

**Estimate of Costs to the State of Alaska for Implementation of the Voter Initiative 19MALA:  
An Initiative Requiring Meetings of the Alaska Legislature to be Held in Anchorage**

**Multi Agency Cost Summary**

<b>Agency</b>	<b>Cost</b>
Legislative Affairs Agency	***
Executive Branch Operations	\$1,322,000
Office of the Lieutenant Governor	\$9,000
Office of the Lieutenant Governor, Division of Elections	\$49,685
<b>TOTAL</b>	<b>***</b>

**Estimate of Costs to the Legislative Affairs Agency to Implement the Ballot Initiative**

As required by AS 15.45.090(a)(4), the Alaska Legislative Affairs Agency has prepared the following statement of costs to implement the proposed ballot initiative. Section one of the proposed initiative requires that “all regular and special meetings” be held in Anchorage, and it is fundamentally unclear whether that is intended to include all regular and special sessions of the legislature. For the purpose of this estimate, it is assumed the court would interpret “meetings” to mean “sessions.”

The costs to relocate “all regular and special meetings of the Alaska Legislature” from the State Capital of Juneau to the Municipality of Anchorage are indeterminate. There are infinite variables and numerous decisions that must first be made. This estimate addresses the easily quantifiable costs of implementing this ballot initiative, and additional costs are certain.

This estimate does not address the economic and social impacts to Juneau and Southeast Alaska, nor does it address the costs of maintaining any buildings left vacant in Juneau.

**Estimate by Category**

Staff relocation costs	\$910,000
Equipment and office relocation costs	\$150,000
<u>Office space acquisition costs*</u>	***
<b>TOTAL</b>	<b>***</b>

\*\*\*Indeterminate: Office space acquisition costs shows a range that reflects the need for 140,000 square feet at rental costs from \$3.30/square foot to build costs at \$300/square foot. The cost of remodeling existing space is not included in this range. Without further information and investment of resources into evaluating available space, the range in costs for year one could be anywhere from \$462,000-\$42,000,000 (\$3.30 x 140,000) (\$300 x 140,000).

**Analysis of Fiscal Impact of Ballot Initiative**

Moving full time legislative personnel:

Relocating the session to Anchorage effectively relocates the base of operations for the Legislative Affairs Agency, the Offices of the Chief Clerk and Senate Secretary, Senate and House Records, as well as Legislative Finance. It is assumed that the need for efficiency and ease of operations would result in offering some or all the support staff a moving allowance to relocate, providing continuity and retention of institutional knowledge. Approximately 135 Juneau-based employees could be transferred to Anchorage to provide services necessary to support the operations of the legislature; it is assumed 65 people and their families would elect to relocate to Anchorage. Estimated cost to the legislature based on 65 staff moving is \$910,000 (65 x \$14,000).

**Freight:**

Moving furniture and equipment in legislative offices from Juneau to Anchorage is estimated to take 22 full size vans at a cost of \$150,000.

**Office Space:**

Prior space studies estimated a need for approximately 140,000 square feet (sq. ft.). Anchorage Municipal Code requires one parking spot per 350 gross sq. ft., which equates to 400 parking spaces. The existing Anchorage Legislative Office Building provides approximately 42,000 sq. ft. of office space, none of which is currently suitable for legislative chambers, committee rooms, and necessary support staff. Current office space cost estimates \$300/sq. ft. for building to suit (furnishings, equipment, etc., not included) and \$3.30/sq. ft. for Class A lease space (not including necessary renovations). Without further information and investment of resources into evaluating available space, the range in costs could be anywhere from \$462,000-\$42,000,000 (\$3.30 x 140,000) (\$300 x 140,000) and thus remains indeterminate.

**Estimate of Costs to the Executive Branch to Implement the Ballot Initiative**

As required by AS 15.45.090(a)(4), the Office of Management and Budget (OMB) has prepared the following statement of costs to implement the proposed ballot initiative. If approved, the initiative would take effect 90 days following election certification. This statement encompasses anticipated fiscal impact to the 13 executive branch agencies and the Office of the Governor. The costs that would be incurred by the Lieutenant Governor’s Office and the Division of Elections, related to holding hearings and placing the initiative on the ballot, are accounted for separately.

**Estimate by Category**

<u>Travel</u>	<u>\$1,322,000</u>
TOTAL	\$1,322,000

**Analysis of Fiscal Impact of Ballot Initiative**

In order to provide cost estimates for implementation of 19MALA, OMB evaluated position locations for job classes that would be expected to relocate for legislative session. By moving session from Juneau to Anchorage, there would be an anticipated result of 40 additional staff relocations for the duration of a 121-day session. The cost for per diem and housing is estimated at \$30,250 per

position (\$250/day x 121 days). The cost of four round trip tickets between Juneau and Anchorage for each of those staff is estimated to total \$112,000 (\$700 x 4 x 40). Total cost to the Executive branch is estimated to be \$1,322,000. This analysis assumes that adequate office space exists in Anchorage leases to absorb the increased staff in existing agency footprints.

**Estimate of Costs to the Office of the Lieutenant Governor and the Division of Elections for the Ballot Initiative**

As required by AS 15.45.090(a)(3), the Alaska Office of the Lieutenant Governor has prepared the following statement of minimum costs associated with the proposed ballot initiative. If approved, the initiative would take effect 90 days following election certification.

**Office of the Lieutenant Governor**

Assuming the initiative is placed on the ballot, the minimum cost to conduct public hearings concerning the initiative in two communities in each of four judicial districts is estimated to be \$9,000.

**Estimate by Category**

<u>Travel</u>	<u>\$ 9,000</u>
TOTAL	\$ 9,000

**Analysis of Fiscal Impact of Ballot Initiative**

Travel: Estimated travel expenses include round-trip air transportation, per diem and other associated travel costs for the Lieutenant Governor and staff to travel to seven communities in Alaska. It is assumed one of the hearings would be in Anchorage, which would not involve travel costs.

**Division of Elections**

As required by AS 15.45.090(a)(3), the Division of Elections has prepared the following statement of costs to implement the proposed ballot initiative.

The minimum cost to the Division of Elections associated with certification of the initiative application and review of the initiative petition, excluding legal costs to the state and the costs to the state of any challenge to the validity of the petition, is estimated to be \$61,689.

**Estimate by Category**

Personal Services	\$60,389
<u>Printing Services</u>	<u>\$1,300</u>
TOTAL	\$61,689

**Analysis of Fiscal Impact of Ballot Initiative**

Personal Services: Six temporary employees to review signatures for 2,520 hours.  
 Estimated cost: \$44,555.

Certification of the initiative application and review of the initiative petition estimated for 504 hours.  
Estimated cost: \$15,834.

Printing Services: Printing service expenses associated with certification of the initiative application and review of initiative petition.

Printing of voter booklets: \$1,300