

HOUSE BILL NO. 281

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Introduced: 1/10/00

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act providing for the issuance of general obligation bonds in the amount of
2 \$665,000,000 for the purposes of paying the cost of design, construction, and
3 renovation of public elementary and secondary schools, renovation of state
4 buildings, capital improvements at the University of Alaska, and capital
5 improvements to state harbors; and providing for an effective date."

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

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

9 GENERAL OBLIGATION BONDS. For the purposes of paying the cost of design,
10 construction, and renovation of capital improvements at public elementary and secondary
11 schools, at the University of Alaska, at state buildings, and at state harbors, general obligation
12 bonds of the state in the principal amount of not more than \$665,000,000 if authorized by the
13 qualified voters of the state shall be issued and sold. The full faith, credit, and resources of

1 the state are pledged to the payment of the principal of and interest and redemption premium,
 2 if any, on the bonds. The bonds shall be issued under the provisions of AS 37.15 as those
 3 provisions read at the time of issuance.

4 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section
 5 to read:

6 BUILD ALASKA FUND. If the issuance of the bonds is authorized by the qualified
 7 voters of the state, a special fund of the state to be known as the "build Alaska fund" shall
 8 be established, to which shall be credited the proceeds of the sale of the bonds described in
 9 sec. 1 of this Act except for the accrued interest and premiums.

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

12 CONDITIONS ON BOND ISSUANCE. The bonds authorized by this Act may be sold
 13 in an amount not greater than

14 (1) \$145,000,000 in state fiscal year 2001;

15 (2) \$145,000,000 in state fiscal year 2002; and

16 (3) \$125,000,000 in each state fiscal year following state fiscal year 2002.

17 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section
 18 to read:

19 SCHOOL CONSTRUCTION GRANTS FUND. The amount of \$410,000,000 is
 20 appropriated from the build Alaska fund to the school construction grant fund (AS 14.11.005)
 21 to pay for renovation and improvement of public elementary and secondary schools. The
 22 appropriation authorized in this section may not exceed \$82,000,000 in any single state fiscal
 23 year. Notwithstanding AS 24.08.037, the funds described in this section shall be allocated
 24 annually, beginning January 2001, based on the priority list established in the capital
 25 improvement project grant schedule for school construction delivered to the legislature under
 26 AS 14.11.013 by the Department of Education and Early Development in January 2001, except
 27 that, in each state fiscal year,

28 (1) not more than 65 percent of the funding shall be allocated to school
 29 districts contributing 15 percent or less to construction costs under AS 14.11.008; and

30 (2) at least 35 percent of the funding shall be allocated to school districts
 31 contributing 30 percent or more to construction costs under AS 14.11.008.

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

3 SCHOOL MAJOR MAINTENANCE GRANT FUND. The amount of \$90,000,000
4 is appropriated from the build Alaska fund to the major maintenance grant fund
5 (AS 14.11.007) to pay for renovation and improvement of public elementary and secondary
6 schools. The appropriation authorized in this section may not exceed \$18,000,000 in any
7 single state fiscal year. Notwithstanding AS 24.08.037, the funds described in this section
8 shall be allocated annually, beginning in January 2001, based on the priority list established
9 in the capital improvement project grant schedule for major maintenance delivered to the
10 legislature under AS 14.11.013 by the Department of Education and Early Development in
11 January 2000, except that,

12 (1) in each state fiscal year, not more than 65 percent of the funding shall be
13 allocated to school districts contributing 15 percent or less to maintenance costs under
14 AS 14.11.008;

15 (2) in each state fiscal year, at least 35 percent of the funding shall be
16 allocated to school districts contributing 30 percent or more to maintenance costs under
17 AS 14.11.008; and

18 (3) after all projects on the priority list described in this section are funded,
19 projects added to the priority list after January 2000 may be funded subject to the
20 requirements described in this section.

21 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section
22 to read:

23 HARBORS. The amount of \$35,000,000 is appropriated from the build Alaska fund
24 to the Department of Transportation and Public Facilities for the purpose of upgrading harbor
25 facilities. Funds appropriated under this section shall be made available by the commissioner
26 of transportation and public facilities in amounts not to exceed (1) \$10,000,000 in state fiscal
27 year 2001; (2) \$10,000,000 in state fiscal year 2002; (3) \$10,000,000 in state fiscal year 2003;
28 and (4) \$5,000,000 in state fiscal year 2004. A harbor facility is not eligible for funding
29 under this section unless the municipality in which the harbor is located owns and operates
30 the harbor and the harbor is located in one of the following communities: Cordova, Juneau,
31 Ketchikan, Petersburg, Seldovia, Sitka, Valdez, Whittier, or Wrangell.

1 * **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section
2 to read:

3 STATE FACILITIES. The amount of \$40,000,000 is appropriated from the build
4 Alaska fund to the Department of Transportation and Public Facilities for the purpose of
5 paying the cost of modification of state facilities to comply with 42 U.S.C. 12101 - 12213
6 (Americans with Disabilities Act of 1990). Funds appropriated under this section shall be
7 made available by the commissioner of transportation and public facilities in amounts not to
8 exceed \$20,000,000 in state fiscal year 2001 and \$20,000,000 in state fiscal year 2002. All
9 facility compliance modifications authorized under this section must be completed by the end
10 of calendar year 2002.

11 * **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section
12 to read:

13 UNIVERSITY OF ALASKA. The amount of \$90,000,000 is appropriated from the
14 build Alaska fund to the University of Alaska for the purpose of renovating and improving
15 University of Alaska educational facilities. At least \$30,000,000 of funds appropriated under
16 this section shall be allocated by the Board of Regents of the University of Alaska for the
17 library at the University of Alaska Anchorage. The funds appropriated under this section shall
18 be made available by the Board of Regents of the University of Alaska in the following
19 amounts:

- 20 (1) \$15,000,000 in state fiscal year 2001;
21 (2) \$15,000,000 in state fiscal year 2002;
22 (3) \$15,000,000 in state fiscal 2003;
23 (4) \$20,000,000 in state fiscal year 2004;
24 (5) \$25,000,000 in state fiscal year 2005.

25 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section
26 to read:

27 STATE BOND COMMITTEE. If the issuance of the bonds is authorized by the
28 qualified voters of the state, the following amounts or as much of the amounts as is found
29 necessary are appropriated from the general fund of the state to the state bond committee to
30 carry out the provisions of this Act and to pay expenses incident to the sale and issuance of
31 the bonds authorized in this Act: (1) in state fiscal year 2001, \$507,500; (2) in state fiscal

1 renovation of capital improvements to public schools, to the
2 University of Alaska, to state harbors, and to state buildings.

3 Bonds Yes []

4 Bonds No []

5 * **Sec. 13.** This Act takes effect immediately under AS 01.10.070(c).