

Introduced: 2/23/84
Referred: Resources and
Finance

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 507

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to agreements with concessionaires
7 within state parks; and providing for an effective
8 date."

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

10 * Section 1. AS 41.21.020 is amended by adding a new subsection to
11 read:

12 (b) The Department of Natural Resources may lease a state park
13 or a portion of a state park to a person for the purpose of
14 implementing an agreement with that person under AS 41.21.028.

15 * Sec. 2. AS 41.21 is amended by adding a new section to read:

16 Sec. 41.21.028. AGREEMENT WITH CONCESSIONAIRES REGARDING STATE
17 PARKS. (a) The commissioner may enter into a contract or lease with
18 a concessionaire to provide or operate facilities or services
19 considered desirable by the commissioner for the accommodation of
20 visitors to a state park.

21 (b) The commissioner may include in contracts or leases to
22 provide facilities or services under this section the terms and
23 conditions that are, in the view of the commissioner, necessary to
24 assure the concessionaire adequate protection against loss of
25 investment in structures, improvements, equipment, supplies, and other
26 tangible equipment provided by the concessionaire for the purposes of
27 the agreement.

28 (c) The commissioner shall exercise the authority granted under
29 this section in a manner that extends to the concessionaire a

1 reasonable opportunity to realize a return on the investment of the
2 concessionaire commensurate with the capital invested and the obliga-
3 tion assumed. The reasonableness of the rates and charges of the
4 concessionaire to the public shall, unless otherwise provided by
5 agreement with the commissioner, be judged primarily by comparison
6 with those current for facilities and services of a comparable char-
7 acter under similar conditions, with due regard for the length of the
8 season, provision for peakloads, average percentage of occupancy,
9 accessibility, availability, costs of labor and materials, type of
10 patronage, and other factors considered significant by the commis-
11 sioner.

12 (d) Franchise fees, however stated, shall be determined upon
13 consideration of the probable value to the concessionaire of the
14 privileges granted by the particular agreement. Consideration of
15 revenue to the state is subordinate to the objectives of protecting
16 and preserving the areas and of providing adequate and appropriate
17 services for visitors at reasonable rates.

18 (e) A contract or lease under this section may not provide for a
19 term greater than five years.

20 (f) The commissioner may authorize the operation of all facil-
21 ities and services for visitors in each area administered by the
22 commissioner by one responsible concessionaire and may grant the
23 concessionaire a preference right to provide new or additional ser-
24 vices or facilities as the commissioner considers desirable to provide
25 for the accommodation and convenience of visitors.

26 (g) The commissioner may encourage continuity of the operation
27 by a concessionaire providing services and facilities in the renewal
28 of agreements and in the negotiation of new agreements to a
29 concessionaire who had provided services and facilities to the

1 satisfaction of the commissioner. Before entering into a new
2 agreement with a concessionaire and before renewing an agreement with
3 a concessionaire, the commissioner shall give public notice of an
4 intention to enter into the agreement and consider any proposal
5 received that is responsive to the notice.

6 (h) The commissioner may adopt regulations to implement this
7 section.

8 (i) As used in this section, "state park" has the meaning given
9 that term in AS 38.04.910.

10 * Sec. 3. This Act takes effect July 1, 1984.