

HB

5941

HOUSE COMMITTEE REPORT File

(11)

Date Referred: April 11, 1990

FURTHER REFERRALS:

Date of Committee Action: 5/1/90

The FINANCE Committee considered:

HB 594

HOUSE BILL NO. 594

AIDEA BONDS: AIRCRAFT MAINTENANCE FACILITY

"An Act authorizing the Alaska Industrial Development and Export Authority to issue bonds for an aircraft maintenance facility located at the Anchorage International Airport; granting the authority an exemption from the state procurement code for contracts relating to airports; and providing for an effective date."

RECOMMENDATIONS:

- be replaced with _____ the same title
- have attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- fiscal impact _____
- zero fiscal note _____
- zero with analysis _____

- fiscal note(s) _____
- zero fiscal note(s) CE&C D/ 4/4/90
- zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not Pass No Rec Amend

Ronald J. Larson Larson
Jay Brown Brown
Koponen Koponen
Ulmer Ulmer
Swackhammer Swackhammer

<u>Phillips</u>	✓		
<u>Shultz</u>	✓		

Chairman's Signature
Ronald J. Larson Larson

FISCAL NOTE CL

REQUEST:

Revision Date: _____
Title: An Act relating to issuance of
bonds and procurement of an Aircraft Maint.
Sponsor: Rules Committee
Requestor: Governor

Agency Affected: Commerce & Economic Dev.
BRI: Alaska Industrial Development
and Export Authority
Fac. _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Analysis is attached as page 2.

Prepared by: William R. Snell, Deputy Director - Development Phone: (907) 561-8050
Division: Alaska Industrial Development and Export Authority Date: 4/2/90

Approved by Commissioner: Larry Mercuri Date: 4/2/90
Agency: Department of Commerce & Economic Development

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

ANALYSIS

Section 1 of this bill would give AIDEA the authority to issue up to \$50 million in bonds for the acquisition, design and construction of a multi-bay aircraft maintenance facility located at Anchorage International Airport to be owned by the authority.

Preliminary cost estimates range from \$25 million to \$50 million, with the final cost depending on the number of users and their requirements.

o Development Schedule

The project development sequence is as follows:

- Phase I - obtain airline consensus and commitments
- Phase II - design development and permitting
- Phase III - construction

It is expected that Phases I and II would be completed in 1990 and Phase III in 1991.

Section 2 of this bill would exempt AIDEA from the competitive bidding requirements of the state procurement code (AS 36.30) for contracts related to airport construction. The exemption would give the project the same status under the procurement code as other airport projects undertaken by the Department of Transportation and Public Facilities (see AS 36.30.850(b)(8)).

This would allow the delegation to users the responsibility for the design and construction facilities that are intended for a special airport use. This approach recognizes that the state and primary users are partners in the project and that the facility should be designed with the special needs of the user in mind. The state also benefits by extracting indemnification from the user for any liability related to the performance under the delegation.

No separate legislative appropriation is required for AIDEA to issue the revenue bonds; therefore, the fiscal note is zero.

BY THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2

HOUSE BILL NO. 594

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act authorizing the Alaska Industrial Development
7 and Export Authority to issue bonds for an aircraft
8 maintenance facility located at the Anchorage Inter-
9 national Airport; granting the authority an exemption
10 from the state procurement code for contracts
11 relating to airports; and providing for an effective
12 date."

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

14 * Section 1. The Alaska Industrial Development and Export Authority may
15 issue bonds to finance the acquisition, design, and construction of a
16 multi-bay aircraft maintenance facility located at Anchorage International
17 Airport, to be owned by the authority. The principal amount of the bonds
18 may not exceed \$50,000,000. This section grants the legislative approval
19 required by AS 44.88.090 and 44.88.172(c).

20 * Sec. 2. AS 36.30.850(b)(8) is amended to read:

21 (8) acquisitions or disposals of property or other contracts
22 relating to airports under AS 02.15.070, 02.15.090, [AND] 02.15.091,
23 and AS 44.88;

24 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

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