

SENATE BILL NO. 223

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/26/00

Referred: Transportation, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act providing for and relating to the issuance of state guaranteed
2 transportation revenue anticipation bonds for the purpose of paying the cost of
3 transportation projects that qualify for federal highway aid and the allocation of
4 those bond proceeds; and providing for an effective date."

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

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

8 BOND AUTHORIZATION. For the purpose of paying the cost of accelerated
9 transportation projects in this state that qualify for federal highway aid, state guaranteed
10 transportation revenue anticipation bonds of the state in the principal amount of not more than
11 \$350,000,000 shall be issued and sold if authorized by the qualified voters of the state.

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

14 PLEDGE OF STATE CREDIT. The full faith, credit, and resources of the state are

1 pledged to the payment of the principal and interest and redemption premium, if any, on the
 2 bonds authorized in sec. 1 of this Act. However, it is the intent of the legislature that, to the
 3 extent permitted by federal law, the principal and interest on the bonds shall be repaid with
 4 appropriations made from federal highway aid granted to the state under the Transportation
 5 Equity Act for the 21st Century (P.L. 105-178) or any other subsequently enacted federal law
 6 providing federal highway aid for this purpose and with any interest earned from the
 7 investment of bond proceeds if permitted by federal law. The bonds shall be issued under the
 8 provisions of AS 37.15 as those provisions read at the time of issuance.

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

11 **BOND PROCEEDS FUND ESTABLISHED.** If the issuance of the bonds described
 12 in sec. 1 of this Act is authorized by the qualified voters of the state, a special fund of the
 13 state to be known as the "accelerated Alaska transportation projects fund" shall be established,
 14 to which shall be credited the proceeds of the sale of those bonds, except for the accrued
 15 interest owed to bondholders. The fund may be invested as provided in AS 37.10.071 and any
 16 earnings shall be retained in the fund and are considered bond proceeds.

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

19 **BOND PROJECT ALLOCATIONS.** Subject to appropriation, the amount of
 20 \$350,000,000 is allocated from the "accelerated Alaska transportation projects fund" to the
 21 Department of Transportation and Public Facilities for the following projects in the amounts
 22 listed subject to reallocation between projects in accordance with AS 37.07.080(e):

23 Project	Location	Amount
24 (1) C Street Phases II and III - 25 Potter Road to O'Malley and 26 Interchanges at C Street & 27 O'Malley and Old Seward 28 Highway and O'Malley	Anchorage	\$70,000,000
29 (2) Glenn Highway - Gambell Street 30 to McCarrey Street 31 Reconstruction	Anchorage	65,000,000

1	(3) Chief Eddie Hoffman Highway		
2	Rehabilitation	Bethel	4,000,000
3	(4) Aleknagik Road Paving,		
4	Wayside and Trailhead	Dillingham	9,000,000
5	(5) Reconstruct Illinois & Barnette		
6	Streets including New Bridges		
7	and a Rehabilitation of the		
8	Cushman Street Bridge	Fairbanks	25,000,000
9	(6) Downtown Revitalization Street		
10	Improvements	Fairbanks	10,000,000
11	(7) University Avenue Widening	Fairbanks	20,000,000
12	(8) Ted Stevens Way & Shore		
13	Avenue Reconstruction	Kotzebue	12,000,000
14	(9) Parks/Glenn Highway		
15	Interchange and Reconstruction	Matanuska	
16	of the Glenn Highway from	Susitna	
17	the Parks Highway to Palmer	Borough	60,000,000
18	(10) Bering, Seppala and Front Streets		
19	Rehabilitation and Improvements	Nome	5,000,000
20	(11) Southeast Transportation Plan:		
21	Two High-Speed Ferries	Southeast Alaska	70,000,000

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

24 COSTS OF BOND ISSUANCE. If the issuance of the bonds described in sec. 1 of
25 this Act is authorized by the qualified voters of the state, subject to appropriation, the amount
26 of \$3,500,000, or as much of that amount as is found necessary, may be appropriated from
27 the general fund of the state to the state bond committee to carry out the provisions of this
28 Act and to pay expenses incident to the sale and issuance of the bonds authorized by this Act.
29 The amounts expended from the appropriation authorized by this section shall be reimbursed
30 to the general fund from the proceeds of the sale of the bonds authorized by this Act.

31 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section

1 to read:

2 REIMBURSEMENT OF STATE MONEY. The amount withdrawn from the public
3 facility planning fund (AS 35.10.135) for the purpose of advance planning for the capital
4 improvements financed under this Act shall be reimbursed to the fund from the proceeds of
5 the sale of the bonds authorized by this Act.

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

8 BOND REDEMPTION. The unexpended and unobligated balance allocated for
9 projects in sec. 4 of this Act lapses under AS 37.25.020 and may be appropriated to the state
10 bond committee to redeem bonds sold under this Act. The amounts expended from the
11 general fund to pay the principal, interest, and redemption premium on bonds issued under this
12 Act shall be reimbursed to the general fund from the appropriation authorized in this section
13 to the extent that the money is not needed to redeem the bonds.

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

16 BALLOT PROPOSITION. The question whether the bonds authorized in this Act are
17 to be issued shall be submitted to the qualified voters of the state at the next general election
18 and shall read substantially as follows:

19 PROPOSITION

20 State Guaranteed Transportation Revenue Anticipation Bonds \$350,000,000

21 Shall the State of Alaska issue general obligation bonds in the principal amount
22 of not more than \$350,000,000 for the purpose of paying the cost of
23 accelerated Alaska transportation projects qualifying for federal highway aid?

24 Bonds Yes []

25 Bonds No []

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

28 BALLOT STATEMENT. In addition to the information that the director of elections
29 is required to make available to the voters under AS 15.15.040(b), the director shall include
30 a statement jointly prepared by the commissioner of revenue and the legislative auditor setting
31 out an estimate of anticipated revenue derived from federal highway aid for the period for

- 1 which expenditure authority has been granted by the Congress of the United States.
- 2 * **Sec. 10.** This Act takes effect immediately under AS 01.10.070(c).