

SB

9

<TARGET><BILL>SB 9</BILL><SUBJECT>SB
9</SUBJECT><COMM>HCRA30</COMM></TARGET>

ALASKA STATE SENATE

Interim:
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Session:
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SENATOR JOHN COGHILL

SPONSOR STATEMENT

“Committee Substitute for Senate Bill 9, by the Senate Finance Committee (CSSB9(FIN)) – *“An Act relating to military facility zones; and providing for an effective date”*”

Military Construction (MILCON) money is flowing into Alaska right now. This bill ensures that Alaskans harness the maximum benefit for business development in the communities surrounding military installations.

The military industry is currently a growing, important industry in Alaska. The easier it is to designate military facility zones, the better for Alaska’s economy.

Briefly:

A military facility zone is a vehicle to obtain and administer funds for business development related to military activities. The zone is established by the Department of Military and Veterans’ Affairs (DMVA) in areas that are in close proximity to a military facility. Examples of qualifying facilities include Clear Air Force Station, Eielson Air Force Base, or Fort Wainwright.

If a zone is established, opportunities arise to adjacent municipalities/boroughs working on approved projects within designated military facility zones (via public/private funding sources, credit, or guarantee programs).

Before CSSB9(FIN), the adjutant general has to consider whether the designated area is consistent with the prevailing comprehensive plan of the municipality/borough.

Unfortunately, these comprehensive plans take time and money. Meanwhile, the window for maximizing the benefit on the current and future military construction spending is small. Under current law, Alaska may not maximize the benefit, during the time allotted.

Simple changes have been suggested. The most important changes include adding the words “or local zoning ordinances” to Alaska Statute 26.30.020(c)(1), and ensuring the bill is effective immediately. These changes will allow a faster process by providing DMVA increased flexibility for reviewing a proposed military facility zone based on compliance with a local zoning ordinance in lieu of a revised comprehensive plan.

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EXPLANATION OF CHANGES

“Committee Substitute for Senate Bill 9, by the Senate Finance Committee (CSSB9(FIN)) – ‘*An Act relating to military facility zones; and providing for an effective date.*’”

1. On February 2, 2017 the Senate Community and Regional Affairs Committee accepted an amendment brought to Senator Coghill by the Department of Military and Veterans’ Affairs (DMVA). The amendment received no objection.

The amendment is as follows:

On page 2, following line 25:

Clarifies that the Department of Military and Veterans’ Affairs will not be held liable for civil damages, based on inaccurate or incomplete information provided by the municipality/borough.

2. On February 13, 2017 the Senate Finance Committee introduced a committee substitute, which was accepted by the committee. The committee substitute simply clarified that the legislation is effective immediately. The change is found on page 3, line 1. The title was also changed to reflect the changed effective date.

The committee substitute was passed from the Senate Finance Committee on February 15, 2017.

3. On March 1, 2017, the bill passed unanimously on the Senate Floor. The following Senators joined as co-sponsors: Senator Costello, Senator Giessel, Senator Stedman, Senator MacKinnon, Senator Bishop, Senator Stevens, and Senator Micciche.

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SECTIONAL ANALYSIS

“Committee Substitute for Senate Bill 9, by the Senate Finance Committee (CSSB9(FIN)) – “*An Act relating to military facility zones; and providing for an effective date*” – **Version J**

Section 1: Simply adds the words “or local zoning ordinances” to Alaska Statute 26.30.020(c)(1).

If added, the Department of Military and Veterans’ Affairs (DMVA) has increased flexibility when considering a proposed military facility zone. The zone can be consistent with the local zoning ordinance in lieu of a local comprehensive plan.

Section 2: This section was proposed by DMVA. The language ensures that the department will not be held civilly liable for a military facility zone designation based on inaccurate or incomplete information provided by a municipality/borough.

Section 3: Clarifies that this legislation is effective immediately.

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version:	CSSB 9(CRA)
Fiscal Note Number:	1
(S) Publish Date:	2/3/2017

Identifier: SB009-MVA-COM-1-27-17
 Title: MILITARY FACILITY ZONES
 Sponsor: COGHILL
 Requester: (S) CRA

Department: Department of Military and Veterans' Affairs
 Appropriation: Military and Veterans' Affairs
 Allocation: Office of the Commissioner
 OMB Component Number: 414

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2018 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OPERATING EXPENDITURES	FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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Estimated SUPPLEMENTAL (FY2017) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version:

Not Applicable, initial version.

Prepared By:	Brian P. Duffy	Phone:	(907)428-7210
Division:	Administrative Services	Date:	01/27/2017 09:30 AM
Approved By:	Laurel J. Hummel	Date:	01/27/17
Agency:	Office of the Commissioner		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

Passage of SB 9 would have no material effect on the Alaska Department of Military and Veterans' Affairs procedures or ability to evaluate and act on municipal applications for military facility zone designations. This bill will also have no impact on the employees and services provided by the Department. Therefore, the Department of Military and Veterans' Affairs is submitting a zero fiscal note.