

SB

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FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
MAR 01 2006
SENATE FINANCE COMMITTEE

DATE: 2/6/06

FURTHER:

DATE TURNED IN TO OFFICE: 1 March 2006

Finance Committee considered

SENATE BILL NO. 207

SB 207 AK AEROSPACE DEVEL. CORP BD MEMBERSHIP

"An Act relating to the membership on the board of directors of the Alaska Aerospace Development Corporation."

and recommends:

- be replaced with _____ CS SB 207 (FIN)
- adopt previous _____ CS CS forthcoming (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill:
 Same Title
 New Title

SCS House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#
Commerce	2/28/06			✓	

Department	Date	Fiscal	Ind.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
Vice Chair				
COCHAIR: <i>Con Blende</i>	✓			
COCHAIR:				

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSSB207(FIN)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
Title AK Aerospace Development Corporation RDU AK Aerospace Devel Corp (127)
Board Membership Component AK Aerospace Devel Corp
Sponsor Gary Stevens
Requester Finance Component No. 1424

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation provides that two members of the board must be residents of the borough where the launch activities occur, and that in absence of a qualified person from that area, the Governor shall appoint another individual. This legislation has no fiscal impact upon the operations of the corporation.

Prepared by: Monica James, Chief Financial Officer Phone 907.561.3338
Division Alaska Aerospace Development Corporation Date/Time 2/28/06 5:35 PM
Approved by: Pat Ladner, President and CEO Date 2/28/2006
Agency Alaska Aerospace Development Corporation



Official Business

Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 1 March 2006 TIME: 9:55am

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 1

FROM: MINDY ROWLAND
SENATE FINANCE COMMITTEE SECRETARY
PHONE: 465-4935
FAX: 465-2187

NOTES: Final Please

CS SB 207 (FIN) 24-LS1208\I

Kurtz/Bannister
2/17/06

no changes

Thanks

Mindy

*faxed
to
Legal
9:54am*

Adopted

3/1/06

24-LS1208V
Kurtz/Bannister
2/17/06

CS FOR SENATE BILL NO. 207()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR GARY STEVENS

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to the membership on the board of directors of the Alaska Aerospace
2 Development Corporation."

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

4 * Section 1. AS 14.40.826(a) is amended to read:

5 (a) The powers and responsibilities of the corporation are vested in the board
6 of directors. The board of directors of the corporation consists of nine members
7 appointed by the governor as follows:

8 (1) three state residents who have a significant high level of experience
9 in the private business sector, specializing in financing or economic development or
10 marketing; two of the state residents appointed under this paragraph shall be
11 residents of the borough where the launch activities of the corporation occur if
12 qualified candidates residing in the borough are available;

13 (2) the president or the designee of the president of the University of
14 Alaska;

1 (3) the director or designee of the Geophysical Institute of the
2 University of Alaska;

3 (4) the commissioner of commerce, community, and economic
4 development or the commissioner's designee;

5 (5) two members who have held or currently hold positions in the
6 aerospace or commercial space industry or special experience regarding federal
7 regulatory procedures and policies involving space or operational experience;
8 members with aerospace experience may not exceed one; and

9 (6) a public school educator or a public member.

10 * Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to
11 read:

12 TRANSITIONAL PROVISIONS: BOARD MEMBERS. (a) Notwithstanding
13 AS 14.40.826(a)(1), as amended by sec. 1 of this Act, a member of the board of directors of
14 the Alaska Aerospace Development Corporation on the effective date of this Act who was
15 appointed under AS 14.40.826(a)(1) may continue to hold the person's position, subject to
16 removal as provided by law, until the person's term expires.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSSB207(L&C)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
Title AK Aerospace Development Corporation RDU AK Aerospace Devel Corp (127)
Component AK Aerospace Devel Corp
Sponsor Senator Gary Stevens
Requester Senate Finance Committee Component No. 1424

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel	13.1	13.1	13.1	13.1	13.1	13.1
Contractual	1.5	1.5	1.5	1.5	1.5	1.5
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	14.6	14.6	14.6	14.6	14.6	14.6

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
AADC Corp Receipts	14.6	14.6	14.6	14.6	14.6	14.6
TOTAL	14.6	14.6	14.6	14.6	14.6	14.6

Estimate of any current year (FY2006) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation adds two members who shall be residents of the borough where the launch activities occur to the corporation's board of directors, and provides that three of the state residents appointed shall be residents of the borough where the launch activities of the corporation occur. The corporation anticipates funds will be needed to cover the costs of these three members to travel to Anchorage for five meetings.

Prepared by: Darwin Peterson, Senate Finance Committee Aide Phone 907-465-6581
Division: Senator Lyda Green, Co-Chair Senate Finance Committee Date/Time 2/13/06 8:55am
Approved by: Senator Lyda Green, Co-Chair Senate Finance Committee Date 2/13/2006
Agency: Senate Finance Committee

SESSION ADDRESS:
Alaska State Capitol
Juneau, Alaska 99801-1182
(907) 465-4925
Fax: (907) 465-3517
Toll Free: 1-800-821-4925

Senator Gary Stevens
Alaska State Legislature

INTERIM ADDRESS:
112 Mill Bay Road
Kodiak, Alaska 99615
(907) 486-4925
Fax: (907) 486-5264

Sponsor Statement for Committee Substitute for Senate Bill 207
(Updated February 6, 2006)

CS for Senate Bill 207 "An Act relating to membership on the board of directors of the Alaska Aerospace Development Corporation"

This is a straightforward legislation to increase membership of the board of directors of the Alaska Aerospace Development Corporation (AADC) from 9 to 11 members. Additionally, the bill ensures three members of the AADC board will reside in the borough where the launch activities of the corporation occur.

Since the late 1990s, AADC has conducted numerous rocket launches, infrastructure construction projects and other activities at its Kodiak Launch Complex facility on Kodiak Island. These activities have had an enormous impact on local residents' recreational activities at nearby Pasagshak Beach, local government operations and the Kodiak Island economy. With the Kodiak Launch Complex playing a key role in the testing of the nation's missile defense system it makes sense for the island community to be well represented on the AADC board of directors. CS for SB 207 will allow that to happen without substantially affecting the current board structure.

CS for SB 207 is supported by the City of Kodiak and the Kodiak Island Borough.

I ask for your support of this important measure.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 6, 2006

SUBJECT: Sectional analysis of CSSB 207(L&C)
(Work Order No. 24-LS1208\Y)

TO: Senator Gary Stevens
Attn: Doug

FROM: *JB*
Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Amends AS 14.40.826(a) to increase to 11 the number of members on the board of directors of the Alaska Aerospace Development Corporation. Increases to five the number of members who must be state residents with a significant level of experience in the private business sector (specializing in financing or economic development or marketing). Requires that three of these five members be residents of the borough where the launch activities of the corporation occur.

Section 2. Provides transition provisions to handle the initial appointments of the two new members, the terms of the two new members added by sec. 1 of this bill, and the appointment of the third member required to be from the borough where the launch activities occur.

If I may be of further assistance, please advise.

TLB:med
06-100.med



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Senator Gary Stevens
Current Version: CSSB 207 (L&C)
Contact: Doug Letch, 465-4925

Fact Sheet for: Senate Bill 207

Short Title: AK AEROSPACE DEVEL. CORP BD MEMBERSHIP

Summary:

- Increases the number of members on the board of directors of the Alaska Aerospace Development Corporation from nine to 11.
- Stipulates that three of the board members live in the borough where the launch activities occur.
- Requires the governor to appoint the two new members within 90 days of the effective date of the bill.

Benefits:

- Gives residents of Kodiak representation on the AADC board of directors.

Background:

- Since the late 1990s, AADC has conducted numerous rocket launches, infrastructure construction projects and other activities at its Kodiak Launch Complex facility on Kodiak Island. These activities have had an enormous impact on local residents' recreational activities at nearby Pasagshak Beach, local government operations, and the Kodiak Island economy. With the Kodiak Launch Complex playing a key role in the testing of the nation's missile defense system, it makes sense for the island community to be well represented on the AADC board of directors.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

Introduced by:	Mayor Selby
Requested by:	Mayor Selby
Introduced:	09/01/2006
Adapted:	09/01/2006

KODIAK ISLAND BOROUGH
RESOLUTION NO. FY2006-09

**A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY
URGING THAT THE GOVERNOR AND LEGISLATURE DESIGNATE
TWO SEATS FOR KODIAK RESIDENTS ON THE
ALASKA AEROSPACE DEVELOPMENT CORPORATION BOARD OF DIRECTORS**

WHEREAS, the Alaska Aerospace Development Corporation (AADC) was created in 1997 as a public corporation of the State of Alaska; and

WHEREAS, the purpose of the AADC is to allow the State to take a lead role in the exploration and development of space, to enhance human and economic development, and to provide a unified direction for space-related economic growth thereby ensuring a stable and dynamic research and business climate by attracting space-related businesses to locate within and utilize the opportunities provided in the state among other goals; and

WHEREAS, the powers and responsibilities of the AADC are vested in the board of directors, include but are not limited to: acquiring real and personal property; owning and improving launch sites, launch pads, landing areas, ranges, payload facilities, laboratories, space business incubators, facilities for the construction of rockets and other launch vehicles, and other space facilities and space-related systems, including educational, cultural, tourism, and parking facilities, and space-related initiatives; operating transportation facilities appropriate to meet the transportation requirements of a facility operated by the AADC; operating water, sewage, and utility service to a facility operated by the AADC; and providing public safety facilities for a facility operated by the AADC; and

WHEREAS, all of these activities, and others the AADC may pursue have the potential to significantly impact the greater Kodiak community and economy; and

WHEREAS, the board of directors of the AADC consists of nine members appointed by the governor as follows: (1) three state residents who have a significant high level of experience in the private business sector, specializing in financing or economic development or marketing; (2) the president or the designee of the president of the University of Alaska; (3) the director or designee of the Geophysical Institute of the University of Alaska; (4) the commissioner of commerce, community, and economic development or the commissioner's designee, (5) two members who have held or currently hold positions in the aerospace or commercial space industry or special experience regarding federal regulatory procedures and policies involving space or operational experience, members with aerospace experience may not exceed one; and (6) a public school educator or a public member; and

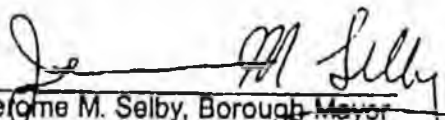
WHEREAS, the members of the board of directors of the AADC described above may be nonresidents of the State and in addition, two members of the legislature shall serve as ex-officio nonvoting members of the board of directors. The two ex-officio nonvoting members shall include one member of the senate appointed by the president of the senate and one member of the house appointed by the speaker of the house; and

WHEREAS, since the creation of the AADC, two board members have also been Kodiak residents;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH THAT the Governor and the Legislature should designate two seats for Kodiak residents on the Alaska Aerospace Development Corporation Board of Directors.

ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH
THIS FIRST DAY OF SEPTEMBER 2005

KODIAK ISLAND BOROUGH


Jerome M. Selby, Borough Mayor

ATTEST:


Judith A. Nielsen, CMC, Borough Clerk

**CITY OF KODIAK
RESOLUTION NUMBER 05-37**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK INSISTING
THAT THE GOVERNOR AND LEGISLATURE DESIGNATE TWO SEATS ON THE
ALASKA AEROSPACE DEVELOPMENT CORPORATION BOARD OF DIRECTORS
FOR KODIAK RESIDENTS**

WHEREAS, the Alaska Aerospace Development Corporation was created in 1997 as a public corporation of the State of Alaska; and

WHEREAS, the purpose of the corporation is to allow the State to take a lead role in the exploration and development of space, to enhance human and economic development, and to provide a unified direction for space-related economic growth, thereby ensuring a stable and dynamic research and business climate by attracting space-related businesses to locate within and utilize the opportunities provided in the State, among other goals; and

WHEREAS, the powers and responsibilities of the corporation vested in the board of directors include but are not limited to acquiring real and personal property; owning and improving launch sites, launch pads, landing areas, ranges, payload facilities, laboratories, space business incubators, facilities for the construction of rockets and other launch vehicles, and other space facilities and space-related systems, including educational, cultural, tourism, and parking facilities, and space-related initiatives; operating transportation facilities appropriate to meet the transportation requirements of a facility operated by the corporation; operating water, sewage, and utility service to a facility operated by the corporation; and providing public safety facilities for a facility operated by the corporation; and

WHEREAS, all of these activities and others the Alaska Aerospace Development Corporation may pursue have the potential to significantly impact the greater Kodiak community and economy; and

WHEREAS, The board of directors of the corporation consist of nine members appointed by the governor as follows: (1) three State residents who have a significant high level of experience in the private business sector, specializing in financing or economic development or marketing; (2) the president or the designee of the president of the University of Alaska; (3) the director or designee of the Geophysical Institute of the University of Alaska; (4) the commissioner of Commerce, Community, and Economic Development or the commissioner's designee; (5) two members who have held or currently hold positions in the aerospace or commercial space industry or special experience regarding federal regulatory procedures and policies involving space or operational experience; members with aerospace experience may not exceed one; and (6) a public school educator or a public member; and

WHEREAS, the members of the board of directors of the corporation described in (5) above may be nonresidents of the State and, in addition, two members of the legislature shall serve as ex-

officio nonvoting members of the board of directors, and the two ex-officio nonvoting members shall include one member of the senate appointed by the president of the senate and one member of the house appointed by the speaker of the house; and

WHEREAS, since the creation of the Alaska Aerospace Development Corporation, two board members have also been Kodiak residents.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the governor and the legislature should appoint and designate two seats on the Alaska Aerospace Development Corporation Board of Directors for Kodiak residents.



CITY OF KODIAK

Charles E. Davidson

DEPUTY MAYOR

ATTEST:

Delva Masler

CITY CLERK

Adopted: August 25, 2005

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 1/9/06

FURTHER: Finance

Date of 5-Day Notice: 1/24/06
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2-3-06

Labor and Commerce Committee considered SENATE BILL NO. 207

SB 207 AK AEROSPACE DEVEL. CORP BD MEMBERSHIP

"An Act relating to the membership on the board of directors of the Alaska Aerospace Development Corporation."

and recommends:

- be replaced with _____ CS SB 207 (LEC)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
SCS House Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
CED	1/24/06	✓			1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:		DO PASS	DO NOT PASS	NO REC	AMEND
Seekins	<i>Ralph Seekins</i>	✓			
Davis	<i>George Davis</i>	X			
Ellis	<i>John Ellis</i>			X	
B. Stevens	<i>Ben Stevens</i>	X			
CHAIR:	<i>A. Bunde</i>	✓			

Seekins
Davis
Ellis
B. Stevens

Bunde