

HB

4

<TARGET><BILL>HB 4</BILL><SUBJECT>HB
4</SUBJECT><COMM>HMLV30</COMM></TARGET>

ALASKA STATE LEGISLATURE

Session:
State Capitol Building
Room 500
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Toll Free: (877) 465-3004



Interim:
1292 Sadler Way, Ste. 308
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Toll Free: (877) 465-3004

REPRESENTATIVE STEVE THOMPSON DISTRICT 2

House Bill 4 (HB4) – *“An Act relating to military facility zones.”*

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 economic sector in Alaska. The easier it is to designate military facility zones, the better for Alaska’s economy.

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, and 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 HB 4, 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. 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.

A simple change has been suggested: Add the words “or local zoning ordinances” to Alaska Statute 26.30.020(c)(1). This will allow a faster process by providing DMVA increased flexibility for reviewing a proposed military facility zone to ensure it is consistent with the local zoning ordinance (in addition to the comprehensive plan).

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: January 18, 2017 FURTHER REFERRALS: Community and Regional Affairs

Date of Committee Action: 2-14-17

The HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS considered: HB 4

HOUSE BILL NO. 4

"An Act relating to military facility zones."

HB 4-MILITARY FACILITY ZONES

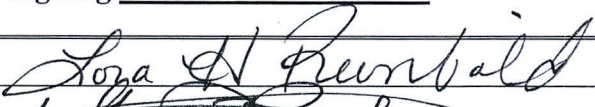
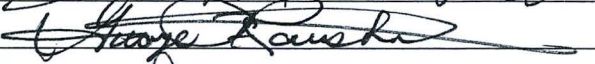
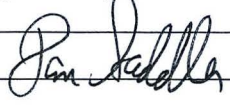

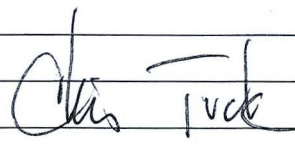
Recommends it be replaced with HCS or CS for HB4 (MLV)
 For Senate Bills with new title: Technical Title New Title: HCR _____ Same Title New Title

- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

- List of Abbrev for Depts.:
- ADM
 - AJS
 - CED
 - COR
 - EED
 - DEC
 - DFG
 - GOV
 - DHS
 - LWF
 - LAW
 - LEG
 - MVA
 - DNR
 - DPS
 - REV
 - DOT
 - UA

NEW FISCAL NOTES				
*FN# is assigned by Chief Clerk's Office				
*FN#	List by Dept(s):	Fiscal	Indet.	Zero
	MVA			X

PREVIOUS FISCAL NOTES				
FN#	List by Dept(s):	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Reinbold	X			
	Rauscher	X			
	SADDLER	X			
	Parish	X			
Chair: 	Tuck	X			
Chair:					

CS FOR HOUSE BILL NO. 4(MLV)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

Offered:

Referred:

Sponsor(s): REPRESENTATIVES THOMPSON, Saddler, Kawasaki

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to military facility zones; and providing for an effective date."**

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

3 * **Section 1.** AS 26.30.020(c) is amended to read:

4 (c) The adjutant general shall consider the following factors before
5 designating an area as a military facility zone:

6 (1) whether the proposed military facility zone designation is
7 consistent with the comprehensive plan of the municipality or local zoning
8 ordinances;

9 (2) whether it is feasible to develop sites within the proposed zone for
10 purposes of industrial or economic development, residential use, and workforce
11 training or education beneficial to the facility;

12 (3) whether the municipality has targeted the area for revitalization in a
13 plan or ordinance;

14 (4) the relationship between the area and a military facility subject to
15 realignment or closure under 10 U.S.C. 2687, as amended, or a successor statute or the

1 effect of the realignment or closure on the area;

2 (5) the availability, cost, and condition of existing business and
3 educational facilities to support the military facility or facility of a civilian agency;

4 (6) the difference between the median annual income of residents of
5 the area and the median annual income of residents of the state and region, and the
6 number of residents who receive public assistance;

7 (7) the number of residents of the area who receive unemployment,
8 and the ability of the municipality to improve social and economic conditions of the
9 area;

10 (8) the need for financing for small businesses that would improve
11 social and economic conditions in the area;

12 (9) any plans or financial commitments of municipalities to improve
13 the area;

14 (10) any plans or financial commitments of private entities to improve
15 the area;

16 (11) the municipality's participation in economic development
17 activities, including proposals for public or private development;

18 (12) support from community or business organizations in the area;

19 (13) the availability of workforce readiness programs, including
20 workforce recruiting and training support or educational research and curriculum
21 support in the area;

22 (14) the availability or plans for the creation of workforce housing
23 options for residents of the area; and

24 (15) the fiscal effect on the state if the area were to be designated a
25 military facility zone.

26 * **Sec. 2.** AS 26.30.020 is amended by adding a new subsection to read:

27 (d) In considering the factors under (c) of this section, the Department of
28 Military and Veterans' Affairs may rely on the information provided by a municipality
29 and may not be held liable for civil damages resulting from a military facility zone
30 designation that is based on inaccurate or incomplete information provided by a
31 municipality.

1

* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).

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REPRESENTATIVE STEVE THOMPSON DISTRICT 2

SECTIONAL ANALYSIS

House Bill 4 (HB4) – “An Act relating to military facility zones.”

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

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

Planned Military Construction Projects in the Fairbanks Area

Subject to Change – Track on FBO.GOV

HB 4 Supporting Document - Provided by Rep. Steve Thompson

F-35

Military Construction Projects in the Fairbanks Area						
MDA	Project	FY	Approximate Value	Solicit	Award	Acquisition Strategy Notes
	LRDR Phase 1	2017	\$100 - \$150M	1st Qtr	2nd Qtr	DBB, 3 Projects (1 unrestricted and 2 set asides)
	Switch Gear (FTG)	2017	\$5M - \$10M	1st Qtr	2nd Qtr	DBB, Set Aside
	LRDR Phase 2	2019	\$100 - \$150M	1st Qtr	2nd Qtr	DBB, 2 Projects (1 unrestricted and 1 set aside)
USAF	Project	FY	Approximate Value	Solicit	Award	Acquisition Strategy Notes
	Flight Simulator	2016	\$20M - \$30M	3rd Qtr	4th Qtr	DBB, Unrestricted *****Awaiting Funds*****
	Renovate B4110	2016	\$3.9M	3rd Qtr	4th Qtr	Awarded to ASRC
	Squad Ops/AMU	TBD	TBD	TBD	TBD	TBD
	Hangar	2017	\$25M - \$40M	2nd Qtr	3rd QTR	DBB, Unrestricted
	ADAL Field Training Det	2017	\$10M - \$20M	2nd Qtr	3rd QTR	DBB, Set Aside
	Weather Shelters	2017	\$50M - \$70M	3rd Qtr	1st Qtr	DBB, Unrestricted
	Hanger/Sq Ops/AMU	2017	\$25M - \$40M	4th Qtr	1st Qtr	DBB, Unrestricted
	Earth Covered Magazines	2017	\$5M - \$10M	1st Qtr	2nd Qtr	DBB, Set Aside
	Renovate B1337	2017	\$2M - \$4M	1st Qtr	2nd Qtr	DB, Set Aside
	Renovate B1307/1338	2017	\$5M - \$10M	1st Qtr	2nd Qtr	DB, Set Aside
	Renovate 4-Bay Weather Shelter	2017	\$2M - \$4M	1st Qtr	2nd Qtr	DB, Set Aside
	Missile Maint Facility	2018	\$5M - \$10M	1st Qtr	2nd Qtr	DBB, Set Aside
	Weather Shelters	2018	\$50M - \$70M	3rd Qtr	1st Qtr	DBB, Unrestricted
	AGE Facility	2018	\$10M - \$20M	1st Qtr	2nd Qtr	DBB, Set Aside
	OSS/Alter 1215	2018	\$5M - \$10M	1st Qtr	2nd Qtr	DB, Set Aside
	Munitions Admin Facility	2018	\$15M - \$25M	1st Qtr	2nd Qtr	DB, Unrestricted
	ADAL Conv Munitions Facility	2018	\$1M - \$2M	1st Qtr	2nd Qtr	DB, Set Aside
	Covered Parking	2018	\$5M - \$10M	1st Qtr	2nd Qtr	DB, Set Aside
	Dining Facility	2018	\$5M - \$10M	1st Qtr	2nd Qtr	DB, Set Aside
	School Age Center	TBD	TBD	TBD	TBD	TBD
	Steam/Water Utiliduct	2018	\$30M - \$40M	1st Qtr	2nd Qtr	DBB, Unrestricted
	CATM Range	TBD	TBD	TBD	TBD	TBD
	CHPP Boiler Phase 3	2018	\$25M - \$30M	1st Qtr	2nd Qtr	DBB, Unrestricted
Fuel Storage (Clear)	2016	\$8M - \$12M	FY15	4th Qtr	DBB, Set Aside *****In Source Selection*****	
Fire Station (Clear)	2017	\$10M - \$20M	2nd Qtr	3rd QTR	DB, TBD	
Army	Project	FY	Approximate Value	Solicit	Award	Acquisition Strategy Notes
	Physical Readiness Training Ctr (Greely)	2016	\$5.5M	2nd Qtr	4th Qtr	Awarded to Weldin Construction
	UAS Hangar	2016	\$30M - \$40M	3rd Qtr	2nd Qtr	DB, Unrestricted



BUILDING STRONG®

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version: HB 4
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB004-MVA-COM-2-3-17
Title: MILITARY FACILITY ZONES
Sponsor: THOMPSON
Requester: (H) MVA

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 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates					
			FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES								
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	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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
Division: Administrative Services
Approved By: Laurel J. Hummel
Agency: Office of the Commissioner

Phone: (907)428-7210
Date: 02/03/2017 11:51 AM
Date: 02/03/17

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
2017 LEGISLATIVE SESSION**

BILL NO. HB 4 _____

Analysis

Passage of HB 4 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.

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE TUCK

TO: HB 4

1 Page 1, line 1, following "zones":

2 Insert "; and providing for an effective date"

3

4 Page 2, following line 25:

5 Insert a new bill section to read:

6 **** Sec. 2.** This Act takes effect immediately under AS 01.10.070(c)."

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 4

BY REPRESENTATIVE TUCK

1 Page 2, following line 25:

2 Insert a new bill section to read:

3 **** Sec. 2.** AS 26.30.020 is amended by adding a new subsection to read:

4 (d) In considering the factors under (c) of this section, the Department of
5 Military and Veterans' Affairs may rely on the information provided by a municipality
6 and may not be held liable for civil damages resulting from a military facility zone
7 designation that is based on inaccurate or incomplete information provided by a
8 municipality."