



## REPRESENTATIVE CATHY MUÑOZ

### Explanation of Changes to HB161 CSHB161 26-LSO605\W

Title: The Certificates of Participation amount of \$25,000,000 was adjusted to \$22,700,000.

The Alaska Permanent Fund Corporation (APFC) is identified by name as the Alaska Mental Health Fund Trust (AMHT) managing entity that will transfer AMHT funds for the project.

Sec.1- Funding amount from the AMHT for half of the project is adjusted from \$25,000,000 to \$22,700,000.

The total cost of the project is adjusted from \$50,000,000 to \$45,400,000.

The amount of the Certificates of Participation is adjusted from \$25,000,000 to \$22,700,000.

Sec.2-Technical amendment to conform to bill sec. 3. Clarifies assets of the AMHT to be managed by requirements of the AK Mental Health Enabling Act. Identifies Dept. of Natural Resources (DNR) as managing entity of the land assets of the AMHT. Aspects of managing conformity for DNR are listed in new subsections (A) thru (E).

Sec. 3-New section to clarify that APFC is the managing entity for AMHT funds. Offers clarifying language specifying APFC will manage AMHT's \$22,700,000, which represents the non-financed amount, put forth by the AMHT. Specific language details requirements of the AMHT to exercise the powers of a state fiduciary involving investment of assets of the account, and to contract with the Trust Land Office in DNR to serve as external real estate investment manager.

Sec. 4, 5, 6- technical amendments to conform to bill sec. 3.

Sec. 7-Financing & Lease Agreements.

Certificates of Participation are adjusted from \$25,000,000 to 22,700,000.

AMHT amount of investment is adjusted from \$25,000,000 to \$22,700,000.

Estimated total cost of project is adjusted from \$50,000,000 to \$45,400,000.

The estimated annual amount of rental obligation under the 20 year lease agreement is adjusted from \$2,075,000 to \$1,759,802.

The estimated annual amount of lease payments for the full term of the lease agreement is adjusted from \$41,500,000 to \$35,196,035.

The second lease for 30 years is adjusted from an annual amount of \$3,665,029 to \$3,665,000.

The estimated total amount for the 30 year lease payments for the full term is adjusted from \$136,875,042 to \$125,243,047.