CS FOR HOUSE BILL NO. 572 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/14/92
Referred: Rules

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the powers, duties, and operations of certain state agencies, including**
2 **those of the Alaska Science and Technology Foundation, those of the Citizen's Advisory**
3 **Commission on the Federal Areas in Alaska, the disposal or leasing of state land or**
4 **interests in state land, the management of public recreational land and the management**
5 **of state parks and recreation areas, vehicle registration, small procurements, the employment**
6 **assistance and training program fund, contracts for confinement of certain prisoners, and**
7 **the recording of public documents; and providing for an effective date."**

8 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

9 *** Section 1.** AS 28.10.161(b) is amended to read:
10 (b) <u>Every</u> [AFTER JANUARY 1, 1979, EVERY] passenger vehicle registration plate,
11 except as specifically provided in AS 28.10.181, shall have displayed upon it
12 (1) [THE ALASKA FLAG;
13 (2) THE TRADITIONAL COLORS OF YELLOW-GOLD AND BLUE;

1 (3) THE SLOGAN "THE LAST FRONTIER";

2 (4)] the registration number assigned to the vehicle for which it is issued;

3 (2) [(5)] the name of this state, which may be abbreviated; and

4 (3) [(6)] the registration year number or expiration date for which time it is

5 validated; the registration year number or expiration date may be part of the license plate or

6 contained on a suitable sticker or tab device issued by the department; **however, only one sticker**

7 **or tab device may be issued for each pair of plates and the sticker or tab device must be**

8 **affixed to the rear plate**.

9 * **Sec. 2.** AS 33.30.031(a) is amended to read:

10 (a) The commissioner shall determine the availability of state correctional facilities

11 suitable for the detention and confinement of persons held under authority of state law **or**

12 **municipal ordinance**. If the commissioner determines that suitable state correctional facilities

13 are not available, the commissioner may enter into an agreement with a public or private agency

14 to provide necessary facilities. Correctional facilities provided through agreement with a public

15 agency may be in this state or in another state. Correctional facilities provided through

16 agreement with a private agency must be located in this state. The commissioner may not enter

17 into an agreement with an agency unable to provide a degree of custody, care, and discipline

18 similar to that required by the laws of this state.

19 * **Sec. 3.** AS 33.30.031(b) is amended to read:

20 (b) Unless the purpose is to involve prisoners in a program established under AS

21 33.30.091 - 33.30.131 or 33.30.151 - 33.30.181 or to confine **persons charged with or**

22 [PRISONERS] convicted of a misdemeanor **or violation of a municipal ordinance**, the

23 commissioner may not enter into an agreement with a privately operated correctional facility

24 under (a) of this section.

25 * **Sec. 4.** AS 36.30.320(a) is amended to read:

26 (a) A procurement for supplies, services, or construction that does not exceed an

27 aggregate dollar amount of **$25,000** [$10,000] may be made in accordance with regulations

28 adopted by the commissioner for small procurements.

29 * **Sec. 5.** AS 37.17.030(b) is amended to read:

30 (b) In addition to endowment income, the foundation may receive **individual,**

31 **foundation, or corporate** gifts, grants, **or bequests that by their terms are restricted to a**

1 **particular purpose** [AND OTHER AID]. The foundation may accumulate income, gifts, grants,
2 and **bequests** [OTHER AID] from any one year and distribute them in a later year.
3 * **Sec. 6.** AS 37.17.030(c) is amended to read:
4 (c) The administrative expenses of the foundation are subject to AS 37.07 and shall be
5 paid from the income of the endowment. **The legislature may appropriate income of the**
6 **endowment for payment of the administrative expenses of the Alaska Aerospace**
7 **Development Corporation established under AS 14.40.821 and the agricultural and forestry**
8 **experiment station research centers of the University of Alaska.**
9 * **Sec. 7.** AS 37.17.030(d) is amended to read:
10 (d) **Except for payments under (c) of this section, the** [THE] board of directors shall
11 distribute the income of the endowment through competitive grants under this chapter. The board
12 may disburse money that is received by the foundation for special or general purposes.
13 * **Sec. 8.** AS 38.05.035(e) is amended to read:
14 (e) Upon a written finding that the interests of the state will be best served, the director
15 may, with the consent of the commissioner, approve contracts for the sale, lease, or other disposal
16 of available land, resources, property or interests in them, and, in addition to the conditions and
17 limitations imposed by law, may impose additional conditions or limitations in the contracts as
18 the director determines, with the consent of the commissioner, will best serve the interests of the
19 state. A written finding for an oil and gas lease sale under AS 38.05.180 is subject to (g) of this
20 section. A contract for the sale, lease, or other disposal of available land or an interest in land
21 is not legally binding on the state until the commissioner approves the contract but if the
22 appraised value is not greater than $50,000 in the case of the sale of land or an interest in land,
23 or $5,000 in the case of the annual rental of land or interest in land, the director may execute the
24 contract without the approval of the commissioner. Before a public hearing, if held, or in any
25 case no less than 21 days before the sale, lease, or other disposal of available land, property,
26 resources, or interests in them, the director shall make available to the public a written finding
27 that sets out the facts and applicable law upon which the determination that the sale, lease, or
28 other disposal will best serve the interests of the state was based. A written finding is not
29 required before the approval of
30 (1) a contract for a negotiated sale authorized under AS 38.05.115;
31 (2) [A LEASE OF LAND FOR A SHORE FISHERY SITE UNDER

1 AS 38.05.082;

2 (3)] a permit or other authorization revocable by the commissioner;

3 (3) [(4)] a mineral claim located under AS 38.05.195;

4 (4) [(5)] a mineral lease issued under AS 38.05.205;

5 (5) [(6)] a production license issued under AS 38.05.207;

6 (6) [(7)] an exempt oil and gas sale under AS 38.05.180(d) of acreage offered in

7 a sale that was held within the previous five years if the sale was subject to a written best interest

8 finding, unless the commissioner determines that new information has become available that

9 justifies a revision of the best interest finding; or

10 (7) [(8)] a lease sale under AS 38.05.180(w) of acreage offered in a sale that was

11 held within the previous five years if the sale was subject to a best interest finding, unless the

12 commissioner determines that new information has become available that justifies a revision of

13 the best interest finding.

14 * **Sec. 9.** AS 38.05.075(a) is amended to read:

15 (a) Except as provided in **AS 38.05.035, 38.05.070, 38.05.073, 38.05.079, 38.05.083,**

16 **38.05.087, 38.05.102, 38.05.810,** [AS 38.05.087] and this section, leasing shall be made at public

17 auction to the highest qualified bidder as determined by the commissioner. **In the public notice**

18 **of a lease to be offered at public auction, the commissioner shall specify a minimum**

19 **acceptable bid and the lease compensation method. The lease compensation method shall**

20 **be designed to maximize the return on the lease to the state and shall be a form of**

21 **compensation set out in AS 38.05.073(m).** An aggrieved bidder may appeal to the

22 commissioner within five days for a review of the determination. The leasing shall be conducted

23 by the commissioner and the successful bidder shall deposit at the auction the first year's rental

24 **or other lease compensation as specified by the commissioner,** or that portion of it that the

25 commissioner requires in accordance with the bid. The commissioner shall require**, under**

26 **AS 38.05.860,** qualified bidders to deposit a sum equal to any survey or appraisal costs

27 reasonably incurred by another qualified bidder acting in accordance with the regulations of the

28 commissioner **or incurred by the department under AS 38.04.045 and AS 38.05.840**. If a

29 bidder making a deposit of survey or appraisal costs is determined by the commissioner to be the

30 highest qualified bidder under this subsection, the deposit shall be paid to the unsuccessful bidder

31 who incurred those costs **or to the department if the department incurred the costs**. [ANY

1 SURVEY OR APPRAISAL COSTS REASONABLY INCURRED BY A QUALIFIED BIDDER
2 UNDER THE REGULATIONS OF THE COMMISSIONER OR DEPOSITED UNDER THIS
3 SUBSECTION MUST BE CREDITED UNDER THE FIRST AND THEN SUBSEQUENT
4 YEARS' RENTALS.] All costs for survey and appraisal shall be approved in advance in writing
5 by the commissioner. The commissioner shall immediately issue a receipt containing a description
6 of the land or interest leased, the price bid, **and the** terms of the lease [, AND THE AMOUNT
7 OF ANY CREDIT FOR SURVEY AND APPRAISAL COSTS] to the successful qualified
8 bidder. If the receipt is not accepted in writing by the bidder under this subsection, the
9 commissioner may offer the land for lease again under this subsection. A lease, on a form
10 approved by the attorney general, shall be signed by the successful bidder and by the
11 commissioner within **the period specified in the auction notice** [30 DAYS AFTER THE
12 AUCTION].
13 * **Sec. 10.** AS 38.05.075(f) is amended to read:
14 (f) **If, after completion of the procedures required by (e) of this section, the**
15 **commissioner determines that there is only one qualified bidder, the** [THE] commissioner
16 may issue a lease without competitive bidding at the approved, appraised market value of the
17 land determined under AS 38.05.840 **or by another form of lease compensation specified by**
18 **the commissioner from among those set out in AS 38.05.073(m) and designed to maximize**
19 **the return on the lease to the state** [IF, AFTER COMPLETION OF THE PROCEDURES
20 REQUIRED BY (E) OF THIS SECTION, THE COMMISSIONER DETERMINES THAT
21 THERE IS ONLY ONE QUALIFIED BIDDER]. The commissioner may establish terms and
22 conditions for entry to the land pending survey and appraisal of the land. The commissioner
23 shall issue the lease as soon as is practicable following the survey and appraisal of the land
24 subject to the provisions of AS 38.05.035(e).
25 * **Sec. 11.** AS 38.05.083(a) in amended to read:
26 (a) The commissioner may offer to the public for lease **at public auction under**
27 **AS 38.05.075 or by negotiation under AS 38.05.070** a site [THAT HAS BEEN DEVELOPED]
28 for aquatic farming or related hatchery operations [UNDER A PERMIT ISSUED UNDER
29 AS 38.05.856. BEFORE OFFERING THE SITE TO THE PUBLIC, THE COMMISSIONER
30 SHALL OFFER THE SITE TO THE PERMITTEE].
31 * **Sec. 12.** AS 38.05.085(c) is amended to read:

1 (c) The lessee shall make advance payments of the annual rent **or other form of lease**
2 **compensation specified by the commissioner** or **that** portion of it [AS] the [DIRECTOR, WITH
3 THE APPROVAL OF THE] commissioner [,] may require.
4 * **Sec. 13.** AS 38.05.105(a) is amended to read:
5 (a) Each lease shall stipulate that [AT THE CONCLUSION OF THE INITIAL 25-YEAR
6 PERIOD OF THE LEASE AND] at **five-year** intervals **as specified in the lease** [OF 10 YEARS
7 THEREAFTER] the annual rent payment **or other form of lease compensation specified by the**
8 **commissioner** is subject to adjustment. **Changes** [CHARGES] or adjustments shall be based
9 primarily on **changes in the lease's** [AN ADJUSTED] fair market value. However, if the
10 **commissioner** [DIRECTOR] determines that single-family residential development is the best
11 use of the land, the reappraisal period may be lengthened or the readjustment waived in
12 accordance with regulations adopted by the department. Before a waiver of rent adjustment is
13 issued, the land shall have a current reappraisal. A waiver is valid only if single-family
14 residential development actually occurs. The regulations adopted under this section shall ensure
15 that the state receives a fair return from the land.
16 * **Sec. 14.** AS 38.05.860(a) is amended to read:
17 (a) The **commissioner** [DIRECTOR] may require an applicant seeking the sale, lease,
18 or other disposal of land **or an interest in land**, other than under an oil and gas or mineral lease,
19 to deposit an amount covering the estimated cost of an appraisal, survey, and **other costs**
20 necessary **to offer the land or interest in land, including** advertising. All deposited funds not
21 expended shall be refunded to the applicant. If **the** land **or interest in land** is **awarded** [SOLD
22 OR LEASED] to **a person** other than the applicant making the deposit, the **person** [PARTY]
23 awarded the land shall pay the total actual cost **incurred by the department in making the**
24 **disposal** [OF APPRAISING AND SURVEYING THE LAND, TOGETHER WITH THE TOTAL
25 ACTUAL COST OF ADVERTISING], and the deposit shall be returned to the original applicant.
26 **In lieu of requiring the deposit under this subsection, the commissioner may enter into an**
27 **agreement with an applicant seeking land or an interest in land requiring the applicant to**
28 **reimburse the department for costs incurred in the disposal if the applicant is awarded the**
29 **land or interest in land.**
30 * **Sec. 15.** AS 38.05.945(a) is amended to read:
31 (a) This section establishes the requirements for notice given by the department for the

1 following actions:

2 (1) classification or reclassification of state land under AS 38.05.300 and the

3 closing of land to mineral leasing or entry under AS 38.05.185;

4 (2) zoning of land under applicable law;

5 (3) a decision under AS 38.05.035(e) regarding the sale, lease, or disposal of an

6 interest in state land or resources;

7 (4) a competitive disposal of an interest in state land or resources after final

8 decision under AS 38.05.035(e);

9 (5) [A PUBLIC HEARING UNDER AS 38.05.856(b);

10 (6)] a preliminary finding under AS 38.05.035(e) [AND 38.05.855(c)] concerning

11 sites for aquatic farms and related hatcheries.

12 * **Sec. 16.** AS 41.21.020(a) is amended to read:

13 (a) The department shall

14 (1) develop a continuing plan for the conservation and maximum use in the public

15 interest of the scenic, historic, archaeologic, scientific, biological, and recreational resources of

16 the state;

17 (2) plan for and develop a system of state parks and recreational facilities, to be

18 established as the legislature authorizes and directs;

19 (3) acquire by gift, purchase, or transfer from state or federal agencies, or from

20 individuals, corporations, partnerships or associations, land necessary, suitable and proper for

21 roadside, picnic, recreational, or park purposes;

22 (4) [CONTROL,] develop, **manage,** and maintain state parks and recreational

23 areas;

24 (5) provide for the acquisition, care, **management** [CONTROL], supervision,

25 improvement, development, extension, and maintenance of public recreational land, and make

26 necessary arrangements, contracts, or commitments for the improvement and development of land

27 acquired under AS 41.21.010 - 41.21.040; contracting for improvement and development under

28 this paragraph is governed by AS 36.30 (State Procurement Code);

29 (6) adopt, in accordance with this section and the Administrative Procedure Act

30 (AS 44.62), regulations governing the use and designating incompatible uses within the

31 boundaries of state park and recreational areas to protect the property and to preserve the peace;

1 (7) cooperate with the United States and its agencies and local subdivisions of the
2 state to secure the effective supervision, improvement, development, extension, and maintenance
3 of state parks, state monuments, state historical areas, and state recreational areas, and secure
4 agreements or contracts for the purpose of AS 41.21.010 - 41.21.040;
5 (8) encourage the organization of state public park and recreational activities in
6 the local political subdivisions of the state;
7 (9) provide for consulting service designed to develop local park and recreation
8 facilities and programs;
9 (10) provide clearinghouse services for other state agencies concerned with park
10 and recreation matters;
11 (11) perform other duties as are prescribed by executive order or by law;
12 (12) maintain memorials to Alaska veterans located in state parks; and
13 (13) adopt, in accordance with the Administrative Procedure Act (AS 44.62),
14 regulations governing the use of the Chena River State Recreation Area and designating
15 incompatible uses within the boundaries of the Chena River State Recreation Area in accordance
16 with AS 41.21.490.
17 * **Sec. 17.** AS 44.37.025(c) is amended to read:
18 (c) The department, with the concurrence of the administrative director of courts, may
19 appoint judicial employees to perform services in connection with recording, providing access
20 to, and copying documents in locations where the department has **not otherwise designated a**
21 **public office** [NO EMPLOYEES AVAILABLE] to perform those functions.
22 * **Sec. 18.** Section 4, ch. 81, SLA 1981, as amended by sec. 1, ch. 25, SLA 1988, is amended to read:
23 Sec. 4. Section 3 of this Act takes effect **July 1, 1992** [JUNE 30, 1998].
24 * **Sec. 19.** Section 3, ch. 95, SLA 1989, is amended to read:
25 Sec. 3. EMPLOYMENT ASSISTANCE AND TRAINING PROGRAM **FUND**
26 [ACCOUNT]. The employment assistance and training program **fund** [ACCOUNT] is
27 established in the **department. Deposits into the fund are not general fund program receipts**
28 [GENERAL FUND. THE COMMISSIONER OF ADMINISTRATION SHALL SEPARATELY
29 ACCOUNT FOR MONEY COLLECTED UNDER SEC. 4 OF THIS ACT THAT THE
30 DEPARTMENT DEPOSITED IN THE GENERAL FUND]. The annual estimated balance in
31 the **fund** [ACCOUNT] may be appropriated by the legislature to the department to implement

1 this Act. **If the entire estimated balance is not used to implement this Act during a fiscal**
2 **year, the** [THE] legislature may **make appropriations from the employment assistance and**
3 **training fund** [APPROPRIATE THE LAPSING BALANCE OF THE ACCOUNT] to the
4 unemployment compensation fund established in AS 23.20.130.
5 * **Sec. 20.** AS 28.10.161(c), AS 38.05.082, 38.05.085(a), 38.05.085(b), 38.05.085(g), 38.05.105(b),
6 38.05.855, 38.05.856, and 38.05.946(b) are repealed.
7 * **Sec. 21.** This Act takes effect July 1, 1992.