

HB596

CS FOR HOUSE BILL NO. 596 (FINANCE)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SPECIAL SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE FINANCE COMMITTEE BY REQUEST

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, fees and charges collected by
3 agencies, the disposal or leasing of state land or interests in state land, the management
4 of public recreational land and the management of state parks and recreation areas, vehicle
5 registration, state procurements, the employment assistance and training program fund,
6 contracts relating to prisoners, and the recording of public documents; and providing for
7 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) Every [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 (5) the name of this state, which may be abbreviated; and

4 (6) the registration year number or expiration date for which time it is validated;

5 the registration year number or expiration date may be part of the license plate or contained on
6 a suitable sticker or tab device issued by the department; however, only one sticker or tab
7 device may be issued for each pair of plates and the sticker or tab device must be affixed
8 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 under
12 agreement entered into under (e) of this section. If the commissioner determines that suitable
13 state correctional facilities are not available, the commissioner may enter into an agreement with
14 a public or private agency to provide necessary facilities. Correctional facilities provided through
15 agreement with a public agency for the detention and confinement of persons held under
16 authority of state law may be in this state or in another state. Correctional facilities provided
17 through agreement with a private agency must be located in this state unless the commissioner
18 finds in writing that (1) there is no other reasonable alternative for detention in the state;
19 and (2) the agreement is necessary because of health or security considerations involving
20 a particular prisoner or class of prisoners, or because an emergency of prisoner
21 overcrowding is eminent. The commissioner may not enter into an agreement with an agency
22 unable to provide a degree of custody, care, and discipline similar to that required by the laws
23 of this state.

24 * Sec. 3. AS 33.30.231 is amended by adding a new subsection to read:

25 (d) Notwithstanding (a) of this section, the department may contract under AS 36.30 for
26 telephone services for use by a prisoner.

27 * Sec. 4. AS 36.30.100(b) is amended to read:

28 (b) Competitive sealed bidding is not required

29 (1) when the commissioner determines in writing that food, clothing, or medical
30 supplies, or supplies [MATERIALS] for use in laboratory or medical studies may be purchased
31 otherwise to the best advantage of the state;

1 (2) [WHEN RATES ARE FIXED BY LAW OR ORDINANCE;

2 (3)] for the purchase of products or services manufactured or provided by an
3 employment program; or

4 (3) [(4)] for the purchase of products or services provided by the correctional
5 industries program established under AS 33.32 [;

6 (5) FOR PROFESSIONAL SERVICES; OR

7 (6) FOR CONCESSIONS OPERATED ON STATE PROPERTY].

8 * Sec. 5. AS 36.30.320(a) is amended to read:

9 (a) A procurement for supplies, services, or construction that does not exceed an
10 aggregate dollar amount of \$25,000 [\$10,000] may be made in accordance with regulations
11 adopted by the commissioner for small procurements.

12 * Sec. 6. AS 36.30.850(b) is amended by adding new paragraphs to read:

13 (23) disposals of supplies acquired through foreclosure of loans issued under
14 AS 03.10;

15 (24) purchases of curatorial and conservation services to maintain, preserve, and
16 interpret

17 (A) objects of art; and

18 (B) items having cultural, historical, or archaeological significance to the
19 state;

20 (25) acquisition of confidential seismic survey data necessary for pre-sale oil and
21 gas lease analyses under AS 38.05.180;

22 (26) contracts for village public safety officers;

23 (27) purchases of supplies and services to support the operations of the Alaska
24 state troopers or the division of fish and wildlife protection if the procurement officer for the
25 Department of Public Safety makes a written determination that publicity of the purchases would
26 jeopardize the safety of personnel or the success of a covert operation;

27 (28) expenditures when rates are set by law or ordinance;

28 (29) construction of new vessels by the Department of Transportation and Public
29 Facilities for the Alaska marine highway system.

30 * Sec. 7. AS 37.10.050 is amended by adding new subsections to read:

31 (d) Each state agency shall annually review fees and charges collected by the agency.

1 By October 1, each state agency shall submit a report to the office of management and budget
2 regarding existing fee levels set by the agency by regulation and adjustments made to fee levels
3 by the agency during the previous fiscal year, and recommended increases in fees set by statute
4 that the agency collects. Each year by December 15, the office of management and budget shall
5 submit a report to the Legislative Budget and Audit Committee summarizing the reports and
6 recommendations and the extent to which the fee adjustments have been incorporated in the
7 governor's budget. Within 30 days after the convening of each regular session of the legislature,
8 the committee shall report to the legislature the status of fee regulations and make
9 recommendations for statutory changes.

10 (e) In this section, "agency" means a board, commission, or agency in the legislative,
11 judicial, or executive branch, but does not include the University of Alaska or a public
12 corporation.

13 * Sec. 8. AS 37.17.030(b) is amended to read:

14 (b) In addition to endowment income, the foundation may receive individual,
15 foundation, or corporate gifts, grants, or bequests that by their terms are restricted to a
16 particular purpose [AND OTHER AID]. The foundation may accumulate income, gifts, grants,
17 and bequests [OTHER AID] from any one year and distribute them in a later year.

18 * Sec. 9. AS 37.17.030(c) is amended to read:

19 (c) The administrative expenses of the foundation are subject to AS 37.07 and shall be
20 paid from the income of the endowment. The legislature may appropriate income of the
21 endowment for payment of the administrative expenses of the Alaska Aerospace
22 Development Corporation established under AS 14.40.821 and the agricultural and forestry
23 experiment station research centers of the University of Alaska.

24 * Sec. 10. AS 37.17.030(d) is amended to read:

25 (d) Except for payments under (c) of this section, the [THE] board of directors shall
26 distribute the income of the endowment through competitive grants under this chapter. The board
27 may disburse money that is received by the foundation for special or general purposes.

28
29 * Sec. 11. AS 38.05.075(a) is amended to read:

30 (a) Except as provided in AS 38.05.035, 38.05.070, 38.05.073, 38.05.079, 38.05.082,
31 38.05.083, 38.05.087, 38.05.102, 38.05.810, [AS 38.05.087] and this section, leasing shall be

1 made at public auction to the highest qualified bidder as determined by the commissioner. In
2 the public notice of a lease to be offered at public auction, the commissioner shall specify
3 a minimum acceptable bid and the lease compensation method. The lease compensation
4 method shall be designed to maximize the return on the lease to the state and shall be a
5 form of compensation set out in AS 38.05.073(m). An aggrieved bidder may appeal to the
6 commissioner within five days for a review of the determination. The leasing shall be conducted
7 by the commissioner and the successful bidder shall deposit at the auction the first year's rental
8 or other lease compensation as specified by the commissioner, or that portion of it that the
9 commissioner requires in accordance with the bid. The commissioner shall require, under
10 AS 38.05.860, qualified bidders to deposit a sum equal to any survey or appraisal costs
11 reasonably incurred by another qualified bidder acting in accordance with the regulations of the
12 commissioner or incurred by the department under AS 38.04.045 and AS 38.05.840. If a
13 bidder making a deposit of survey or appraisal costs is determined by the commissioner to be the
14 highest qualified bidder under this subsection, the deposit shall be paid to the unsuccessful bidder
15 who incurred those costs or to the department if the department incurred the costs. [ANY
16 SURVEY OR APPRAISAL COSTS REASONABLY INCURRED BY A QUALIFIED BIDDER
17 UNDER THE REGULATIONS OF THE COMMISSIONER OR DEPOSITED UNDER THIS
18 SUBSECTION MUST BE CREDITED UNDER THE FIRST AND THEN SUBSEQUENT
19 YEARS' RENTALS.] All costs for survey and appraisal shall be approved in advance in writing
20 by the commissioner. The commissioner shall immediately issue a receipt containing a description
21 of the land or interest leased, the price bid, and the terms of the lease [, AND THE AMOUNT
22 OF ANY CREDIT FOR SURVEY AND APPRAISAL COSTS] to the successful qualified
23 bidder. If the receipt is not accepted in writing by the bidder under this subsection, the
24 commissioner may offer the land for lease again under this subsection. A lease, on a form
25 approved by the attorney general, shall be signed by the successful bidder and by the
26 commissioner within the period specified in the auction notice [30 DAYS AFTER THE
27 AUCTION].

28 * Sec. 12. AS 38.05.075(f) is amended to read:

29 (f) If, after completion of the procedures required by (e) of this section, the
30 commissioner determines that there is only one qualified bidder, the [THE] commissioner
31 may issue a lease without competitive bidding at the approved, appraised market value of the

1 land determined under AS 38.05.840 or by another form of lease compensation specified by
2 the commissioner from among those set out in AS 38.05.073(m) and designed to maximize
3 the return on the lease to the state [IF, AFTER COMPLETION OF THE PROCEDURES
4 REQUIRED BY (E) OF THIS SECTION, THE COMMISSIONER DETERMINES THAT
5 THERE IS ONLY ONE QUALIFIED BIDDER]. The commissioner may establish terms and
6 conditions for entry to the land pending survey and appraisal of the land. The commissioner
7 shall issue the lease as soon as is practicable following the survey and appraisal of the land
8 subject to the provisions of AS 38.05.035(e).

9 * Sec. 13. AS 38.05.085(c) is amended to read:

10 (c) The lessee shall make advance payments of the annual rent or other form of lease
11 compensation specified by the commissioner or that portion of it [AS] the [DIRECTOR, WITH
12 THE APPROVAL OF THE] commissioner [,] may require.

13 * Sec. 14. AS 38.05.105(a) is amended to read:

14 (a) Each lease shall stipulate that [AT THE CONCLUSION OF THE INITIAL 25-YEAR
15 PERIOD OF THE LEASE AND] at five-year intervals as specified in the lease [OF 10 YEARS
16 THEREAFTER] the annual rent payment or other form of lease compensation specified by the
17 commissioner is subject to adjustment. Changes [CHARGES] or adjustments shall be based
18 primarily on changes in the lease's [AN ADJUSTED] fair market value. However, if the
19 commissioner [DIRECTOR] determines that single-family residential development is the best
20 use of the land, the reappraisal period may be lengthened or the readjustment waived in
21 accordance with regulations adopted by the department. Before a waiver of rent adjustment is
22 issued, the land shall have a current reappraisal. A waiver is valid only if single-family
23 residential development actually occurs. The regulations adopted under this section shall ensure
24 that the state receives a fair return from the land.

25 * Sec. 15. AS 38.05.860(a) is amended to read:

26 (a) The commissioner [DIRECTOR] may require an applicant seeking the sale, lease,
27 or other disposal of land or an interest in land, other than under an oil and gas or mineral lease,
28 to deposit an amount covering the estimated cost of an appraisal, survey, and other costs
29 necessary to offer the land or interest in land, including advertising. All deposited funds not
30 expended shall be refunded to the applicant. If the land or interest in land is awarded [SOLD
31 OR LEASED] to a person other than the applicant making the deposit, the person [PARTY]

1 awarded the land shall pay the total actual cost incurred by the department in making the
2 disposal [OF APPRAISING AND SURVEYING THE LAND, TOGETHER WITH THE TOTAL
3 ACTUAL COST OF ADVERTISING], and the deposit shall be returned to the original applicant.
4 In lieu of requiring the deposit under this subsection, the commissioner may enter into an
5 agreement with an applicant seeking land or an interest in land requiring the applicant to
6 reimburse the department for costs incurred in the disposal if the applicant is awarded the
7 land or interest in land.

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

9 (a) The department shall

10 (1) develop a continuing plan for the conservation and maximum use in the public
11 interest of the scenic, historic, archaeologic, scientific, biological, and recreational resources of
12 the state;

13 (2) plan for and develop a system of state parks and recreational facilities, to be
14 established as the legislature authorizes and directs;

15 (3) acquire by gift, purchase, or transfer from state or federal agencies, or from
16 individuals, corporations, partnerships or associations, land necessary, suitable and proper for
17 roadside, picnic, recreational, or park purposes;

18 (4) [CONTROL,] develop, manage, and maintain state parks and recreational
19 areas;

20 (5) provide for the acquisition, care, management [CONTROL], supervision,
21 improvement, development, extension, and maintenance of public recreational land, and make
22 necessary arrangements, contracts, or commitments for the improvement and development of land
23 acquired under AS 41.21.010 - 41.21.040; contracting for improvement and development under
24 this paragraph is governed by AS 36.30 (State Procurement Code);

25 (6) adopt, in accordance with this section and the Administrative Procedure Act
26 (AS 44.62), regulations governing the use and designating incompatible uses within the
27 boundaries of state park and recreational areas to protect the property and to preserve the peace;

28 (7) cooperate with the United States and its agencies and local subdivisions of the
29 state to secure the effective supervision, improvement, development, extension, and maintenance
30 of state parks, state monuments, state historical areas, and state recreational areas, and secure
31 agreements or contracts for the purpose of AS 41.21.010 - 41.21.040;

1 (8) encourage the organization of state public park and recreational activities in
2 the local political subdivisions of the state;

3 (9) provide for consulting service designed to develop local park and recreation
4 facilities and programs;

5 (10) provide clearinghouse services for other state agencies concerned with park
6 and recreation matters;

7 (11) perform other duties as are prescribed by executive order or by law;

8 (12) maintain memorials to Alaska veterans located in state parks; and

9 (13) adopt, in accordance with the Administrative Procedure Act (AS 44.62),
10 regulations governing the use of the Chena River State Recreation Area and designating
11 incompatible uses within the boundaries of the Chena River State Recreation Area in accordance
12 with AS 41.21.490.

13 * Sec. 17. AS 44.37.025(c) is amended to read:

14 (c) The department, with the concurrence of the administrative director of courts, may
15 appoint judicial employees to perform services in connection with recording, providing access
16 to, and copying documents in locations where the department has not otherwise designated a
17 public office [NO EMPLOYEES AVAILABLE] to perform those functions.

18 * Sec. 18. Section 3, ch. 95, SLA 1989, is amended to read:

19 Sec. 3. EMPLOYMENT ASSISTANCE AND TRAINING PROGRAM FUND
20 [ACCOUNT]. The employment assistance and training program fund [ACCOUNT] is
21 established in the department. Deposits into the fund are not general fund program receipts
22 [GENERAL FUND. THE COMMISSIONER OF ADMINISTRATION SHALL SEPARATELY
23 ACCOUNT FOR MONEY COLLECTED UNDER SEC. 4 OF THIS ACT THAT THE
24 DEPARTMENT DEPOSITED IN THE GENERAL FUND]. The annual estimated balance in
25 the fund [ACCOUNT] may be appropriated by the legislature to the department to implement
26 this Act. If the entire estimated balance is not used to implement this Act during a fiscal
27 year, the [THE] legislature may make appropriations from the employment assistance and
28 training fund [APPROPRIATE THE LAPSING BALANCE OF THE ACCOUNT] to the
29 unemployment compensation fund established in AS 23.20.130.

30 * Sec. 19. AS 33.30.031(b), AS 38.05.085(a), 38.05.085(b), 38.05.085(g), and 38.05.105(b) are
31 repealed.

1 * Sec. 20. This Act takes effect July 1, 1992.

updated 9:00 PM
5/14/92

CS HB 596 (Finance)

Section 1: Amends requirement for two stickers identifying year of plate registration: estimated by the department to save \$30.0 (Part of DMV proposal from the Public Safety subcommittee)

Savings: \$30.0

Section 2: Allows the Department of Corrections to contract with private agencies for the detention and confinement of persons held under state authority, out of state under certain findings.

no immediate identified savings

Section 3: Allows the department of corrections to contract for telephone services

Section 4: Adds certain procurements as exemptions to the competitive bidding procedure

Section 5: Amends the small procurement limit from \$10,000 to \$25,000.

Savings: \$150.0

Section 6: Expands the exemptions under the procurement code

Section 7: Requires state agencies to annually assess the fees charged for services and whether they are covering actual costs. Also requires an annual report to LB&A.

Section 8,9,10: Amends Science and Technology fund language to allow the disbursement of funds for the purposes of the Alaska Aerospace Development Corporation and the agricultural research stations of the University of Alaska. (From the Commerce subcommittee)

Transfers GF costs: \$3,302.5

Section 11,12,13,14,15: Amends Public Lands leasing (From the Natural Resources subcommittee)

Transfers GF costs: \$277.3

Section 16: Amends the Parks statute to reflect management instead of control

technical change

House bill 596

Section 1: Amends requirement for two stickers identifying year of plate registration: estimated by the department to save \$30.0 (Part of DMV proposal from the Public Safety subcommittee)

Savings: \$30.0

Section 2,3: Allows the Department of Corrections to contract with municipalities or private agencies for the detention and confinement of persons held under state authority, including violation of a municipal ordinance.

no immediate identified savings

Section 4: Allows the department of corrections to contract for telephone services

Section 5: Amends the small procurement limit from \$10,000 to \$25,000.

Savings: \$150.0

Section 6,7,8: Amends Science and Technology fund language to allow the disbursement of funds for the purposes of the Alaska Aerospace Development Corporation and the agricultural research stations of the University of Alaska. (From the Commerce subcommittee)

Transfers GF costs: \$3,302.5

Section 9,10,11,12,13,14,15,16: Amends Public Lands leasing (From the Natural Resources subcommittee)

Transfers GF costs: \$277.3

Section 17: Amends the Parks statute to reflect management instead of control

technical change

Section 18: Cleans up the description of the relationship under which judicial officers would perform recording functions.

technical change

Section 19: Moves the sunset date of the Citizen' Advisory Committee on Federal Lands (CACFA) to June, 1992. (Elimination recommended by Natural Resources subcommittee)

Savings:

\$156.5

Section 20: Describes the STEP fund as a program receipt, removing it from the category of general fund. (Adopted as an amendment by the Finance committee).

Removes from GF description \$2,160.0

Section 21: Repeal of AS 28.10,161(c) removes language restricting the design of license plates; Repeal of AS 38.05 sections are related to the changes proposed for Public Lands Leasing.

Section 22: Effective date clause.

Section 17: Cleans up the description of the relationship under which judicial officers would perform recording functions.

technical change

Section 18: Describes the STEP fund as a program receipt, removing it from the category of general fund. (Adopted as an amendment by the Finance committee).

Removes from GF description \$2,160.0

Section 19: repeals public land leasing statutes no longer needed and repeals section regarding prisoner contracting.

Section 20: Effective date clause.