

CS FOR HOUSE BILL NO. 237 (FINANCE)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/3/92
Referred: Rules

Sponsor(s): HOUSE TRANSPORTATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing certain criteria that must be considered before certain state agencies
2 lease space; and relating to certain leases, lease renewals, lease purchase agreements, and
3 renewals of lease purchase agreements that must receive legislative approval."

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

5 * Section 1. AS 36.30.020 is amended to read:

6 Sec. 36.30.020. LEGISLATURE. The Legislative Council shall adopt and publish
7 procedures to govern the procurement of supplies, services, professional services, and
8 construction by the legislative branch. The procedures must be based on the competitive
9 principles consistent with this chapter and must be adapted to the special needs of the legislative
10 branch as determined by the Legislative Council. The procedures must be consistent with the
11 provisions of AS 36.30.080(b) - (e) [AS 36.30.080(b) - (c)].

12 * Sec. 2. AS 36.30.080(c) is amended to read:

13 (c) If the department, legislative branch, or judicial branch intends to enter into or renew
14 a lease or lease-purchase agreement, except an agreement related to a refinancing, with an

1 annual rent to the department, legislative branch, or judicial branch that is anticipated to exceed
2 \$1,000,000, or with accumulative total annual lease payments under the term of the lease
3 that exceed \$10,000,000, the department, legislative branch, or judicial branch shall provide
4 notice to the legislature. The notice must include the anticipated annual lease obligation amount,
5 [AND] the anticipated total construction, acquisition, or other costs of the project, and, if the
6 accumulative total annual lease payments under the term exceed \$10,000,000, the
7 accumulative total annual lease payments under the term. The department may not enter into
8 or renew an agreement requiring notice under this subsection unless the project has been
9 approved by the legislature by law. An appropriation for the project does not constitute approval
10 of the project for purposes of this subsection. The department may not enter into an agreement
11 under this subsection if the optional renewal period allowed under the agreement exceeds two
12 years. In this subsection, "term" includes defined renewal options.

13 * Sec. 3. AS 36.30.080 is amended by adding new subsections to read:

14 (d) When the department is evaluating proposals for a lease of space, the department
15 shall consider, in addition to lease costs, the life cycle costs, function, indoor environment, public
16 convenience, planning, design, appearance, and location of the proposed building.

17 (e) When the department is considering leasing space, the department should consider
18 whether leasing is likely to be the least costly means to provide the space.