose of  
3 providing for the development of the new capital site, the corporation  
4 may

5           (1) sue and be sued;

6           (2) adopt and alter an official seal;

7           (3) adopt, amend, or repeal bylaws and procedures for the  
8 development of its programs, operations, properties, and facilities;

9           (4) enter into contracts necessary or convenient for the  
10 exercise of its powers under this chapter;

11           (5) acquire, hold, use, lease, mortgage, sell, or otherwise  
12 encumber or dispose of property of any kind, real, personal or mixed,  
13 or any interest in it in the new capital site at Willow;

14           (6) establish terms and conditions for the acquisition or  
15 disposal of its property;

16           (7) prepare or contract for the preparation of studies,  
17 analyses, specifications, designs, and estimates of cost for the con-  
18 struction, development, reconstruction or improvement of any property  
19 in the new capital site at Willow;

20           (8) manage or contract for the management of all or part of  
21 a development program or programs in the new capital site at Willow;

22           (9) build and maintain streets and other public  
23 rights-of-way and provide for facilities or services in connection with  
24 a development program;

25           (10) charge and collect fees and charges for the use of  
26 facilities or services, and cause the fees and charges to become a lien  
27 on and run with the land, and bind all future owners of the land by  
28 means of covenants affecting the property which are recorded in the  
29 appropriate recording district; the covenants may provide that taxes

1 imposed by a municipality can be credited against the fees and charges  
2 to the extent and upon any terms that are set out in the covenants;

3 (11) adopt or impose land use and building restrictions,  
4 architectural, design, and land use controls on real property owned by  
5 the corporation through covenants, declarations, or otherwise in fur-  
6 therance of the purpose of this chapter; include the restrictions or  
7 controls in contracts, conveyances and agreements; and cause the  
8 restrictions and controls, covenants, or declarations to run with the  
9 land and bind all future owners of the land by filing them for record  
10 in the appropriate recording district, subject to AS 29.18.580;

11 (12) plan, finance, develop, acquire, construct, reconstruct,  
12 improve, operate, maintain, sell, or otherwise dispose of structures,  
13 appurtenances, systems, and facilities in the new capital site at  
14 Willow under contractual or other arrangements in connection with any  
15 specific development plan, or with the purposes of this chapter;

16 (13) survey the real property in the new capital site at  
17 Willow; undertake geological, environmental, and other similar studies  
18 and analyses of the property; and gather and disseminate all relevant  
19 information pertaining to the suitability of any portion of the new  
20 capital site at Willow for various land uses;

21 (14) make contracts, incur liabilities, and borrow money from  
22 the capital city revolving loan fund, and through general obligation  
23 bonds and revenue bonds issued on behalf of the corporation by the  
24 state bond committee;

25 (15) obtain insurance or bond against any losses as it con-  
26 sidered desirable; a bond or insurance coverage secured under this para-  
27 graph shall be obtained from insurers authorized to do business in the  
28 state;

29 (16) accept gifts or grants from any source, subject to

1 AS 37.07;

2 (17) enter into agreements with any public agency to carry  
3 out the purposes of this chapter;

4 (18) enter into agreements to pay annual sums in place of  
5 taxes to a municipality for real property which is owned by the corpo-  
6 ration and which is exempt from taxation under this chapter; and

7 (19) do any and all things necessary and proper to carry out  
8 the purposes of this chapter and exercise the powers granted in this  
9 chapter.

10 ARTICLE 2. CAPITAL CITY DEVELOPMENT PLANS, PROPERTY,  
11 MUNICIPAL AGREEMENTS AND CONTRACTS.

12 Sec. 44.07.111. BASIC DEVELOPMENT PLAN AND ESTIMATES OF COSTS.

13 (a) The corporation shall prepare a basic development plan for the  
14 establishment of a functional state capital in the new capital site at  
15 Willow. The basic development plan shall be prepared to meet the  
16 requirements of AS 44.06.196 and of this section. The basic develop-  
17 ment plan may use the basic data, studies, and investigations of the  
18 New Capital Site Planning Commission (AS 44.06.200) which the board  
19 considers appropriate, but the board is not bound by the limitations of  
20 and requirements for planning specified in AS 44.06.230, except as  
21 provided in (e) of this section.

22 (b) The corporation shall determine

23 (1) the relocation completion date, which is the earliest  
24 practical date not later than December 31, 1990, by which a functional  
25 state capital can be established in the new capital site at Willow;

26 (2) the number of state employees estimated to be at the new  
27 capital site by the relocation completion date, including those likely  
28 to have been relocated, and the increase in the number of state em-  
29 ployees attributable to growth in state government by that date; the

1 number of state employees estimated to be at the new capital site by  
2 the relocation completion date shall be determined by a projection to  
3 the relocation completion date of the average rate of growth in the  
4 number of central state employees for the five years preceding the date  
5 of the estimate, with necessary adjustments based on

6 (A) classifications of central state employees, if any,  
7 who are not likely to be relocated;

8 (B) any unusual growth or decline in growth caused by  
9 special circumstances; and

10 (3) the population estimated to be at the new capital site  
11 by the relocation completion date, and through 1992, based on  
12 conventional demographic methodology.

13 (c) In accordance with the requirements of this subsection and  
14 the requirements of (d) of this subsection, the corporation shall  
15 estimate the true costs of relocation to the state which are those  
16 costs to the state which would not be incurred but for the relocation  
17 of the capital, through the relocation completion date and through the  
18 year 1992. Estimates of cost shall be made in the light of financial  
19 conditions at the time the estimates are prepared but shall give due  
20 consideration to the rates of inflation in the construction industry  
21 and in other relevant areas of the economy over the past ten years. In  
22 estimating true costs, the corporation shall determine the expenditures  
23 by the state necessary for

24 (1) provision of the public facilities which will be required  
25 through the relocation completion date and through 1992 for establish-  
26 ment of a functional state capital in the new capital site at Willow;

27 (2) moving the necessary personnel and offices to the new  
28 capital site at Willow;

29 (3) paying necessary costs of indemnification under AS 44.08;

1 and

2 (4) adding additional costs, if any, of items (2) and (3) of  
3 this section between the relocation completion date and 1992.

4 (d) The true cost of relocation to the state shall be determined  
5 by deducting necessary adjustments from the total expenditures  
6 determined under (c) of this section. For purposes of this subsection,  
7 necessary adjustments include the estimated revenues to be derived  
8 through 1992 from the sale or lease of lands in the new capital site  
9 which are to be transferred to the corporation under AS 44.07.181; but  
10 the corporation shall make projections of revenues likely to be  
11 received from such sales and leases through the year 2000. The  
12 estimate of true costs shall also include any adjustments necessary to  
13 reflect actual savings to the state, if any, which will result if the  
14 capital is relocated by 1992.

15 (e) The basic development plan shall be subject to public input  
16 during its formulation. After completion of the plan, the Board shall  
17 make public presentations of it throughout the state. To the extent  
18 that they are consistent with the guidelines provided in AS 44.06.196  
19 and this section, the provisions of AS 44.06.230 (b), (c), (d), (f)  
20 excluding "life cycle costing including operations and maintenance  
21 costs", (h), (i) and (k) relating to planning by the New Capital Site  
22 Planning Commission, shall be applicable to preparation of the basic  
23 development plan.

24 (f) The studies and determinations of the corporation under this  
25 section and under AS 44.06.196 are subject to continuing review by the  
26 Capital City Development Oversight Committee to ensure compliance with  
27 the provisions of AS 44.06.196 and of this section, and to ensure that  
28 the estimates of cost are prepared on a reasonable and realistic basis.

29 (g) Until a majority of those voting on the proposition at the



1 1982 general election have approved the ballot proposition provided for  
2 in AS 44.06.196, activities of the corporation relating to relocation  
3 of the capital to the Willow site are limited to planning, design,  
4 studies, and field investigations under this section and AS 44.07.121 -  
5 44.07.131. The procedural requirements of AS 44.07.121 and 44.07.131  
6 for the preparation of a general development plan and for specific  
7 development plans do not apply to the preparation of the basic develop-  
8 ment plan.

9 Sec. 44.07.121. GENERAL DEVELOPMENT PLAN. (a) Simultaneously  
10 with work on the basic development plan, the corporation shall begin  
11 preparation of a general development plan and preparation of a specific  
12 development plan for the new capital site at Willow. The requirements  
13 of AS 44.06.196 and AS 44.07.111 apply to the general development plan  
14 and the specific development plan for the new capital site. The  
15 general development plan shall include, but is not limited to,

16 (1) a determination of the proposed uses of land throughout  
17 the entirety of the new capital site at Willow, with a general alloca-  
18 tion of projected amounts and proportions of land to be devoted to  
19 governmental, residential, commercial, industrial, institutional, and  
20 public uses, and indicating the anticipated population and building  
21 densities for the new capital site at Willow based on the proposed uses  
22 of the land;

23 (2) a determination of the projected cost, number, nature,  
24 and general locations of facilities, including but not limited to  
25 governmental and institutional facilities relating to use of the site  
26 as the new capital of the state, public transportation and major  
27 arterial street systems, parks and recreational facilities, water,  
28 sewer and drainage systems, electric, telephone and other energy or  
29 ~~communications~~ systems or utilities, and health, educational and



1 community facilities, and a statement of the approximate time by which  
2 the facilities described in this paragraph are to be provided;

3 (3) the approximate projected time schedule for the stages  
4 of development of the new capital site at Willow with reference to both  
5 the various parts of the new capital site and to the various types or  
6 categories of land uses proposed;

7 (4) the projected means of financing of the facilities  
8 described in (2) of this subsection, the anticipated sources of money  
9 for completion of the facilities, the times at which the money shall be  
10 provided, and the means by which borrowed money required to complete  
11 the facilities shall be repaid; and

12 (5) any additional statements or documentation the corpora-  
13 tion considers necessary or appropriate.

14 (b) The general development plan shall include a determination of

15 (1) the minimum acreage of land to be allocated for the  
16 location and construction of state offices and related state facilities  
17 necessary for a functional state capital, with adequate provision for  
18 future growth; and

19 (2) the minimum acreage of land to be set aside and allocated  
20 for parks, lakes, recreation and open space use, which, when developed,  
21 shall be accessible to the general public for its use and enjoyment.

22 (c) The corporation shall hold at least one hearing in each  
23 judicial district of the state to receive comments from interested  
24 parties on the general development plan proposed by the corporation.  
25 Each hearing shall be held in a community of the state selected by the  
26 board. Public notice of a hearing under this subsection shall be given  
27 by the board by publication in a newspaper of general circulation in  
28 the community.

29 (d) Following the completion of public hearings, the board shall

1 approve the general development plan. The plan may be approved with or  
2 without amendment. The general development plan shall be approved by  
3 at least two-thirds vote of the full membership of the board upon a  
4 finding that the plan is in accordance with and furthers the purposes  
5 of this chapter. The general development plan shall be submitted by  
6 the board to the assembly of the Matanuska-Susitna Borough and becomes  
7 effective only after review and comment by the assembly. The assembly  
8 shall submit its comments on the general development plan to the board  
9 not later than 60 days after submission of the plan to the assembly.

10 (e) Major amendments to the general development plan may be made  
11 in accordance with the same procedure set out in this section for  
12 approval of the plan. Minor amendments of limited application may be  
13 made without following the procedure of this section. However, when  
14 adopting a minor amendment, the board shall publish notice of the  
15 proposed amendment which it considers appropriate and shall invite  
16 written comments on the proposed amendment before its adoption. An  
17 amendment to the general development plan becomes effective on the date  
18 the corporation determines. However, a major amendment may not become  
19 effective without prior review and comment by the Matanuska-Susitna  
20 Borough in accordance with (d) of this section.

21 Sec. 44.07.131. SPECIFIC DEVELOPMENT PLANS. (a) The corporation  
22 shall prepare one or more specific development plans for the new capital  
23 site at Willow. A specific development plan shall include, but is not  
24 limited to,

- 25 (1) a description of the area to be developed;
- 26 (2) a detailed and specific statement of the proposed uses  
27 in the area to be developed, including proposed locations of all build-  
28 ings and structures;
- 29 (3) a general description of the land-use restrictions or

1 covenants proposed for the area to be developed;

2 (4) a map of the existing and proposed transportation and  
3 utility systems in the area to be developed;

4 (5) a statement of the methods by which the property in the  
5 area to be developed may be disposed of;

6 (6) a statement of the relationship between the specific  
7 development plan and the general development plan; and

8 (7) any additional statements or documentation which the  
9 board considers necessary or appropriate.

10 (b) A specific development plan shall be approved by the board.  
11 A specific development plan becomes effective only after review and  
12 comment by the assembly of the Matanuska-Susitna Borough. The assembly  
13 shall submit its comments within 60 days of submission of the plan to  
14 the assembly.

15 (c) Amendments to a specific development plan may be made accord-  
16 ing to the procedure established in this section for approval of a  
17 specific development plan.

18 (d) A specific development plan and amendments of a specific  
19 development plan shall be recorded in the appropriate recording district.

20 (e) A specific development plan constitutes the controlling  
21 document and land use plan for the area to be developed.

22 (f) Approval of a specific development plan is an amendment to  
23 the relevant portion of the general development plan. A specific  
24 development plan which constitutes a substantial change from the  
25 general development plan is subject to the provisions applicable to  
26 amendments to the general development plan under AS 44.07.121(d) and  
27 (e).

28 Sec. 44.07.141. CAPITAL COORDINATING COMMITTEE. (a) The Capital  
29 Coordinating Committee is established. The Capital Coordinating Com-

1 mittee consists of the commissioners of transportation and public  
2 facilities, public safety, health and social services, environmental  
3 conservation, natural resources, fish and game, labor, commerce and  
4 economic development, community and regional affairs, and a representa-  
5 tive of the Office of the Governor.

6 (b) The chairman of the Capital Coordinating Committee is the  
7 commissioner of transportation and public facilities.

8 (c) The Capital Coordinating Committee shall ensure that a  
9 request for information or an application for permit which is made by  
10 the corporation as required by law or regulation or by municipal  
11 ordinance is processed expeditiously.

12 (d) The corporation, or the Capital Coordinating Committee and  
13 the corporation acting jointly, may propose to the governor any  
14 revision of procedures, laws, or regulations which it or they believe  
15 are necessary to expedite the corporation's work.

16 Sec. 44.07.151. RELATIONSHIP OF CORPORATION, STATE, AND MUNICI-  
17 PALITIES. (a) In carrying out the purposes of this chapter, the  
18 corporation shall work closely with and consult and cooperate with the  
19 state, the Matanuska-Susitna Borough, and the new capital city, and  
20 their departments, agencies, or instrumentalities.

21 (b) All state agencies and all municipalities may give the corpo-  
22 ration any assistance which the agencies and municipalities are em-  
23 powered to give, and may enter into agreements with the corporation.  
24 When the board requests, a governmental entity may loan to the corpora-  
25 tion an officer or employee of the governmental entity which the board  
26 considers necessary to assist it in carrying out its functions and  
27 duties under this chapter. An officer or employee loaned to the board  
28 retains the status and rights of a public employee and is compensated  
29 by the governmental entity which employs the officer or employee. The

1 governmental entity may continue to exercise all of its rights as the  
2 employer of the employee loaned to the corporation.

3 (c) The corporation may enter into agreements with the new capital  
4 city which provide that the new capital city furnish municipal services  
5 for the new capital site.

6 (d) In implementing a development plan, the corporation may enter  
7 into agreements with any public agency by which the public agency shall  
8 furnish facilities or services necessary or desirable for the develop-  
9 ment plan.

10 (e) The corporation, on its own behalf or in its own name on  
11 behalf of any person performing work in connection with the general  
12 development plan or a specific development plan, may, if it considers  
13 it desirable, develop and maintain a facility procurement process  
14 schedule. The facility procurement process schedule shall identify the  
15 dates by which reviews and approvals by state agencies and issuance of  
16 necessary permits must be completed in order to allow work to proceed  
17 in accordance with the general development plan.

18 (f) The corporation may submit the facility procurement process  
19 schedule maintained under (e) of this section to the Capital Coordinat-  
20 ing Committee.

21 Sec. 44.07.161. ACQUISITION OF REAL PROPERTY. If the corporation  
22 finds that it is necessary or convenient to acquire real property, or  
23 an interest in it, located inside or outside of the new capital site at  
24 Willow for the purpose of providing water, sewer, road, airport, or  
25 other utility or facility for the new capital site at Willow for its  
26 immediate or future use, the corporation may request the state, acting  
27 on behalf of the corporation, to acquire the property in any lawful  
28 manner including the exercise of the power of eminent domain.

29 Sec. 44.07.171. CAPITAL CITY REVOLVING LOAN FUND. (a) There is

1 established in the Department of Revenue the capital city revolving  
2 loan fund. The fund shall be financed by appropriation.

3 (b) The commissioner of revenue may make loans from the capital  
4 city revolving loan fund to the corporation to plan for and develop the  
5 new capital site at Willow. Loans made from the capital city revolving  
6 loan fund shall be subject to the terms and conditions agreed upon  
7 between the commissioner of revenue and the corporation.

8 (c) By the 14th day of each legislative session the commissioner  
9 of revenue and the corporation shall provide a joint report to the  
10 legislature and to the governor. The report shall include a summary of  
11 the loans made from the capital city revolving loan fund during the  
12 previous year and the anticipated money necessary for operations of the  
13 corporation in the next year.

14 (d) The corporation may also be financed by direct appropriation  
15 from the legislature.

16 Sec. 44.07.181. DISPOSITION OF PROPERTY. (a) The corporation  
17 shall adopt regulations for the sale, lease, or other disposal of  
18 property under this chapter. After adoption of regulations and of one  
19 or more specific development plans, the corporation may sell, lease, or  
20 otherwise dispose of all or a portion of the property encompassed by  
21 the plans to any person, either public or private, upon the terms and  
22 conditions it determines. The corporation may sell, lease, or dispose  
23 of land under this section only if the board specifically finds that  
24 the terms and conditions of the sale, lease, or other disposal arrange-  
25 ment are in substantial conformity with the specific development plan  
26 or plans. Before the sale, lease, or other disposal of property by the  
27 corporation, public notice of the intention of the corporation to  
28 sell, lease, or dispose of land shall be given by publication of a  
29 general description of the terms at least 30 days before the proposed



1 sale, lease, or disposal in a newspaper of general circulation in each  
2 judicial district of the state, by public service announcements provided  
3 to newspapers and radio and television stations in each judicial district  
4 of the state, and by other publication and notice which the board finds  
5 is reasonable and appropriate to inform the public of the proposed  
6 sale, lease, or disposal.

7 (b) A sale, lease, or disposal under a negotiated contract shall  
8 contain terms the corporation determines to be necessary and proper for  
9 the implementation of a specific development plan if

10 (1) public notice is given in accordance with (a) of this  
11 section; and

12 (2) reasons for the waiver of public bidding and public sale  
13 are approved by the board and are filed at least 10 days before the  
14 sale with the commissioner of commerce and economic development.

15 (c) The real property in the new capital site at Willow is not  
16 subject to the provisions of the Alaska Land Act (AS 38.05) or the  
17 homesite entry provisions of AS 38.08.010 - 38.08.120.

18 Sec. 44.07.191. TRANSFER OF STATE-OWNED REAL PROPERTY. If a  
19 majority of those voting on the proposition in the 1982 general election  
20 approve the ballot proposition as provided in AS 44.06.196, the commis-  
21 sioner of natural resources and any other state official having juris-  
22 diction over the conveyance or transfer of state-owned land shall,  
23 within 60 days after the written request of the chairman of the corpora-  
24 tion, convey to the corporation all of the state land, including land  
25 under water, lying within the new capital site at Willow. The transfer  
26 and conveyance shall contain reservations required by federal law and  
27 the state constitution.

28 Sec. 44.07.201. AUDIT OF THE CORPORATION BY LEGISLATIVE AUDITOR  
29 AND LEGISLATIVE BUDGET AND AUDIT COMMITTEE. The legislative auditor



1 may examine all the accounts and books of the corporation and all other  
2 records and papers relating to its financial standing. The Legislative  
3 Budget and Audit Committee shall conduct an examination at least once  
4 every two years. However, the Legislative Budget and Audit Committee  
5 may accept an independent audit of the corporation by a certified  
6 public accountant made at the request of the corporation in satisfac-  
7 tion of the examination.

8 Sec. 44.07.211. TAX EXEMPTION. The corporation is a political  
9 subdivision of the state. The assets, income, and receipts are exempt  
10 from all taxes and special assessments of the state or a political  
11 subdivision of the state. The interests of others in real or personal  
12 property of the corporation is taxable by the Matanuska-Susitna Borough  
13 and the new capital city to the extent authorized by law.

14 ARTICLE 3. CAPITAL CITY DEVELOPMENT OVERSIGHT COMMITTEE.

15 Sec. 44.07.221. CAPITAL CITY DEVELOPMENT OVERSIGHT COMMITTEE.  
16 The Capital City Development Oversight Committee is established as a  
17 permanent interim committee of the legislature. The establishment of  
18 the committee recognizes the need of the legislature for review and  
19 oversight of the planning and development of the new capital city.

20 Sec. 44.07.231. MEMBERSHIP. The committee is composed of eight  
21 members, including the president of the senate, the speaker of the  
22 house of representatives, one chairman of the senate finance committee  
23 chosen by the president of the senate, the chairman of the house finance  
24 committee, two members of the house of representatives appointed by the  
25 speaker of the house, and two members of the senate appointed by the  
26 president of the senate. The membership from each house must include a  
27 legislator who represents a district which includes the new capital  
28 site. The committee shall select its chairman.

29 Sec. 44.07.241. TERM OF MEMBERSHIP. (a) The committee shall be

1 organized within 15 days after the organization of each legislature.  
2 Members of the committee serve for the duration of the legislature  
3 during which they are appointed. If a member is reelected or his term  
4 of office extends into the next succeeding legislature, he continues to  
5 serve until reappointed or the appointment of his successor.

6 (b) When a member of the committee files a declaration of candi-  
7 dacy for an elective office other than that of member of either house  
8 of the legislature, and he has not resigned from membership on the  
9 committee, his committee membership terminates on the date of filing.

10 Sec. 44.07.251. VACANCIES. When a vacancy occurs in the statutory  
11 or appointive membership of the committee, the presiding officer of the  
12 house incurring the vacancy shall choose a successor. If the office of  
13 the president of the senate or speaker of the house of representatives  
14 becomes vacant and a vacancy from the affected house occurs among the  
15 membership of the committee, the remaining committee members from the  
16 house incurring the vacancy shall appoint a new member.

17 Sec. 44.07.261. MEETINGS. The committee may meet during sessions  
18 of the legislature and during the interim between sessions. The com-  
19 mittee may meet at any time or place in the state as the chairman may  
20 determine. Members of the committee may receive, for the minimum time  
21 required to get to and from meetings and for the period while attending  
22 meetings, the same travel and per diem allowances provided by law for  
23 members of the legislature when attending sessions, except that members  
24 of the committee receive no per diem during legislative sessions other  
25 than the per diem allowance paid to other members of the legislature.

26 Sec. 44.07.271. POWERS. In addition to its powers and duties  
27 under AS 44.07.111, the committee may

- 28 (1) organize and adopt rules for the conduct of its business;  
29 (2) hold public hearings;

1 (3) require all state officials and agencies of state govern-  
2 ment to give full cooperation to the committee or its staff in assem-  
3 bling and furnishing requested information;

4 (4) prepare and distribute reports, memoranda, or other  
5 materials;

6 (5) review all reports of the corporation and of the Legis-  
7 lative Budget and Audit Committee relating to the corporation; and

8 (6) make recommendations to the legislature for legislative  
9 action relating to the relocation, planning, and development of a  
10 functional state capital in the new capital site at Willow.

11 Sec. 44.07.281. STAFF. The legislative finance division shall  
12 provide reports and analyses requested by the committee. The committee  
13 may hire the staff it considers necessary within the limit of the  
14 budget approved by the legislature.

15 Sec. 44.07.291. DUTIES. The committee shall submit an annual  
16 report to the legislature. The report shall include any considerations  
17 the committee considers relevant to the planning and development of a  
18 functional state capital in the new capital site at Willow and to the  
19 performance of the corporation.

20 ARTICLE 4. GENERAL PROVISIONS.

21 Sec. 44.07.301. EXECUTIVE BUDGET ACT. The corporation is subject  
22 to the provisions of the Executive Budget Act (AS 37.07).

23 Sec. 44.07.311. ANNUAL BUDGET. The board shall review and approve,  
24 by a two-thirds vote of members of the board, the annual operational  
25 and capital program and budget for the corporation and may, by two-thirds  
26 vote and in accordance with AS 37.07, amend the program and budget.  
27 Corporate funds may not be expended or borrowed except in accordance  
28 with an approved annual operational or capital program and budget.  
29 Corporate funds may not be expended except in accordance with appropria-

1 tions.

2 Sec. 44.07.321. ANNUAL REPORT. The corporation shall submit to  
3 the governor and the Legislative Budget and Audit Committee, within  
4 three months after the end of each fiscal year of the corporation, a  
5 complete financial report audited by a certified public accountant or  
6 firm of certified public accountants, which shows

7 (1) the receipts and expenditures of the corporation during  
8 its fiscal year;

9 (2) the assets and liabilities of the corporation at the end  
10 of its fiscal year, including a schedule of leases and mortgages and  
11 the status of reserve, special, and other funds;

12 (3) the progress of fulfillment of the financial and  
13 economic projections contained in the general development and specific  
14 development plans; and

15 (4) the operations and accomplishments of the corporation  
16 and any material problems encountered in implementing the development  
17 plans.

18 Sec. 44.07.331. CONFLICTS OF INTEREST. (a) A director or  
19 employee of the corporation may not participate in any decision of the  
20 corporation in which the director or employee has a direct or indirect  
21 financial interest.

22 (b) The executive director of the corporation and the directors  
23 are subject to AS 39.50.

24 Sec. 44.07.341. LIMITATION OF LIABILITY. A person executing a  
25 note of the corporation is not liable personally on the obligation by  
26 reason of its issuance.

27 Sec. 44.07.351. TERMINATION OF THE CORPORATION. The corporation  
28 terminates on

29 (1) the date on which the legislature determines that the

1 general development plan has been substantially implemented; or

2 (2) on the day the director of elections certifies that a  
3 majority of those voting on the proposition in the 1982 general election  
4 has rejected the ballot proposition submitted to the voters in accor-  
5 dance with AS 44.06.196.

6 Sec. 44.07.500. DEFINITIONS. In this chapter, unless the context  
7 requires otherwise,

8 (1) "Alaska Capital Planning Board" means the board con-  
9 stituted under AS 44.07.021(1) which is concerned only with planning,  
10 design, studies, field investigations and related activities;

11 (2) "basic development plan" means the plan prepared in  
12 accordance with AS 44.07.111;

13 (3) "board" during the transitional period means the Alaska  
14 Capital Planning Board; thereafter it means the board of directors of  
15 the Alaska Capital City Development Corporation;

16 (4) "committee" means the Capital City Development Oversight  
17 Committee;

18 (5) "corporation" means the Alaska Capital City Development  
19 Corporation established by AS 44.07.011;

20 (6) "director" during the transitional period means a member  
21 of the Alaska Capital Planning Board; thereafter it means a member of  
22 the board of directors of the corporation;

23 (7) "facility" means any utility or infrastructure plant and  
24 any system or improvement, including roads and public transportation  
25 systems, parks and recreational facilities, water, sewer and drainage  
26 systems, electric, telephone and other energy or communications systems  
27 or utilities, and health, educational and community facilities;

28 (8) "functional state capital" means a city which has the  
29 public buildings, public utilities, access roads, streets, and other

1 public facilities necessary for a seat of state government to accommo-  
2 date the executive and legislative branches of state government, with  
3 numbers and classifications of central state employees to be relocated  
4 based on efficiency of state government without reducing unnecessarily  
5 the numbers and classifications of state employees in Juneau;

6 (9) "general development plan" means a general land use  
7 and land development plan for the new capital site at Willow prepared  
8 in accordance with AS 44.07.121;

9 (10) "municipality" means a home rule or general law city or  
10 borough including but not limited to the new capital city and a unified  
11 municipality organized under AS 29.68.240 - 29.68.440;

12 (11) "new capital city" means the new city organized or to  
13 be organized in the new capital site at Willow;

14 (12) "new capital site" or "new capital site at Willow"  
15 means the area of land designated by the voters of Alaska as the new  
16 capital site of the state in the 1976 general election;

17 (13) "public agency" means an officer, department, board,  
18 commission, bureau, division, public corporation, agency or instru-  
19 mentality of the state, the United States, or a municipality;

20 (14) "specific development plan" means a plan for the imple-  
21 mentation of a phase or segment of the general development plan;

22 (15) "transitional period" means the period between the  
23 effective date of this Act and the date on which the director of elec-  
24 tions certifies the results of the 1982 general election.

25 \* Sec. 3. AS 39.25.110 is amended by adding a new paragraph to read:

26 (26) officers and employees of the Capital City Development  
27 Corporation.

28 \* Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

29 (44) Capital City Development Corporation (AS 44.07.011).



1 \* Sec. 5. AS 44.62.330(a) is amended by adding a new paragraph to read:

2 (52) Capital City Development Corporation (AS 44.07.011).

3 \* Sec. 6. The following laws are repealed: AS 44.07.010, 44.07.020,

4 44.07.030, 44.07.040, 44.07.050, 44.07.060, 44.07.070, 44.07.080, 44.07.090,

5 44.07.100, 44.07.110, 44.07.120, 44.07.130, 44.07.140, 44.07.150, 44.07.160,

6 44.07.170, 44.07.180, 44.07.190, 44.07.200, 44.07.210, 44.07.220, 44.07.230,

7 44.07.240, 44.07.250, 44.07.260, 44.07.270, 44.07.280, 44.07.290, 44.07.300,

8 44.07.310, 44.07.320, 44.07.330, 44.07.340, 44.07.350, and 44.07.360.

9 \* Sec. 7. TERMS OF FIRST PERSONS APPOINTED AS MEMBERS OF THE BOARD OF  
10 DIRECTORS OF THE CAPITAL CITY DEVELOPMENT CORPORATION AFTER THE TRANSITIONAL  
11 PERIOD. The governor shall appoint the five members of the Board of Direc-  
12 tors of the Capital City Development Corporation under AS 44.07.021(2)(G)  
13 and the member to serve in place of the new capital city mayor under AS 44.-  
14 07.021(F) as follows:

15 (1) one member shall serve a term of one year;

16 (2) one member shall serve a term of two years;

17 (3) one member shall serve a term of three years;

18 (4) two members shall serve terms of four years; and

19 (5) the person appointed under AS 44.07.021(2)(F) shall

20 serve a term of two years.

21 \* Sec. 8. INITIAL MEETING OF BOARD OF DIRECTORS OF CAPITAL CITY DEVELOP-  
22 MENT CORPORATION. The first meeting of the Alaska Capital Planning Board  
23 shall be convened at a time and place designated by the governor, and shall  
24 be held not later than 15 days after all members of the board have been  
25 appointed by the governor.

26 \* Sec. 9. INITIAL MEETING OF CAPITAL CITY DEVELOPMENT OVERSIGHT COM-  
27 MITTEE. The first meeting of the Capital City Development Oversight Com-  
28 mittee shall be convened at a time and place jointly designated by the  
29 president of the senate and the speaker of the house on a date which is not



1 later than 15 days after the effective date of this Act.

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