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Referred: Transportation  
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1 IN THE SENATE

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2 SENATE BILL NO. 500

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 international airports."

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

8 \* Section 1. AS 02 is amended by adding a new chapter to read:

9 CHAPTER 17. INTERNATIONAL AIRPORTS.

10 ARTICLE 1. POLICY BOARD.

11 Sec. 02.17.010. POLICY BOARD ESTABLISHED. The International  
12 Airports Policy Board is established in the Department of Transporta-  
13 tion and Public Facilities.

14 Sec. 02.17.020. COMPOSITION AND COMPENSATION. (a) The board is  
15 composed of

16 (1) the chairman of the technical committee for the Anchorage  
17 International Airport;

18 (2) the chairman of the technical committee for the Fairbanks  
19 International Airport; and

20 (3) the commissioner of the department or his designee.

21 (b) Members of the board do not receive a salary but are entitled  
22 to per diem and travel expenses authorized by law for boards and commis-  
23 sions.

24 Sec. 02.17.030. POWERS AND DUTIES. (a) The board has the same  
25 powers and duties concerning policy and planning at international  
26 airports as the department has generally under AS 02.15.010 - 02.15.100.

27 (b) Each year the board shall prepare an operating budget and a  
28 long-range capital improvements program for each international airport.  
29 The board shall prepare an explanatory report to accompany the budget

1 and capital improvements program. The explanatory report shall summa-  
2 rize the recommended goals, plans, and appropriations for each inter-  
3 national airport and where appropriate, shall contain the detail re-  
4 quired under AS 37.07.060(b). The report shall also contain a state-  
5 ment of the operating revenues of each airport for the 10 years preced-  
6 ing the preparation of the report and a projection of income for each  
7 airport for the 10 years succeeding the preparation of the report. The  
8 budget, long-range capital improvements program, and accompanying  
9 report shall be submitted to the governor at least 60 days before the  
10 fourth legislative day following the convening of the legislature in  
11 regular session.

12 (c) The board is responsible for the investment and use of money  
13 in the International Airports Construction Fund (AS 37.15.420) and the  
14 International Airports Revenue Fund (AS 37.15.430).

15 (d) The board shall appoint the airport manager at an inter-  
16 national airport under AS 02.17.050 and review the operation of the  
17 airport by the manager.

18 Sec. 02.17.040. STAFF. The department shall provide the board  
19 with the personnel necessary for the board to carry out its responsi-  
20 bilities under AS 02.17.010 - 02.17.050.

21 Sec. 02.17.050. AIRPORT MANAGER. (a) The board shall employ the  
22 airport manager at an international airport based on an established  
23 list of qualifications prepared by the board.

24 (b) The airport manager at an international airport shall be an  
25 employee in the state classified service (AS 39.25.100)

26 ARTICLE 2. TECHNICAL COMMITTEES.

27 Sec. 02.17.060. CREATION. There is created in the department an  
28 international airport technical committee for each airport.

29 Sec. 02.17.070. COMPOSITION AND APPOINTMENT. (a) Each technical

1 committee is composed of the following members:

- 2 (1) the airport manager;
- 3 (2) a person representing the airport operator's council to  
4 be appointed by the council;
- 5 (3) a person appointed by the chamber of commerce of the  
6 municipality in which the airport is located;
- 7 (4) two members of the public who are not employees of the  
8 department or of a local government appointed by the mayor of the  
9 municipality in which the airport is located, except that the technical  
10 committee for the Fairbanks International Airport shall have one public  
11 member appointed by the mayor of the City of Fairbanks and one public  
12 member appointed by the mayor of the Fairbanks North Star Borough.

13 Sec. 02.17.080. TERMS AND COMPENSATION. (a) The four appointed  
14 members of a technical committee shall serve overlapping terms of four  
15 years.

16 (b) The members of a technical committee receive no salary but  
17 are entitled to per diem and travel expenses authorized by law for  
18 state boards and commissions.

19 Sec. 02.17.090. MEETINGS. A technical committee shall meet at  
20 least four times a year and shall conduct public hearings at least  
21 twice a year to obtain public comment on airport operations.

22 Sec. 02.17.100. DUTIES. The technical committees shall assist  
23 the board generally in the performance of its duties under AS 02.17.030  
24 and shall specifically make recommendations to the board on the follow-  
25 ing:

- 26 (1) operating hours of the airports;
- 27 (2) operating procedures of the airports;
- 28 (3) fees and charges at the airports;
- 29 (4) operating budget items; and

1 (5) capital improvements.

2 Sec. 02.17.110. STAFF. The department shall provide a technical  
3 committee with the personnel necessary for the technical committee to  
4 carry out its responsibilities under AS 02.17.060 - 02.17.110.

5 ARTICLE 3. GENERAL PROVISIONS.

6 Sec. 02.17.120. DEFINITIONS. In this chapter

7 (1) "airport" means the international airports owned and  
8 operated by the state and located at or near Anchorage and Fairbanks;

9 (2) "board" means the International Airports Policy Board;

10 (3) "department" means the Department of Transportation and  
11 Public Facilities;

12 (4) "technical committee" means one of the international  
13 airports technical committees.

14 \* Sec. 2. AS 24.20.271 is amended by adding a new paragraph to read:

15 (10) appoint an independent certified public accountant to  
16 perform an annual audit of the International Airports Revenue Fund  
17 under AS 37.15.435.

18 \* Sec. 3. AS 37.15.420 is amended by adding a new subsection to read:

19 (c) The International Airports Policy Board (AS 02.17.010) is  
20 responsible for the investment and use of money in the construction  
21 fund.

22 \* Sec. 4. AS 37.15.430 is amended by adding a new subsection to read:

23 (c) The International Airports Policy Board (AS 02.17.010) is  
24 responsible for the investment and use of money in the revenue fund.

25 \* Sec. 5. AS 37.15 is amended by adding a new section to read:

26 Sec. 37.15.435. AUDIT OF REVENUE FUND. (a) Within 120 days of  
27 the end of each fiscal year an independent certified public accountant  
28 appointed under AS 24.20.271(10) shall perform an annual audit of the  
29 International Airports Revenue Fund (AS 37.15.430). The cost of the

1 annual audit shall be paid from the revenue fund.

2 (b) The audit under this section shall be prepared according to  
3 generally recognized principles of governmental accounting and shall  
4 contain the following information for each airport:

5 (1) a statement of air carrier activity for each of the last  
6 10 fiscal years;

7 (2) a statement of revenues and expenditures for each of the  
8 last 10 fiscal years;

9 (3) a statement of air carrier landing fees billed in each  
10 of the last 10 fiscal year;

11 (4) a depreciation report on equipment and fixed assets;

12 (5) a schedule of equipment; and

13 (6) a status report on capital improvements completed during  
14 the preceding fiscal year, capital improvement projects underway, and  
15 capital improvements authorized but not started.

16 (c) In addition to the statements required under (b) of this  
17 section, a comparative analysis of rates at other similar airports  
18 shall be included in the audit.

19 (d) A copy of the audit prepared under this section shall be made  
20 available to the state bond committee.

21 \* Sec. 6. AS 37.15.500 is amended to read:

22 Sec. 37.15.500. AIRPORT CHARGES. (a) The International Air  
23 ports Policy Board [COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILI-  
24 TIES] shall fix and collect such fees, charges and rentals derived by  
25 the state from the ownership, lease, use and operation of the airports  
26 and all of the facilities and improvements of them or used in connec-  
27 tion with them as will provide revenues sufficient to comply with all  
28 of the covenants of the bond resolution.

29 (b) Leases of land and facilities at the airports shall be at

1 market value in the community in which the airport is located and shall  
2 contain provisions allowing an increase in payments under the leases  
3 because of inflation and other operating cost increases.

4 (c) In fixing the fees, charges, and rentals to be collected  
5 under (a) of this section, replacement, expansion, and improvement  
6 costs of facilities at the airports shall be considered.

7 \* Sec. 7. AS 37.15.510 is amended to read:

8 Sec. 37.15.510. STATE IMPROVEMENTS TO AIRPORTS. The state is  
9 authorized to acquire, equip, construct and install additions and  
10 improvements to and extensions of the airports, facilities for the  
11 landing, parking, loading, storing, repairing, safety and utility of  
12 aircraft at the airports and passenger, freight and terminal facili-  
13 ties, including safety equipment and devices at the airports, found to  
14 be necessary by the International Airports Policy Board [COMMISSIONER  
15 OF TRANSPORTATION AND PUBLIC FACILITIES].

16 \* Sec. 8. AS 37.15 is amended by adding a new section to read:

17 Sec. 37.15.535. APPROPRIATIONS. In addition to financing through  
18 revenue bonds as authorized under AS 37.15.410 - 37.15.540, the legis-  
19 lature may provide for the construction of facilities and purchase of  
20 equipment at an international airport by appropriation from the general  
21 fund or other fund created by the legislature.

22 \* Sec. 9. The provisions for employment of the airport manager at an  
23 international airport by the International Airports Policy Board under  
24 AS 02.17.050 in sec. 1 of this Act do not apply to a person who is an air-  
25 port manager on the effective date of this Act.

26 \* Sec. 10. The initial terms of the four appointed members of an inter-  
27 national airports technical committee established by sec. 1 of this Act  
28 shall be two years for the two public members, three years for the member  
29 representing the airport operator's council and four years for the member

1 representing the chamber of commerce.

2 \* Sec. 11. AS 37.15.420(b) and 37.15.430(b) are repealed.  
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