

HB

362

0-LS1110\H
Bannister
3/6/98

CS FOR HOUSE BILL NO. 362()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY

**Offered:
Referred:**

Sponsor(s): HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the use of space for military lounges in state-owned or state-
2 controlled airports."

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

4 * Section 1. AS 02.15.090(a) is amended to read:

5 (a) In operating an airport or air navigation facility owned or controlled by the
6 state, the department may enter into contracts, leases, and other arrangements covering
7 periods not exceeding 55 years with a person, municipality, or the United States,
8 granting the privilege of using or improving an airport or air navigation facility or a
9 portion of it or space in it for commercial, governmental, or other public purposes,
10 including private plane tie down: or conferring the privilege of supplying goods,
11 commodities, services, or facilities at an airport or air navigation facility. The
12 department may establish the terms and conditions and fix the charges, rentals, and
13 fees for the privileges or services that are reasonable and uniform for the same class
14 of privilege or service. Charges, rentals, or fees authorized by this subsection may be

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

fixed for the international airports by order of the commissioner or by negotiated or competitively offered contract. Notwithstanding AS 37.10.050(a), the fixing of charges, rentals, or fees as permitted under this subsection is not subject to the adoption of regulation provisions of AS 44.62 (Administrative Procedure Act). The terms, conditions, charges, rentals, and fees shall be established with due regard to the property and improvements used and the expense of operation to the state. However, use of state land and buildings by the Alaska Wing, Civil Air Patrol and its squadrons shall be permitted without rental charges. If the department permits space in state-owned or state-controlled airports to be used as lounges for members of the United States armed forces, the Alaska National Guard, the Alaska Naval Militia, or the Alaska State Militia and if the lounges are operated by persons exempt from taxation under 26 U.S.C. 501(c)(3) (Internal Revenue Code), rent may not be charged for the use of the space. The department shall provide for public notice and an opportunity to comment before a charge, rental, or fee is fixed by order of the commissioner as permitted under this subsection. The public may not be deprived of its rightful, equal, and uniform use of the airport, air navigation facility, or a portion of them.

HOUSE BILL NO. 362

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

Introduced: 1/28/98

Referred: House Special Committee on Military and Veterans' Affairs, State Affairs

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the use of space for military lounges in state-owned or state-
2 controlled airports."

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

4 * Section 1. AS 02.15.090(a) is amended to read:

5 (a) In operating an airport or air navigation facility owned or controlled by the
6 state, the department may enter into contracts, leases, and other arrangements covering
7 periods not exceeding 55 years with a person, municipality, or the United States,
8 granting the privilege of using or improving an airport or air navigation facility or a
9 portion of it or space in it for commercial, governmental, or other public purposes,
10 including private plane tie down; or conferring the privilege of supplying goods,
11 commodities, services, or facilities at an airport or air navigation facility. The
12 department may establish the terms and conditions and fix the charges, rentals, and
13 fees for the privileges or services that are reasonable and uniform for the same class
14 of privilege or service. Charges, rentals, or fees authorized by this subsection may be

1 fixed for the international airports by order of the commissioner or by negotiated or
 2 competitively offered contract. Notwithstanding AS 37.10.050(a), the fixing of
 3 charges, rentals, or fees as permitted under this subsection is not subject to the
 4 adoption of regulation provisions of AS 44.62 (Administrative Procedure Act). The
 5 terms, conditions, charges, rentals, and fees shall be established with due regard to the
 6 property and improvements used and the expense of operation to the state. However,
 7 use of state land and buildings by the Alaska Wing, Civil Air Patrol, and its squadrons,
 8 and the use of space in state-owned or state-controlled airports as lounges for
 9 members of the United States armed forces, the Alaska National Guard, the
 10 Alaska Naval Militia, or the Alaska State Militia, if the lounges are operated by
 11 persons exempt from taxation under 26 U.S.C. 501(c)(3) (Internal Revenue Code),
 12 shall be permitted without rental charges. The department shall provide for public
 13 notice and an opportunity to comment before a charge, rental, or fee is fixed by order
 14 of the commissioner as permitted under this subsection. The public may not be
 15 deprived of its rightful, equal, and uniform use of the airport, air navigation facility,
 16 or a portion of them.

Then I will insert permissive language.

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 25, 1998

FURTHER REFERRALS:

Date of Committee Action: 3/7/98

The STATE AFFAIRS Committee considered:

HB 362

HOUSE BILL NO. 362

AIRPORT MILITARY LOUNGES

"An Act relating to the use of space for military lounges in state-owned or state- controlled airports."

recommends it be replaced
with the following committee substitute

as HB 362 (STA)

the same title
 a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal note(s) _____

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) DOT + PF

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Sharonette James</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>			✓	

CHAIR'S SIGNATURE *Sharonette James*



Alaska State Legislature

Representative Beverly Masek

Chair, Military & Veterans Affairs

Vice Chair, Transportation

Vice Chair, Resources

Legislative Council

During Interim:

600 East Railroad Avenue
Wasilla, AK 99654
907-376-2679
907-376-6180 (fax)

During Session:

State Capitol
Juneau, AK 99801-1182
907-465-2679
907-465-4822 (fax)
1-800-505-2678

SPONSOR STATEMENT – HOUSE BILL 362

Regarding the Use of Military Lounges in State Owned & Controlled Airports

House Bill 362 amends A.S. 02.15.090(a) by adding language to allow the State of Alaska to provide space within its airports for use as military lounges free of rental charges, if those lounges are operated by non-profit agencies.

Even though only token rent is now being collected, this arrangement skirts on the periphery of FAA regulations. The Anchorage International Airport Director is doing a balancing act by dividing the square footage cost for the lounge between the other airport tenants. The Federal Aviation Administration frowns upon these arrangements and without codifying the "no rent" provision, the potential exists for this arrangement to change should the FAA decide to push the issue.

For many years, the Anchorage Armed Services YMCA have operated the Military Courtesy Lounge on Concourse B at the Anchorage International Airport. This operation is conducted at no expense to the State. More than 23,000 travelers took advantage of the lounge's services in 1996. A squadron booster club provides volunteers to staff the lounge.

Given that thousands of military personnel travel to and from Alaska each year, and that the total economic contribution to the State from military activities exceeds \$2.7 billion, it is the best interest of the State to protect the continued operation of rent free courtesy lounges in our state airports.

Passage of HB 362 will provide airport directors with the statutory justification to continue the "no rent" arrangements, which have served us so well in the past.



ANCHORAGE
ARMED SERVICES YMCA OF THE USA
Post Office Box 272
Elmendorf Air Force Base, Alaska 99506
Telephone: (907) 753-2121
FAX (907) 552-4651



Honorary
Life Member
Robert B. Atwood
Alvin H. Feetwood

February 2, 1998

Representative Beverly Masek
State Capitol
Juneau, AK 99801-1182

Dear Representative Masek,

For more years than anyone knows, the Armed Services YMCA has been quietly and competently serving the traveling military through the Military Courtesy Lounge located on Concourse B at Anchorage International Airport. A safe and secure place has been dedicated to the Armed Forces, at no expense to the State or to the Military. Reaching over 22,000 visitors in 1997, squadron booster clubs provide volunteers to staff this lounge 365 days a year, meeting the needs of domestic and international traveling military members and their families. Alaska continues to be of strategic importance in the training of our military and defense of the nation. The military has always been there for us. We should not shirk our duties to them.

The existing statute does not allow the Armed Services YMCA to provide these services without a rental charge. So that we may continue to meet the needs of the traveling military in Alaska, the Armed Services YMCA supports House Bill No. 362, "An Act relating to the use of space for military lounges in state-owned or state-controlled airports" with the amended changes to Section 1. AS 02.15.090(a).

This change will allow us to continue our work and at the same time, authorize the Anchorage International Airport to offer the space rent free.

Please contact us if the "Y" can offer any assistance.

Serving Those Who Serve America

Tom Morgan
Executive Director

ja/tm

We're in the MILITARY PEOPLE Business



Alaska State Legislature

Representative Beverly Masek
Chair, Military & Veterans Affairs
Vice Chair, Transportation
Vice Chair, Resources
Legislative Council

During Interim:
600 East Railroad Avenue
Wasilla, AK 99654
907-376-2679
907-376-6180 (fax)

During Session:
State Capitol
Juneau, AK 99801-1182
907-465-2679
907-465-4822 (fax)
1-800-505-2678

HOUSE SPECIAL COMMITTEE FOR MILITARY & VETERANS' AFFAIRS

To: Representative *Jeannette* James, Chair
House State Affairs Committee
Fr: Representative *Beverly* Masek, Chair
Re: Request for Hearing on HB 362
Dt: February 25, 1998

Please consider this my formal request for hearing on House Bill 362 as soon as possible. My hope is that HB 362 could be heard the week of March 2 - 6, 1998.

HB 362 amends AS 02.15.090(a) by adding language to allow the State of Alaska the authority to provide space within its airports for use as military lounges free of rental charges, if those lounges are operated by non-profit agencies.

HB 362 passed out of the House Special Committee for Military & Veterans' Affairs with unanimous consent on February 24, 1998.

Should you have any questions, contact Don Stolworthy in my office at extension 2811.

Yes

FISCAL NOTE

No: 1

Version: HB 362

(H) Publish Date: 2/25/98

**STATE OF ALASKA
1998 LEGISLATIVE SESSION**

Revision Date _____	Dept. Affected <u>DOT&PF</u>
Title <u>Airport Military Lounges</u>	BRU <u>Office of the Commissioner</u>
	Component <u>Commissioner's Office</u>
Sponsor <u>HS. Spec. Cmte. MVA</u>	
Requester <u>HS. Spec. Cmte. MVA</u>	Component Serial No. <u>530</u>

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: 0.0

POSITIONS

POSITIONS	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: *(Attach a separate page if necessary)*
 At this time, the Department has only one military lounge. It is located at Anchorage International Airport. The Department also currently has no requests to establish military lounges. This fiscal note assumes that any requests for a military lounge would be filled with available space. The Department also will not displace current airport tenants to establish military lounges.

Prepared by <u>Dennis Poshard</u>	Phone <u>465-3904</u>
Division <u>Office of the Commissioner</u>	Date <u>2/20/98</u>
Approved by: <u><i>[Signature]</i></u> , Commissioner	Date <u>2/20/98</u>
Agency <u>Department of Transportation and Public Facilities</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

COMMITTEE COPY