

HOUSE BILL NO. 255

IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE MCCABE

Introduced: 1/12/24
Referred: Prefiled

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the Port of Southcentral Alaska; establishing the Port of**
2 **Southcentral Alaska Authority to manage and operate the Port of Southcentral Alaska;**
3 **and providing for an effective date."**

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

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 LEGISLATIVE FINDINGS AND INTENT. The legislature finds that it is in the best
8 interests of the state to create an authority with the powers, duties, and functions needed to
9 operate the Port of Southcentral Alaska in Anchorage and manage its seaport, industrial, and
10 other properties in the best interests of the people of the state and to ensure that the authority
11 is exclusively responsible for managing the financial and legal obligations of the Port of
12 Southcentral Alaska. The legislature considers the continued operation of the Port of
13 Southcentral Alaska by the authority as provided in this Act an essential government function
14 of the state.

1 * **Sec. 2.** AS 30 is amended by adding a new chapter to read:

2 **Chapter 19. Port of Southcentral Alaska Authority.**

3 **Article 1. Establishment and Organization.**

4 **Sec. 30.19.010. Creation of authority.** The Port of Southcentral Alaska
5 Authority is created. The authority is a public corporation of the state and a body
6 corporate and is an instrumentality of the Department of Commerce, Community, and
7 Economic Development, but with separate and independent legal existence.

8 **Sec. 30.19.020. Board of directors.** (a) The powers of the authority are vested
9 in the board of directors. The board consists of

10 (1) the commissioner of commerce, community, and economic
11 development;

12 (2) the commissioner of transportation and public facilities; and

13 (3) seven public members appointed as follows:

14 (A) one member who has experience as an executive official of
15 an entity that is deemed a citizen of the United States under 46 U.S.C. 50501
16 (sec. 2, Shipping Act, 1916) engaged in the transport of merchandise in the
17 United States coastwise trade and who is a resident of the state, appointed by
18 the governor;

19 (B) one member appointed by the speaker of the house of
20 representatives;

21 (C) one member appointed by the president of the senate;

22 (D) one member appointed by the mayor of the Municipality of
23 Anchorage;

24 (E) one member appointed by the Anchorage Assembly;

25 (F) one member appointed by the mayor of the Matanuska-
26 Susitna Borough;

27 (G) one member appointed by the Matanuska-Susitna Borough
28 Assembly.

29 (b) The board members appointed under (a)(3) of this section must have the
30 following qualifications:

31 (1) one member must have at least five years of experience in port

1 management; a person who is not a resident of the state may be appointed under this
2 paragraph;

3 (2) either the member appointed under (a)(3)(B) of this section or the
4 member appointed under (a)(3)(C) of this section must have at least five years of
5 experience as an owner or manager of a business in the state.

6 (c) The public members of the board appointed under (a)(3)(A) - (C) of this
7 section serve three-year terms.

8 (d) If a vacancy occurs in the membership of the board, the appointing
9 authority shall appoint a member for the unexpired portion of the term.

10 (e) The board shall create staggered terms for members in its first organizing
11 meeting.

12 **Article 2. Management.**

13 **Sec. 30.19.100. Management by board.** The board is responsible for the
14 management of the authority but shall delegate certain powers and duties to the chief
15 executive officer under AS 30.19.120. In managing the authority, the board shall

16 (1) manage the financial and legal obligations of the authority;

17 (2) generally manage the authority on a self-sustaining basis;

18 (3) apply to the legislature for an appropriation with the concurrence of
19 the governor to be used to provide a particular service or project that is not otherwise
20 self-sustaining if a subsidy is required to maintain that service or project;

21 (4) provide for safe, efficient, and economical transportation to meet
22 the overall needs of the state;

23 (5) raise needed capital by issuing revenue bonds of the authority upon
24 approval by the legislature while ensuring that borrowing by the authority does not
25 directly or indirectly endanger the state's own borrowing capacity;

26 (6) ensure that the procurement procedures of the authority meet
27 accepted industry standards;

28 (7) ensure that the accounting procedures of the authority meet
29 generally accepted accounting principles consistent with industry standards for
30 comparable authorities;

31 (8) consider the effect on port users and shippers and make good faith

1 efforts to reach a consensus among affected port users before implementing a funding
 2 plan for a physical change, improvement, or modification to the port that requires
 3 funding, in whole or in part, from affected port users; a change, improvement, or
 4 modification under this paragraph must be made with the expectation, consistent with
 5 precedent, that the funding be borne solely by the port users whose operations directly
 6 benefit from the change, improvement, or modification;

7 (9) approve any tariff, surcharge, or fee assessed against a user of the
 8 port.

9 **Sec. 30.19.110. Executive officer.** The board shall appoint a chief executive
 10 officer of the authority who serves at the pleasure of the board. The board shall set
 11 compensation for the chief executive officer.

12 **Sec. 30.19.120. Delegation.** The board shall by rule delegate powers and
 13 duties to the chief executive officer.

14 **Article 3. Administrative Provisions.**

15 **Sec. 30.19.150. Meetings of board.** (a) The chair of the board shall call
 16 meetings of the board. The chair shall preside at meetings.

17 (b) Except for executive sessions, the meetings of the board are public. The
 18 board shall provide by rule for a method of providing reasonable notice to the public
 19 of its meetings.

20 (c) The board shall keep minutes of each meeting.

21 **Sec. 30.19.160. Quorum and voting.** (a) Four members of the board constitute
 22 a quorum for the transaction of business.

23 (b) Four affirmative votes are required for board action. The board shall
 24 provide by rule for the manner of voting. The rules may provide for voting and
 25 conferring by electronic media. A meeting held by electronic media has the same legal
 26 effect as a meeting in person.

27 **Sec. 30.19.170. Executive sessions.** The question of whether to hold an
 28 executive session shall require a quorum and at least four affirmative votes. The board
 29 shall set by rule the actions that may be taken at executive session.

30 **Sec. 30.19.180. Rules.** (a) The board shall adopt rules to carry out its functions
 31 and the purposes of this chapter.

1 (b) The board shall establish in the bylaws of the authority a procedure for the
2 adoption of a rule on an emergency basis.

3 (c) Adoption of a rule is not subject to (a) or (b) of this section if the rule
4 (1) relates only to the internal management of the authority;
5 (2) relates to a specific rate, tariff, division, or contract rate agreement;
6 (3) is directed to a specifically named person or group of persons and
7 does not apply to the general public; or
8 (4) relates to the use of public works under the jurisdiction of the
9 authority and the effect of the rule is indicated to the public by means of signs or
10 signals.

11 (d) The board shall adopt rules relating to conflicts of interest.

12 **Article 4. Powers and Duties.**

13 **Sec. 30.19.200. General powers.** In addition to the exercise of other powers
14 authorized by law, the authority may

- 15 (1) adopt a seal;
16 (2) adopt bylaws governing the business of the authority;
17 (3) sue and be sued;
18 (4) appoint trustees and agents of the authority and prescribe the
19 powers and duties of a trustee or agent;
20 (5) hire legal counsel to represent the authority;
21 (6) make contracts and execute instruments necessary or convenient in
22 the exercise of its powers and duties;
23 (7) acquire by purchase, lease, bequest, devise, gift, exchange, the
24 satisfaction of debts, the foreclosure of mortgages, or otherwise, personal property,
25 rights, rights-of-way, franchises, easements, and other interests in land, and acquire by
26 appropriation water rights that are located in the state, taking title to the property in the
27 name of the authority;
28 (8) hold, maintain, use, operate, improve, lease, exchange, donate,
29 convey, alienate, encumber, or otherwise grant a security interest in, or authorize use
30 or dispose of, land or personal property, subject to other provisions of this chapter;
31 (9) contract with and accept transfers, gifts, grants, or loans of funds or

1 property from the United States and the state or its political subdivisions, subject to
2 other provisions of federal or state law or municipal ordinances;

3 (10) undertake and provide for the management, operation,
4 maintenance, use, and control of all property of the authority;

5 (11) recommend to the legislature and the governor any tax, financing,
6 or financial arrangement the authority considers appropriate for expansion or
7 extension and operation of the port;

8 (12) maintain offices and facilities at places the authority designates;

9 (13) apply to the state, the United States, and other proper agencies for
10 a permit, license, right-of-way, or approval necessary to construct, maintain, and
11 operate port services, and obtain, hold, and reuse a license or permit in the same
12 manner as other ports;

13 (14) prescribe rates to be charged for services and establish port tariffs;

14 (15) enter into contracts, leases, and other agreements concerning the
15 services, activities, operations, property, and facilities of the authority;

16 (16) plan for and undertake replacement of port and rail facilities;

17 (17) hire and discharge personnel and determine benefits and other
18 terms and conditions of employment;

19 (18) assume all rights, liabilities, and obligations of the port as the port
20 previously existed as an enterprise of the Municipality of Anchorage;

21 (19) maintain a security force to enforce municipal ordinances, state
22 laws, and the authority's rules with respect to violations that occur on or to property
23 owned or managed by the authority;

24 (20) upon approval by the legislature under AS 30.19.230, issue
25 revenue bonds and provide for and secure payment of bonds, provide for the rights of
26 bondholders, hold or dispose of bonds, purchase the authority's bonds at a price not
27 more than the principal amount of a bond plus interest, cancel bonds of the authority
28 purchased by the authority, or secure the payment of its bonds by pledge, mortgage, or
29 other lien on its contracts, revenue, income, or property;

30 (21) consent to the modification of the rate of interest, time of payment
31 of an installment of principal or interest, or other term of a loan, contract, or

1 agreement to which the authority is a party;

2 (22) borrow money, including the amounts necessary to establish
3 reasonable reserves, and pay financing charges and interest on bonds for a reasonable
4 period after which the authority estimates other money will be available to pay the
5 interest, consultant, advisory, and legal fees, and other expenses necessary or incident
6 to borrowing;

7 (23) acquire, hold, and dispose of stocks, memberships, contracts,
8 bonds, general or limited partnership interests, or other interests in another
9 corporation, association, partnership, joint venture, or other legal entity, and exercise
10 the powers or rights in connection with these interests that are provided in contracts or
11 agreements and that are allowed by law concerning the satisfaction of debts;

12 (24) undertake and provide for the acquisition, construction,
13 maintenance, equipping, and operation of port and rail facilities;

14 (25) enter into agreements with a state agency or other instrumentality
15 or political subdivision of the state;

16 (26) apply for and receive grant funding; and

17 (27) do all things necessary or desirable to carry out the powers and
18 duties of the authority granted or necessarily implied in this chapter or other laws of
19 the state or the laws or regulations of the federal government.

20 **Sec. 30.19.210. Annual report.** Following the fiscal year of the authority, the
21 board shall deliver a report describing the operations and financial condition of the
22 authority during the preceding fiscal year to the governor and to the senate secretary
23 and chief clerk of the house of representatives and notify the legislature that the report
24 is available.

25 **Sec. 30.19.220. Audits.** The board shall have the financial records of the
26 authority audited annually.

27 **Sec. 30.19.230. Legislative approval required.** Unless the legislature
28 approves the action by law, the authority may not

29 (1) exchange, donate, sell, or otherwise convey its entire interest in
30 land;

31 (2) issue bonds; or

1 (3) lease land for a period of more than 35 years; this paragraph does
 2 not apply if the lease agreement reserves the right of the authority to terminate the
 3 lease should the land become needed for authority purposes.

4 **Sec. 30.19.240. Long-range capital improvement and program plan.** The
 5 authority shall prepare, and the board shall adopt, an annual long-range capital
 6 improvement and program plan.

7 **Sec. 30.19.250. Use of authority assets.** The authority shall apply all money,
 8 property, other assets, and credit of the authority toward activities authorized by this
 9 chapter.

10 **Sec. 30.19.260. Indemnification.** (a) The authority may defend and indemnify
 11 a current or former member of the board, employee, or agent of the authority against
 12 all costs, expenses, judgments, and liabilities, including attorney fees, incurred by or
 13 imposed on that person in connection with a civil or criminal action in which the
 14 person is involved by affiliation with the authority, if the person acted in good faith on
 15 behalf of the authority and within the scope of official duties or powers.

16 (b) The authority may purchase insurance to protect and hold personally
 17 harmless its employees, agents, and board members.

18 **Article 5. Authority Property.**

19 **Sec. 30.19.300. Land, facilities, and other property.** (a) The Municipality of
 20 Anchorage shall transfer to the authority, and the authority shall take in its own name,
 21 title to property owned and managed by, or under the control of, the Port of Alaska as
 22 it was structured on the effective date of this Act, as an enterprise of the Municipality
 23 of Anchorage. The property transferred under this subsection includes

24 (1) the port property as defined by Tracts H and I, Port of Anchorage
 25 Subdivision, Addition 1 (Plat No. 2015-122, Anchorage Recording District), and Tract
 26 J, Port of Anchorage Subdivision, Addition No. 2 (Plat No. 2012-19, Anchorage
 27 Recording District);

28 (2) tidelands that have been transferred to the municipality and tidal
 29 waters within the corporate limits of the municipality, except areas within the
 30 exclusive jurisdiction of either the state or the United States.

31 (b) The Matanuska-Susitna Borough shall transfer to the authority, and the

1 authority shall take in its own name, title to the following real property owned by the
2 borough:

3 (1) Township 14 North, Range 4 West, Seward Meridian

4 Sections 10 and 11: All

5 Section 12: Government Lots 3 and 4, W1/2 W1/2

6 Section 13: Government Lot 1, except lands leased by the
7 Chugach Electric Association, Government Lots 2 and 3,
8 W1/2 W1/2

9 Sections 14 and 15: All

10 Sections 20 - 23: All

11 Section 24: Government Lots 2 - 4, SW1/4 NW1/4, SE1/4
12 NW1/4 NW1/4, W1/2 NW1/4 NW1/4

13 Section 25: Government Lots 1 - 4, and Alaska Tideland Survey
14 No. 1440

15 Sections 26 - 28: All

16 Section 29: E1/2, N1/2 SW1/4, NW1/4

17 Section 33: N1/2 NE1/4

18 Section 34: NE1/4, N1/2 SE1/4, N1/2 NW1/4

19 Section 35: W1/2 NW1/4 SW1/4, W1/2 NW1/4;

20 (2) Township 14 North, Range 3 West, Seward Meridian

21 Section 30 (protracted): all tide and submerged land lying
22 northwesterly of the southeasterly boundary of the Matanuska-
23 Susitna Borough;

24 (3) Township 14 North, Range 4 West, Seward Meridian

25 Section 24 (protracted): all tide and submerged land of the S1/2

26 Section 25 (protracted): all tide and submerged land easterly of
27 Alaska Tideland Survey No. 1440

28 Section 36 (protracted): all tide and submerged land of the N1/2
29 lying northwesterly of the southeasterly boundary of the
30 Matanuska-Susitna Borough.

31 (c) The authority may, subject to AS 30.19.230 and (d) of this section, lease,

1 grant easements in or permits for, or otherwise authorize use of land.

2 (d) A lease or disposal of land approved by the legislature under AS 30.19.230
3 by the authority to a party other than the state shall be made at fair market value, as
4 determined by a qualified appraiser, or by competitive bid.

5 **Sec. 30.19.310. Eminent domain.** The authority may exercise the power of
6 eminent domain under AS 09.55.240 - 09.55.460 to acquire land for port purposes
7 consistent with this chapter.

8 **Sec. 30.19.320. Land use rules.** The board may adopt exclusive rules
9 governing land use by persons having interest in or permits for land owned or
10 managed by the authority.

11 **Sec. 30.19.330. Vacating easements.** The authority may vacate an easement
12 acquired under this chapter by executing and filing a deed in the appropriate recording
13 district.

14 **Sec. 30.19.340. Public use of land.** Upon request of a municipality or the
15 state, the authority may authorize use of land for public purposes.

16 **Sec. 30.19.350. Acquisition of governmental property.** The authority, as an
17 instrumentality of the state, may acquire in its own name from the United States under
18 40 U.S.C. 545 note (Surplus Property Act of 1944), 40 U.S.C. 471 - 544 (Federal
19 Property and Administrative Services Act of 1949), or other law, property under the
20 control of a federal department or agency that is useful for the authority's purposes.
21 The authority may acquire from the Department of Administration property of the
22 state made available under AS 44.68.110 - 44.68.140.

23 **Sec. 30.19.360. Adverse possession.** No prescription or statute of limitations
24 runs against the title or interest of the authority to or in land owned by the authority or
25 under its jurisdiction. Title to or interest in land owned by the authority or under its
26 jurisdiction may not be acquired by adverse possession or prescription, or in any other
27 manner except by conveyance from or formal vacation by the authority.

28 **Article 6. Financial Provisions.**

29 **Sec. 30.19.400. Limitation of liability.** A liability incurred by the authority
30 shall be satisfied exclusively from the assets or revenue of the authority and no
31 creditor or other person has a right of action against the state because of a debt,

1 obligation, or liability of the authority.

2 **Sec. 30.19.410. Fidelity bond.** The authority shall obtain a fidelity bond in an
3 amount determined by the board for board members and each executive officer
4 responsible for accounts and finances.

5 **Sec. 30.19.420. Insurance.** The authority shall protect its assets, services, and
6 employees by purchasing insurance or providing for certain self-insurance retentions.
7 The authority shall also maintain casualty, property, business interruption, marine,
8 boiler and machinery, pollution liability, and other insurance in amounts reasonably
9 calculated.

10 **Sec. 30.19.430. Revenue.** Revenue generated by or appropriated to the
11 authority shall be retained and managed by the authority for port and related purposes.

12 **Sec. 30.19.440. Appropriations.** The authority may request, with the
13 concurrence of the governor, a direct appropriation or grant from the legislature to
14 assist in carrying out the provisions of this chapter.

15 **Article 7. Revenue Bonds.**

16 **Sec. 30.19.600. General bond provisions.** (a) Upon receiving legislative
17 approval under AS 30.19.230, the authority may issue revenue bonds by resolution to
18 provide money to carry out its purposes.

19 (b) Bonds may be issued in one or more series as provided by the resolution of
20 the board.

21 **Sec. 30.19.610. Payment of bonds.** The principal of and interest on bonds of
22 the authority is payable from authority money or assets. Bonds may be additionally
23 secured by a pledge of a grant or contribution from the federal or state government, a
24 municipality, a corporation, an association, an institution or a person, or a pledge of
25 money, income, or revenue of the authority from any source.

26 **Sec. 30.19.620. Security for bonds.** In the discretion of the board, an issue of
27 bonds may be secured by a trust indenture.

28 **Sec. 30.19.630. Validity of signatures.** If an officer of the authority whose
29 signature or electronic signature appears on a bond, or coupon attached to a bond, is
30 no longer an officer at the time of delivery of the bond or coupon, the signature or
31 electronic signature is valid the same as if the person had remained in office until

1 delivery.

2 **Sec. 30.19.640. Validity of pledge.** (a) The pledge of assets or revenue of the
3 authority to the payment of the principal or interest on bonds of the authority is valid
4 and binding from the time the pledge is made, and the assets or revenue are
5 immediately subject to the lien of the pledge without physical delivery or further act.

6 (b) Nothing in this section prohibits the authority from selling assets subject to
7 a pledge, except that a sale may be restricted by the trust agreement or resolution
8 providing for the issuance of the bonds.

9 **Sec. 30.19.650. State pledge.** The state pledges to and agrees with the holders
10 of bonds issued under this chapter, and with the federal agency that loans or
11 contributes funds in respect to a project, that the state will not limit or alter the rights
12 and powers vested in the authority by this chapter to fulfill the terms of a contract
13 made by the authority with the holders or federal agency, or in any way impair the
14 rights and remedies of the holders until the bonds, together with the interest on the
15 bonds, including interest on unpaid installments of interest, and all costs and expenses
16 in connection with an action or proceeding by or on behalf of the holders, are fully met
17 and discharged. The authority may include this pledge and agreement of the state,
18 insofar as it refers to holders of bonds of the authority, in a contract with the holders,
19 and insofar as it relates to a federal agency, in a contract with the federal agency.

20 **Sec. 30.19.660. Remedies.** The board shall develop by resolution remedies for
21 bondholders for nonpayment.

22 **Sec. 30.19.670. Credit of state not pledged.** The state and its political
23 subdivisions are not liable for the debts of the authority.

24 **Article 8. Personnel and Labor Relations.**

25 **Sec. 30.19.700. Political activities.** Money, assets, or property of the authority
26 may not be used for political activities. However, board members and employees may
27 communicate with and appear before committees of the United States Congress, the
28 state legislature, and municipal governing bodies in connection with matters directly
29 affecting the authority.

30 **Sec. 30.19.710. Authority employees.** Employees of the port are employees of
31 the authority and not of the state. The provisions of AS 39 do not apply to employees

1 of the authority.

2 **Sec. 30.19.720. Collective bargaining rights.** The provisions of AS 23.40.070
3 - 23.40.260 (Public Employment Relations Act) do not apply to the authority or to its
4 employees. However, employees who are not executive officers may organize and
5 form, join, or assist an organization to engage in collective bargaining through
6 representatives of the employees' choosing and engage in concerted activities for the
7 purpose of collective bargaining or other mutual aid or protection.

8 **Article 9. General Provisions.**

9 **Sec. 30.19.900. Claims.** (a) All claims and lawsuits involving activities of the
10 authority, including suits in contract, quasi-contract, or tort, shall be brought against
11 the authority and not against the state.

12 (b) Claims against the authority are not subject to the provisions of AS 44.77
13 regarding claims against the state.

14 (c) The authority is not subject to the provisions of AS 44.80.010 regarding
15 the state as a party to an action.

16 **Sec. 30.19.910. Exemption from taxation.** (a) The exercise of the powers
17 granted by this chapter shall be in all respects for the benefit of the people of the state,
18 for the well-being and prosperity of the people, and for the improvement of people's
19 social and economic conditions. Subject to (b) of this section, the real and personal
20 property of the authority and its assets, income, and receipts are exempt from all taxes
21 and special assessments of the state or a political subdivision of the state.

22 (b) Bonds and notes issued under this chapter are issued by a body corporate
23 and public of the state and for an essential public and governmental purpose.
24 Therefore, the bonds and notes, the interest and income from the bonds and notes, and
25 all fees, charges, funds, revenue, income, and other money pledged or available to pay
26 or secure the payment of the bonds and notes, or interest on the bonds and notes, are
27 exempt from taxation, except for inheritance, transfer, and estate taxes.

28 (c) This section does not affect or limit an exemption from license fees,
29 property taxes, or excise, income, or other taxes provided under any other law, nor
30 does this section create a tax exemption with respect to the interest of any business
31 enterprise or other person, other than the authority.

1 **Sec. 30.19.920. Application of existing laws.** Unless specifically provided
 2 otherwise in this chapter, the following laws do not apply to the operations of the
 3 authority:

- 4 (1) AS 19;
- 5 (2) AS 30.15;
- 6 (3) AS 35;
- 7 (4) AS 37.05;
- 8 (5) AS 37.07;
- 9 (6) AS 37.10.010 - 37.10.060;
- 10 (7) AS 37.10.085;
- 11 (8) AS 37.20;
- 12 (9) AS 37.25;
- 13 (10) AS 38;
- 14 (11) AS 44.62.040 - 44.62.320.

15 **Sec. 30.19.930. Conflicting laws inapplicable.** If provisions of this chapter
 16 conflict with the provisions of other state law, the provisions of this chapter prevail.

17 **Sec. 30.19.990. Definitions.** In this chapter, unless the context otherwise
 18 requires,

- 19 (1) "authority" means the Port of Southcentral Alaska Authority
 20 created by this chapter;
- 21 (2) "board" means the board of directors of the authority;
- 22 (3) "bond" means a bond, bond anticipation note, note, refunding bond,
 23 or other obligation;
- 24 (4) "collective bargaining" means the performance of the mutual
 25 obligation of the authority or its designated representatives and the representatives of
 26 the employees to meet at reasonable times, including meetings in advance of the
 27 budget making process, and negotiating in good faith with respect to wages, hours,
 28 and other terms and conditions of employment, or the negotiation of an agreement, or
 29 negotiation of a question arising under an agreement and the execution of a written
 30 contract incorporating an agreement reached if requested by either party, but these
 31 obligations do not compel either party to agree to a proposal or require the making of a

1 concession;

2 (5) "employee" means a person employed by the authority, including
3 an executive officer;

4 (6) "executive officer" means the authority's chief executive officer;

5 (7) "land" means any interest in real property, including tide and
6 submerged land, and any right appurtenant to the interest;

7 (8) "port" means the Port of Southcentral Alaska in Anchorage;

8 (9) "rule" means a standard of general application or the amendment,
9 supplement, revision, or repeal of a standard adopted by the authority to implement,
10 interpret, or make specific the law enforced or administered by the authority or to
11 govern its procedure;

12 (10) "terms and conditions of employment" means the hours of
13 employment, the compensation and fringe benefits, and the employer's personnel
14 policies affecting the working conditions of the employees, but does not mean the
15 general policies describing the function and purposes of an employer.

16 **Sec. 30.19.995. Short title.** This chapter may be referred to as the Port of
17 Southcentral Alaska Authority Act.

18 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
19 read:

20 TRANSITIONAL PROVISIONS. (a) Not later than 180 days after the effective date
21 of this Act, the Municipality of Anchorage shall by ordinance enumerate and transfer to the
22 Port of Southcentral Alaska Authority property and funds owned and managed by, or under
23 the control of, the Port of Alaska as it is structured as an enterprise of the municipality on the
24 effective date of this Act. The property described in this subsection includes

25 (1) the port property as defined by Tracts H and I, Port of Anchorage
26 Subdivision, Addition 1 (Plat No. 2015-122, Anchorage Recording District), and Tract J, Port
27 of Anchorage Subdivision, Addition No. 2 (Plat No. 2012-19, Anchorage Recording District);
28 and

29 (2) tidelands that have been transferred to the municipality and tidal waters
30 within the corporate limits of the municipality, except areas within the exclusive jurisdiction
31 of either the state or the United States.

1 (b) Not later than 180 days after the effective date of this Act, the Matanuska-Susitna
 2 Borough shall by ordinance transfer to the Port of Southcentral Alaska Authority the
 3 following real property owned by the borough:

4 (1) Township 14 North, Range 4 West, Seward Meridian

5 Sections 10 and 11: All

6 Section 12: Government Lots 3 and 4, W1/2 W1/2

7 Section 13: Government Lot 1, except lands leased by the Chugach
 8 Electric Association, Government Lots 2 and 3, W1/2 W1/2

9 Sections 14 and 15: All

10 Sections 20 - 23: All

11 Section 24: Government Lots 2 - 4, SW1/4 NW1/4, SE1/4 NW1/4
 12 NW1/4, W1/2 NW1/4 NW1/4

13 Section 25: Government Lots 1 - 4, and Alaska Tideland Survey No.
 14 1440

15 Sections 26 - 28: All

16 Section 29: E1/2, N1/2 SW1/4, NW1/4

17 Section 33: N1/2 NE1/4

18 Section 34: NE1/4, N1/2 SE1/4, N1/2 NW1/4

19 Section 35: W1/2 NW1/4 SW1/4, W1/2 NW1/4;

20 (2) Township 14 North, Range 3 West, Seward Meridian

21 Section 30 (protracted): all tide and submerged land lying
 22 northwesterly of the southeasterly boundary of the Matanuska-Susitna
 23 Borough;

24 (3) Township 14 North, Range 4 West, Seward Meridian

25 Section 24 (protracted): all tide and submerged land of the S1/2

26 Section 25 (protracted): all tide and submerged land easterly of Alaska
 27 Tideland Survey No. 1440

28 Section 36 (protracted): all tide and submerged land of the N1/2 lying
 29 northwesterly of the southeasterly boundary of the Matanuska-Susitna
 30 Borough.

31 (c) As of the effective date of the ordinance described in (a) of this section, the Port of

1 Southcentral Alaska Authority shall fund litigation related to proceedings for Anchorage, a
2 Municipal Corporation v. United States, Case No. 14-166C, United States Court of Federal
3 Claims, and the ordinance must obligate the Municipality of Anchorage to transfer to the
4 authority funds received resulting from the litigation. The ordinance must also obligate the
5 municipality to transfer to the authority all funds not yet expended that were granted to the
6 municipality, and that have been or will be received by the municipality, for a component of
7 the Port of Anchorage Intermodal Expansion Project or the Port of Alaska Modernization
8 Project. Notwithstanding any other provision of law, the Municipality of Anchorage is not
9 required to conduct a termination cost study under AS 39.35, or make a payment under
10 AS 39.35.625 for any department, group, or classification of employees that, after the date of
11 transfer and as a result of this Act, no longer participate in a plan under AS 39.35.

12 (d) As soon as practicable after the transfer of the Port of Alaska to the Port of
13 Southcentral Alaska Authority, the Port of Southcentral Alaska and its employees shall adopt
14 collective bargaining agreements that continue the provisions of the agreements in effect
15 between the Port of Alaska and its employees on the date of the transfer.

16 (e) The board of directors of the Port of Southcentral Alaska Authority may provide
17 by resolution that rules and orders in effect on the date of transfer remain in effect until
18 amended or repealed by the board.

19 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).