



# LAWS OF ALASKA

2001

**Source**  
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**Chapter No.**  
22

## AN ACT

Making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

**Approved by the Governor:** May 9, 2001

**Actual Effective Date:** Section 23 takes effect July 1, 2001; remainder of Act takes effect  
May 10, 2001

AN ACT

1 Making corrective amendments to the Alaska Statutes as recommended by the revisor of  
2 statutes; and providing for an effective date.

3

4 \* **Section 1.** AS 06.05.005(a)(3) is amended to read:

5 (3) review and approve or disapprove applications for new state banks  
6 under AS 06.05.344 [AS 06.05.345], new bank branches under AS 06.05.399, and  
7 international or interstate branch banks under AS 06.05.555;

8 \* **Sec. 2.** AS 13.06.050(29) is amended to read:

9 (29) "minor" means a person who is under 18 [19] years of age;

10 \* **Sec. 3.** AS 16.05.930(g) is amended to read:

11 (g) AS 16.05.330 - 16.05.723 [AS 16.05.440 - 16.05.723] do not apply to an  
12 activity authorized by a permit issued under AS 16.40.100 or 16.40.120, or to a person  
13 or vessel employed in an activity authorized by a permit issued under AS 16.40.100 or  
14 16.40.120.

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1 \* **Sec. 4.** AS 21.27.560(a) is amended to read:

2 (a) A client who appoints an insurance producer as its broker in this state or  
3 relative to a subject resident, located, or to be performed in this state shall execute a  
4 written contract that specifically sets out the duties, functions, powers, authority, and  
5 compensation of the insurance producer, if the broker is compensated by a fee paid **by**  
6 the client or by a combination of a fee paid by a client and a commission paid by an  
7 insurer with which coverage has been placed. The written contract shall be kept in the  
8 permanent records of the insurance producer and be open to inspection by the director.

9 \* **Sec. 5.** AS 21.42.500 is amended to read:

10 **Sec. 21.42.500. Definitions.** In AS 21.42.345 - 21.42.500 [AS 21.42.345 -  
11 21.42.395],

12 (1) "copayment" means the portion of medical care expenses in excess  
13 of the deductible to be paid by a covered individual;

14 (2) "deductible" means the portion of medical care expenses for which  
15 a covered individual must pay before benefits become payable;

16 (3) "excepted benefits" has the meaning given in AS 21.54.160;

17 (4) "fraternal benefit society" has the meaning given in AS 21.84.900;

18 (5) "health care insurance plan" has the meaning given in  
19 AS 21.54.500;

20 (6) "health care insurer" has the meaning given in AS 21.54.500;

21 (7) "placed for adoption" has the meaning given in AS 21.54.500.

22 \* **Sec. 6.** AS 21.54.160(4)(A) is amended to read:

23 (A) Medicare **supplemental policy** [SUPPLEMENT HEALTH  
24 INSURANCE] as defined in 42 U.S.C. 1395ss(g)(1) [42 U.S.C. 1345ss(g)(1)]  
25 (Social Security Act);

26 \* **Sec. 7.** AS 21.56.050(d)(3) is amended to read:

27 (3) subject to the approval of the director, the board shall make an  
28 adjustment to the assessment formula for reinsuring carriers that are approved health  
29 maintenance organizations that are federally qualified under 42 U.S.C. 300e [42  
30 U.S.C. 300], to the extent, if any, that restrictions are imposed on those organizations  
31 that are not imposed on other small employer insurers;

1 \* **Sec. 8.** AS 23.40.215(c) is amended to read:

2 (c) Notwithstanding (b) of this section, the monetary terms of an agreement  
3 entered into between a school district or regional educational attendance area and its  
4 employees are not **required to be submitted to** [SUBJECT TO APPROVAL BY] the  
5 legislature.

6 \* **Sec. 9.** AS 24.45.041(b)(7) is amended to read:

7 (7) the identification of a legislator, legislative employee, or public  
8 official to whom the lobbyist is married or who is the spousal equivalent of the  
9 lobbyist; in this paragraph, "spousal equivalent" has the meaning given in  
10 **AS 39.50.200(a)** [AS 39.50.030(g)].

11 \* **Sec. 10.** AS 38.04.900(c) is amended to read:

12 (c) If the regulations adopted by the commissioner under (a) of this section fail  
13 to provide for a process by which decisions of the commission may be appealed, an  
14 interested person may petition for reconsideration of a decision. The petition shall  
15 contain the information required to be submitted by AS 44.62.220 and shall be acted  
16 upon by the commissioner in the manner provided in AS 44.62.230. For purposes of  
17 this **subsection** [SECTION], a municipality is an interested person with respect to its  
18 interests in land defined in (b) of this section.

19 \* **Sec. 11.** AS 38.05.810(i) is amended to read:

20 (i) Subject to AS 38.05.820, the commissioner may lease undeveloped state  
21 land, including tideland, to a port authority established under AS 29.35.600 -  
22 29.35.730, if the state land is within the physical boundaries of the authority and is  
23 needed by the authority for purposes provided in AS 29.35.600 - 29.35.730. The  
24 commissioner may lease developed state land, including tideland, to a port authority  
25 established under AS 29.35.600 - 29.35.730 only if, (1) the developed state land is  
26 within the physical boundaries of the authority; (2) the developed state land is needed  
27 by the authority for purposes provided in AS 29.35.600 - 29.35.730; and (3) the  
28 legislature approves the lease. A lease of state land under this **subsection** [SECTION]  
29 may be for less than the appraised market value.

30 \* **Sec. 12.** AS 38.05.821(a) is amended to read:

31 (a) Notwithstanding any other provision of law, a home rule or general law

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1 municipality **that** [WHICH] accepts by conveyance or other disposition from the state  
2 a public recreation area facility developed under the terms of **P.L. 84-507, 70 Stat.**  
3 **130** [P.L. 507 (70 STAT. 130)], upon application, shall receive by conveyance from  
4 the director all land owned by the state seaward of the public recreation area facility  
5 **that** [WHICH] is between the mean high tide line and the mean low tide line. The  
6 director may adopt necessary regulations providing for the conveyance of land under  
7 this section.

8 \* **Sec. 13.** AS 38.20.060(a)(10) is amended to read:

9 (10) Zone 10 is a Lambert conformal conic projection of the Clarke  
10 spheroid of 1866, having standard parallels at north latitude 51 degrees 50 minutes  
11 [AS] and 53 degrees 50 minutes, along which parallels the scale shall be exact. The  
12 origin of coordinates is at the intersection of the meridian 176 degrees 00 minutes west  
13 of Greenwich and the parallel 51 degrees 00 minutes north latitude. This origin is  
14 given the coordinates:  $x = 3,000,000$  feet and  $y = 0$  feet.

15 \* **Sec. 14.** AS 38.20.060(b)(10) is amended to read:

16 (10) Zone 10 is a Lambert conformal conic projection of the World  
17 Reference Ellipsoid, having standard parallels at north latitude 51 degrees 50 minutes  
18 [AS] and 53 degrees 50 minutes, along which parallels the scale shall be exact. The  
19 origin of coordinates is at the intersection of the meridian 176 degrees 00 minutes west  
20 of Greenwich and the parallel 51 degrees 00 minutes north latitude. This origin is  
21 given the coordinates:  $x = 1,000,000$  meters and  $y = 0$  meters.

22 \* **Sec. 15.** AS 38.35.120(a)(1) is amended to read:

23 (1) it assumes the status of and will perform all of its functions  
24 undertaken under the lease as a common carrier and will accept, convey, and transport  
25 without discrimination crude oil or natural gas, depending on the kind of pipeline  
26 involved, delivered to it for transportation from fields in the vicinity of the pipeline  
27 subject to the lease throughout its route both on state land obtained under the lease and  
28 on the other land; **it will accept, convey, and transport crude oil or natural gas**  
29 **without unjust or unreasonable discrimination in favor of one producer or**  
30 **person, including itself, as against another but will take the crude oil or natural**  
31 **gas, depending on the kind of pipeline involved, delivered or offered, without**

1 unreasonable discrimination, that the Regulatory Commission of Alaska shall,  
2 after a full hearing with due notice to the interested parties and a proper finding  
3 of facts, determine to be reasonable in the performance of its duties as a common  
4 carrier; however, a lessee that owns or operates a natural gas pipeline

5 (A) subject to regulation either under the Natural Gas Act (15  
6 U.S.C. 717 et seq.) of the United States or by the state or political subdivisions  
7 with respect to rates and charges for the sale of natural gas, is, to the extent of  
8 that regulation, exempt from the common carrier requirement in this  
9 paragraph; [IT WILL ACCEPT, CONVEY, AND TRANSPORT CRUDE OIL  
10 OR NATURAL GAS WITHOUT UNJUST OR UNREASONABLE  
11 DISCRIMINATION IN FAVOR OF ONE PRODUCER OR PERSON,  
12 INCLUDING ITSELF, AS AGAINST ANOTHER BUT WILL TAKE THE  
13 CRUDE OIL OR NATURAL GAS, DEPENDING ON THE KIND OF  
14 PIPELINE INVOLVED, DELIVERED OR OFFERED, WITHOUT  
15 UNREASONABLE DISCRIMINATION, THAT THE REGULATORY  
16 COMMISSION OF ALASKA SHALL, AFTER A FULL HEARING WITH  
17 DUE NOTICE TO THE INTERESTED PARTIES AND A PROPER  
18 FINDING OF FACTS, DETERMINE TO BE REASONABLE IN THE  
19 PERFORMANCE OF ITS DUTIES AS A COMMON CARRIER;]

20 (B) that is a North Slope natural gas pipeline (i) is required to  
21 operate as a common carrier only with respect to the intrastate transportation of  
22 North Slope natural gas, as that term is defined in AS 42.06.630, and (ii) is not  
23 required to operate as a common carrier as to a liquefied natural gas facility or  
24 a marine terminal facility associated with the pipeline, and is not otherwise  
25 required to perform its functions under the lease as a common carrier; for  
26 purposes of this subparagraph, "North Slope natural gas pipeline" means all the  
27 facilities of a total system of pipe, whether owned or operated under a contract,  
28 agreement, or lease, used by a carrier for transportation of North Slope natural  
29 gas, as defined by AS 42.06.630, for delivery, for storage, or for further  
30 transportation, and including all pipe, pump, or compressor stations, station  
31 equipment, tanks, valves, access roads, bridges, airfields, terminals and

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1 terminal facilities, including docks and tanker loading facilities, operations  
2 control centers for both the upstream part of the pipeline and the terminal,  
3 tanker ballast treatment facilities, fire protection system, communication  
4 system, and all other facilities used or necessary for an integral line of pipe,  
5 taken as a whole, to carry out transportation, including an extension or  
6 enlargement of the line;

7 \* **Sec. 16.** AS 38.95 is amended by adding a new section to article 3 to read:

8 **Sec. 38.95.085. Definitions for AS 38.95.075 - 38.95.085.** In AS 38.95.075 -  
9 38.95.085,

10 (1) "commissioner" means the commissioner of natural resources;

11 (2) "director" means the director of the division of lands.

12 \* **Sec. 17.** AS 40.15.050 is amended to read:

13 **Sec. 40.15.050. Plats legalized.** All plats filed or recorded with the recorder  
14 before March 30, 1953, whether executed and acknowledged in accordance with this  
15 chapter or not, are validated and all streets, alleys, or public thoroughfares shown on  
16 these plats are considered to be dedicated to public use. The last plat of the area of  
17 record on March 30, 1953, is the official plat of the area as of that date, and the streets,  
18 alleys, or thoroughfares shown on it are considered to be dedicated to public use. The  
19 streets, alleys, or thoroughfares shown on an earlier plat of the same area, or any part  
20 of it, **that are** [WHICH IS] in conflict with those shown on the official plat are  
21 considered to be abandoned and vacated.

22 \* **Sec. 18.** AS 41.10.100(b) is amended to read:

23 (b) The board shall also

24 (1) receive and review reports concerning the use of soil resources of  
25 the state;

26 (2) hold public hearings and meetings to determine whether land in the  
27 state is being used in a manner consistent with sound soil and water conservation  
28 practices;

29 (3) make recommendations for specific action necessary to provide for  
30 the effective and orderly development of agricultural, forest, and grazing land in the  
31 state;

1 (4) review an appeal by an applicant or lessee from a decision of the  
2 director of the division of lands [LAND AND WATER MANAGEMENT]  
3 concerning a sale or lease of state agricultural or grazing land and submit its  
4 recommendations to the commissioner or hearing officer;

5 (5) act in an advisory capacity to the soil and water conservation  
6 districts in the state;

7 (6) act in an advisory capacity to the commissioner and director of the  
8 division of agriculture in the review of farm conservation plans for all state  
9 agricultural land sales in the state.

10 \* Sec. 19. AS 41.17.950(13) is amended to read:

11 (13) "riparian area" means

12 (A) the areas specified in AS 41.17.116(a) on private land in  
13 the coastal forest of spruce or hemlock;

14 (B) the areas specified in regulations adopted by the  
15 commissioner under AS 41.17.116(b) on private land outside the coastal forest  
16 of spruce or hemlock;

17 (C) the area 100 feet from the shore or bank of [OR] an  
18 anadromous or high value resident fish water body on state land managed by  
19 the department and on other public land;

20 \* Sec. 20. AS 43.40.100(4) is amended to read:

21 (4) "user" means a person consuming or using motor fuel, who

22 [EITHER]

23 (A) purchases the fuel out of the state and ships it into the state  
24 for personal use in the state;

25 (B) manufactures the fuel in the state; or

26 (C) purchases or receives fuel in the state that is not taxed at  
27 the time of purchase or receipt or is taxed at a rate that is less than the rate  
28 prescribed by AS 43.40.010.

29 \* Sec. 21. AS 44.81.245(9) is amended to read:

30 (9) a statement of the right of the equitable owner to nominate a person  
31 to assume the loan under AS 44.81.250(c) [AS 44.81.245];

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1 \* Sec. 22. AS 44.85.320(a) is amended to read:

2 (a) A trustee appointed under AS 44.85.310 [THIS SECTION] may, and shall  
3 in the trustee's name, upon written request of the holders of 25 percent [PER CENT]  
4 in principal amount of the outstanding notes or bonds,

5 (1) by civil action enforce all rights of the noteholders or bondholders,  
6 including the right to require the bond bank authority to collect rates, charges, and  
7 other fees and to collect interest and amortization payments on municipal bonds and  
8 notes held by it adequate to carry out an agreement as to, or pledge of, the rates,  
9 charges, and other fees and of the interest and amortization payments, and to require  
10 the bond bank authority to carry out any other agreements with the holders of the notes  
11 or bonds and to perform its duties under this chapter;

12 (2) bring a civil action upon the notes or bonds;

13 (3) by civil action require the bond bank authority to account as if it  
14 were the trustee of an express trust for the holders of the notes or bonds;

15 (4) by civil action enjoin anything that may be unlawful or in violation  
16 of the rights of the holders of the notes or bonds;

17 (5) declare all the notes or bonds due and payable, and if all defaults  
18 are made good, then with the consent of the holders of 25 percent [PER CENT] of the  
19 principal amount of the outstanding notes or bonds, annul the declaration and its  
20 consequences;

21 (6) [THE TRUSTEE,] in addition to the foregoing, exercise [HAS] all  
22 the powers necessary for the exercise of functions specifically set out or incident to the  
23 general representation of bondholders or noteholders in the enforcement and  
24 protection of their rights.

25 \* Sec. 23. AS 45.29.702(b) is amended to read:

26 (b) Except as otherwise provided in [(c) OF THIS SECTION AND]  
27 AS 45.29.703 - 45.29.709,

28 (1) transactions and liens that were not governed by former AS 45.09,  
29 were validly entered into or created before July 1, 2001, and would be subject to this  
30 chapter if they had been entered into or created on or after July 1, 2001, and the rights,  
31 duties, and interests flowing from those transactions and liens remain valid on and

1 after July 1, 2001; and

2 (2) the transactions and liens may be terminated, completed,  
3 consummated, and enforced as required or permitted under this chapter or by the law  
4 that otherwise would apply if this chapter had not taken effect.

5 \* **Sec. 24.** AS 08.20.180(b); AS 14.43.310(b)(2); AS 18.65.250; AS 39.50.200(b)(17);  
6 AS 44.19.110, 44.19.112, 44.19.114, 44.19.116, 44.19.118, 44.19.120, and 44.19.122 are  
7 repealed.

8 \* **Sec. 25.** Section 23 of this Act takes effect July 1, 2001.

9 \* **Sec. 26.** Except as provided in sec. 25 of this Act, this Act takes effect immediately under  
10 AS 01.10.070(c).