

Introduced: 1/18/83
Referred: Transportation
and Finance

1 IN THE HOUSE

BY CATO AND GRUSSENDORF

2 HOUSE BILL NO. 68

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST 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
10 authority for the operation, management, and planning and construction of
11 facilities for the marine highway system that is independent of the state
12 government. The authority shall be the exclusive state agency directly
13 associated with the operation, management, planning and construction of
14 facilities for the 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
21 the state in the Department of Transportation and Public Facilities
22 but has a legal existence independent of and separate from the state
23 and has continuing succession until its existence is terminated by
24 law.

25 Sec. 19.70.020. DIRECTORS. (a) The authority consists of seven
26 directors appointed by the governor as follows: a representative of
27 commercial carriers, a representative of the maritime industry, a
28 representative of the tourism industry, and four members of the public
29 representing regions served by the marine highway as follows: (1) two

1 members from region one (extending from Dixon entrance to Skagway);
2 (2) one member from region two (Kodiak Island); and (3) one member
3 from region three (Prince William Sound). The appointment of each
4 director is subject to confirmation by the legislature.

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

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

19 (d) The directors of the authority serve without compensation,
20 but are entitled to travel and per diem expenses as provided in
21 AS 39.20.180.

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

1 directorship of the authority does not impair the right of a quorum to
2 exercise all the powers and perform all the duties of the authority.

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

14 ARTICLE 2. POWERS AND DUTIES.

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

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

1 appurtenances the authority determines to be necessary or desirable
2 for safe and efficient operation of the ferry system so as to best
3 serve the public;

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

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

8 (10) modify routes, after public hearings.

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

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

17 ARTICLE 3. ACQUISITION OF PROPERTY.

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

29 Sec. 19.70.090. AUTHORITY TO PURCHASE PROPERTY FOR THE PURPOSE

1 OF EXCHANGE. When a majority of the directors of the authority de-
2 clares that it is in the best public interest of the state to do so,
3 the authority may acquire by purchase, gift, or exchange privately or
4 publicly owned land or an interest in it for the purpose of exchanging
5 it for privately or publicly owned land that the authority is author-
6 ized by law to acquire.

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

17 ARTICLE 4. FERRY TERMINAL FACILITIES.

18 Sec. 19.70.110. ACQUISITION AND MAINTENANCE OF FERRY TERMINAL
19 FACILITIES. The authority may construct, purchase, or lease ferry
20 terminal facilities at locations it selects for the loading and un-
21 loading of passengers and vehicles under their own power, on and off
22 ferries. The authority shall repair and maintain these facilities.

23 Sec. 19.70.120. CONNECTION OF FACILITIES TO HIGHWAYS. The
24 authority may connect ferry terminal facilities with local highway
25 systems.

26 Sec. 19.70.130. REGULATIONS. The authority may adopt rules and
27 regulations governing the use of ferry terminal facilities by the
28 public that it considers necessary and proper in the public interest.

29 Sec. 19.70.140. EXISTING FACILITIES NOT AFFECTED. A ferry

1 terminal facility in existence and serving the public on January 1,
2 1959, is not affected by AS 19.70.110 - 19.70.170.

3 ARTICLE 5. GENERAL PROVISIONS.

4 Sec. 19.70.150. ANNUAL REPORT. By January 15 of each year, the
5 authority shall submit to the governor and the legislature a compre-
6 hensive report describing the operations, income, and expenditures for
7 the preceding fiscal year.

8 Sec. 19.70.160. ANNUAL AUDIT. The authority shall have its
9 financial records audited annually by a certified public accountant.
10 The legislative auditor may prescribe the form and content of the
11 financial records of the authority and shall have access to those
12 records at any time.

13 Sec. 19.70.170. BUDGET AND APPROPRIATIONS. The authority shall
14 submit its annual budget to the legislature through the governor as
15 provided for state agencies by the Executive Budget Act (AS 37.07).
16 It may expend money directly appropriated by the legislature only as
17 authorized by the legislature.

18 Sec. 19.70.180. NAMING OF VESSEL OR FACILITY. (a) A vessel or
19 facility of the Alaska marine highway system constructed or acquired
20 by the authority under this chapter or AS 19.60 may be given a name
21 only by law.

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

23 (c) A vessel used principally on the inland waterways of the
24 state shall bear the name of an historical vessel that used the rivers
25 of the state.

26 Sec. 19.70.199. DEFINITIONS. In this chapter, unless the con-
27 text requires otherwise,

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

1 (2) "capital improvement" means a project for the construc-
2 tion, rehabilitation, rebuilding, enlarging, or improving of all or
3 any part of the marine highway system, including, without limitation,
4 boats, vessels, wharves, docks, approaches, landings, offices, and
5 appurtenances as determined by the authority to be necessary or desir-
6 able for efficient operation of the marine highway system and to best
7 serve the public;

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

10 Sec. 19.70.200. SHORT TITLE. This chapter may be cited as the
11 Alaska Marine Highway Authority Act.

12 * Sec. 3. AS 35.27 is amended by adding a new section to read:

13 Sec. 35.27.025. APPLICATION TO ALASKA MARINE HIGHWAY AUTHORITY.
14 The requirements of this chapter apply to the Alaska Marine Highway
15 Authority. Compliance with this chapter is the sole responsibility of
16 the authority with respect to the public buildings and facilities of
17 the authority.

18 * Sec. 4. AS 35.27.030(2) is amended to read:

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

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

22 (i) schools, office buildings, and court build-
23 ings;

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

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

28 (iv) transportation facilities which accommodate
29 traveling passengers;

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

2 * Sec. 5. AS 35.27.030 is amended by adding a new paragraph to read:

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

4 * Sec. 6. AS 39.50.200(b) is amended by adding a new paragraph to read:

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

6 * Sec. 7. 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 is not responsible for planning, design, construction, or mainte-

11 nance of transportation modes or facilities under the jurisdiction of

12 the Alaska Marine Highway Authority;

13 * Sec. 8. AS 44.42.020(a)(7) is amended to read:

14 (7) manage, operate, and maintain state transportation

15 facilities and all docks, floats, breakwaters and buildings, including

16 all state highways, vessels, railroads, pipelines, airports, and

17 aviation facilities, except that the department is not responsible for

18 management, operation, or maintenance of transportation facilities,

19 vessels, or equipment under the jurisdiction of the Alaska Marine

20 Highway Authority;

21 * Sec. 9. AS 19.60.010 - 19.60.070, and AS 19.65 are repealed.

22 * Sec. 10. APPOINTMENT OF FIRST DIRECTORS OF ALASKA MARINE HIGHWAY

23 AUTHORITY. The governor shall designate the terms of the 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.