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FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. SB 341

Revision Date: _____

Department Affected: Commerce & Econ. Dev.

Title: Establishing port authorities by a
municipality

BRU: Economic Development

Sponsor: Senator Duncan

Component: _____

Requestor: Senate Transportation Committee

COMPONENT SERIAL NO.

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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
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 FUND RESOURCE:	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS (Attach a separate page if necessary.)

This bill enables a municipality to establish a port authority as a separate enterprise. It does not require their establishment.

Prepared By: Albert H. Clough, Development Specialist Phone: 465-2017

Division: Economic Development Date: 2/6/92

Approved by Commissioner: Glenn A. Olds *Glenn A. Olds* Test Comm.

Agency: Department of Commerce & Economic Development Date: 2-6-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., and Impacted Agency(ies).

SB 341: "An Act relating to the establishment of port authorities by a municipality."

The concept of a port authority is similar to an enterprise fund. Specifically, all the proceeds of user fees go into the port authority fund to pay for operations, maintenance, and to repay debts incurred in port development.

This legislation is enabling legislation. A municipality is given the option to form a port authority. No municipality would be required to establish one; it is just an additional economic development tool. The port authorities of several communities could, by agreement, cooperate in the joint management of several ports.

Any debt incurred by the port authority will be its own debt and not the debt of the local government or the State of Alaska.

Port authorities would be able to own and operate any kind of waterfront or waterway transportation facility associated with the handling, storage and transport of freight and passengers. This will become more important as state oil revenues decline and less money is available for capital projects. Port authorities, in conjunction with lending institutions such as AIDEA, will provide a method to finance and maintain public transportation facilities which cannot be achieved any other way.

This type of legislation is recommended by the Alaska Municipal League. Furthermore, with some amendments, it is supported by this department. Specifically, the department recommends adopting language to allow for establishment of regional port authorities, inclusion of second class cities, and sole authority control of its budget.



Glenn A. Olds, Commissioner *GO*

Date: 2.4.92



*Department of Transportation
and Public Facilities*

POSITION PAPER

BILL NO: SB 341

APPROVED:

A handwritten signature in cursive script, appearing to read "W. R. Gove", written over a horizontal line.

TITLE: Authorizing Municipal
Port Authorities

DATE: February 4, 1992

This bill allows all municipalities other than second class cities to establish a port authority. The authority must be approved by the voters. The three member commission must be elected, and will serve six year terms. The power of the port authority are limited with most actions including selection of port director, Eminent Domain, operating budget, and obligation of revenue bonds requiring local government approval and/or action. The authority will have the power to acquire, construct, repair and manage facilities under their control, enter into contracts, dispose of property, fix and collect fees, rents and charges for use of facilities, and accept grants and donations. To dissolve a port authority would require approval by the voters.

For Further Information contact Katy McHugh at 465-3900.

FISCAL NOTE

Revision Date:

Department Affected: DOT&PF

Title: An Act relating to the establishment
of a port authority by municipalities

BRU: Headquarters

Component: Plans, Programs & Budget

Sponsor: Representative Baker

Requestor: Representative Baker

Component Serial Number: 0542

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE						
FUND SOURCE:	0	0	0	0	0	0

FUNDING:

(Thousands of Dollars)

GENERAL FUNDS	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
FUND SOURCE:	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary)

No direct impact on this agency.

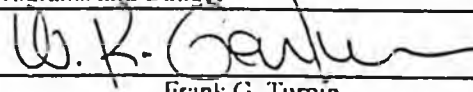
Prepared by: Ron Lind

Phone: 465-2171

Division: DOT&PF, Plans, Programs and Budget

Date: 2/5/92

Approved by the Commissioner:



Phone: 465-3900

Frank G. Turpin

Agency: Department of Transportation and Public Facilities

Date:

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

240 Main Street, Suite 500
Juneau, Alaska 99801-2101

MEMORANDUM

January 10, 1992

SUBJECT: Sectional Summary, SB 341 (Work Order No. 17LS-1634\A)

TO: Senator Jim Duncan
Attn: Dale Staley

FROM: Jerry Luckhaupt *JLS*
Legislative Counsel

You have requested a sectional summary of SB 341, an Act relating to the establishment of a port authority by a municipality. Be advised that a sectional summary is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

The bill amends AS 29.35 by adding new sections. AS 29.35.600 provides for the establishment of a port authority by a municipality other than a second class city. The governing body of the municipality shall by ordinance establish the authority, subject to voter approval.

AS 29.35.610 provides that an elected three member port commission will supervise and control the authority.

AS 29.35.620 authorizes the port commission to employ an executive director and other employees, and to retain legal counsel. The compensation of the executive director is set by the port commission with the approval of the governing body of the municipality.

AS 29.35.630 sets forth the powers the authority may exercise.

AS 29.35.640 explicitly provides that the municipality may utilize the eminent domain procedures provided at AS 09.55.420 - 09.55.460 to obtain property for the authority.

AS 29.35.650 provides how the activities of the port authority may be financed, including the issuance of revenue bonds under AS 29.47.

Senator Jim Duncan
January 10, 1992
Page 2

AS 29.35.660 provides for preparation of a development plan when a port authority intends to finance all or a part of a project with revenue bonds.

AS 29.35.670 provides that the governing body of the municipality must approve the development plan before bonds may be issued.

AS 29.35.680 provides that the port authority must annually prepare a budget for the approval of the governing body of the municipality.

AS 29.35.690 provides for the dissolution of the authority.

JPL:gc
92-005.glc

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. SB 341

Revision Date: _____

Department Affected: Commerce & Econ. Dev.

Title: Establishing port authorities by a
municipality

BRU: Economic Development

Component: _____

Sponsor: Senator Duncan

Requestor: Senate Transportation Committee

COMPONENT SERIAL NO.

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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
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 FUND RESOURCE:	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
FUND SOURCE:						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS (Attach a separate page if necessary.)

This bill enables a municipality to establish a port authority as a separate enterprise. It does not require their establishment.

Prepared By: Albert H. Clough, Development Specialist Phone: 465-2017

Division: Economic Development Date: 2/6/92

Approved by Commissioner: Glenn A. Olds *Glenn A. Olds* Asst Comm.

Agency: Department of Commerce & Economic Development Date: 2-6-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., and Impacted Agency(ies).

Page 1 of 1

SB 341: "An Act relating to the establishment of port authorities by a municipality."

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Glenn A. Olds, Commissioner *GO*

Date: 2.4.92

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JPL:gc
92-005.glc



*Department of Transportation
and Public Facilities*

POSITION PAPER

BILL NO: SB 341

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Revision Date:

Department Affected: DOT&PF

Title: An Act relating to the establishment
of a port authority by municipalities

BRU: Headquarters

Component: Plans, Programs & Budget

Sponsor: Representative Baker

Requestor: Representative Baker

Component Serial Number: 0542

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE						
FUND SOURCE:	0	0	0	0	0	0

FUNDING:

(Thousands of Dollars)

GENERAL FUNDS	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
FUND SOURCE:	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary)

No direct impact on this agency.

Prepared by: Ron Lind

Phone: 465-2171

Division: DOT&PF, Plans, Programs and Budget

Date: 2/5/92

Approved by the Commissioner: W. K. Gardner

Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

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CAPITAL	0	0	0	0	0	0
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Estimate of current year impact: None

ANALYSIS (Attach a separate page if necessary.)

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Prepared By: Albert H. Clough, Development Specialist Phone: 465-2017

Division: Economic Development Date: 2/5/92

Approved by Commissioner: Glenn A. Olds *[Signature]* Leg Comm.

Agency: Department of Commerce & Economic Development Date: 2-6-92

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Glenn A. Olds, Commissioner 001
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