

**CS FOR HOUSE BILL NO. 528(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 5/3/02

Referred: Today's Calendar

Sponsor(s): HOUSE FINANCE COMMITTEE

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to programs of state reimbursement for debt payments for certain**  
2 **capital projects; and providing for an effective date."**

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

4 **\* Section 1.** AS 14.11.100(o) is amended to read:

5 (o) The total amount of school construction projects approved for  
6 reimbursement by the department under (a)(10) of this section

7 (1) may not exceed \$190,644,901 [\$180,064,912]; and

8 (2) after June 30, 1998, and until July 1, 2004, shall be allocated as  
9 follows:

10 (A) \$77,897,000 to projects in a municipality with a public  
11 school enrollment of 25,000 or more students in fiscal year 2000, as  
12 determined under AS 14.17.500;

13 (B) \$14,571,000 to projects in a municipality with a public  
14 school enrollment of at least 15,000 but less than 25,000 students in fiscal year

1 2000, as determined under AS 14.17.500;

2 (C) \$14,143,000 to projects in a municipality with a public  
3 school enrollment of at least 10,000 but less than 15,000 students in fiscal year  
4 2000, as determined under AS 14.17.500;

5 (D) \$7,429,000 to projects in a municipality with a public  
6 school enrollment of at least 7,500 but less than 10,000 students in fiscal year  
7 2000, as determined under AS 14.17.500;

8 (E) \$20,712,912 to projects in a municipality with a public  
9 school enrollment of at least 5,000 but less than 7,500 students in fiscal year  
10 2000, as determined under AS 14.17.500;

11 (F) \$2,660,000 to projects in a municipality with a public  
12 school enrollment of at least 2,750 but less than 3,000 students in fiscal year  
13 2000, as determined under AS 14.17.500;

14 (G) \$454,000 to projects in a municipality with a public school  
15 enrollment of at least 2,400 but less than 2,750 students in fiscal year 2000, as  
16 determined under AS 14.17.500;

17 (H) \$46,869,989 [\$36,290,000] to projects in a municipality  
18 with a public school enrollment of at least 2,050 but less than 2,400 students in  
19 fiscal year 2000, as determined under AS 14.17.500;

20 (I) \$329,000 to projects in a municipality with a public school  
21 enrollment of at least 1,700 but less than 1,750 students in fiscal year 2000, as  
22 determined under AS 14.17.500;

23 (J) \$286,000 to projects in a municipality with a public school  
24 enrollment of at least 650 but less than 725 students in fiscal year 2000, as  
25 determined under AS 14.17.500;

26 (K) \$519,000 to projects in a municipality with a public school  
27 enrollment of at least 500 but less than 525 students in fiscal year 2000, as  
28 determined under AS 14.17.500;

29 (L) \$2,224,000 to projects in a municipality with a public  
30 school enrollment of at least 425 but less than 482 students in fiscal year 2000,  
31 as determined under AS 14.17.500;

1 (M) \$2,550,000 to projects in a municipality with a public  
 2 school enrollment of at least 290 but less than 305 students in fiscal year 2000,  
 3 as determined under AS 14.17.500.

4 \* **Sec. 2.** AS 14.40 is amended by adding a new section to read:

5 **Sec. 14.40.257. Reimbursement for costs of capital projects.** (a) Subject to  
 6 appropriations for the purpose, during each fiscal year, the legislature may appropriate  
 7 an amount to reimburse the University of Alaska for the cost paid by the university  
 8 during the immediately preceding fiscal year for the principal and interest on  
 9 outstanding debt for the projects listed in (b) of this section.

10 (b) An appropriation under this section may be used only for reimbursement  
 11 of costs incurred for acquisition, construction, and renovation of the following projects  
 12 and only for reimbursement of total project costs incurred up to the following  
 13 amounts:

14 PROJECT

15 University Center (Anchorage) \$14,000,000

16 Juneau Readiness Center/UAS Joint Facility (Juneau) 5,470,000

17 \* **Sec. 3.** AS 29.60.700 is amended to read:

18 **Sec. 29.60.700. Reimbursement for costs of ports and harbors.** (a) Subject  
 19 to appropriations for the purpose, during each fiscal year, the Department of  
 20 Transportation and Public Facilities shall allocate to each municipality an amount to  
 21 reimburse the costs paid by the municipality during the fiscal year two years earlier for  
 22 the [RETIREMENT OF] principal and interest on outstanding **debt** [GENERAL  
 23 OBLIGATION BONDS] for projects listed in (b) of this section. An allocation may  
 24 be made to a municipality only if

25 (1) the **debt was incurred by the municipality** [GENERAL  
 26 OBLIGATION BONDS WERE ISSUED AFTER JULY 1, 2000, AND] before July 1,  
 27 **2007** [2003]; **and**

28 (2) the port or harbor facility financed with the **debt** [BOND] proceeds  
 29 is located in the municipality and the facility is owned and operated by the  
 30 municipality [;

31 (3) OWNERSHIP OF THE PORT OR HARBOR FACILITY

1 FINANCED WITH THE BOND PROCEEDS HAS BEEN TRANSFERRED FROM  
 2 THE STATE TO THE MUNICIPALITY BY A TRANSFER AGREEMENT UNDER  
 3 AS 35.10.120; AND

4 (4) THE STATE HAS COMPLETED A BILL OF SALE  
 5 TRANSFERRING THE PORT OR HARBOR FACILITY FROM THE STATE TO  
 6 THE MUNICIPALITY].

7 (b) The Department of Transportation and Public Facilities may make an  
 8 allocation to a municipality under (a) of this section only for reimbursement of costs  
 9 incurred for the following port and harbor facility construction and renovation projects  
 10 and only for reimbursement of total project costs incurred up to the following  
 11 amounts:

12 PROJECT	
13 [KETCHIKAN	\$ 7,000,000
14 PETERSBURG	3,300,000
15 SITKA	4,038,900
16 KLAWOCK	860,000
17 SELDOVIA	2,500,000
18 WHITTIER	1,835,600]
19 Valdez	3,013,500
20 [CORDOVA	4,337,800]
21 Nome	1,000,000
22 <b><u>Anchorage (Port of Anchorage expansion)</u></b>	<b><u>3,000,000</u></b>
23 <b><u>Unalaska (LSA small boat harbor)</u></b>	<b><u>5,000,000</u></b>
24 <b><u>Aleutians East Borough/Akutan</u></b>	<b><u>4,000,000</u></b>
25 <b><u>(small boat harbor)</u></b>	
26 <b><u>Lake and Peninsula Borough/Chignik (dock project)</u></b>	<b><u>1,000,000</u></b>
27 <b><u>Aleutians East Borough/False Pass (small boat harbor)</u></b>	<b><u>2,000,000</u></b>

28 \* Sec. 4. AS 42.45 is amended by adding a new section to article 1 to read:

29 **Sec. 42.45.065. Reimbursement for costs of power projects.** (a) Subject to  
 30 appropriations for the purpose, during each fiscal year, the authority shall allocate to  
 31 each entity listed in (b) of this section an amount to reimburse the cost paid by the

1 entity during the immediately preceding fiscal year for the principal and interest on  
2 outstanding debt for the project listed. An allocation may be made to an entity only if

3 (1) the debt was incurred before July 1, 2005; and

4 (2) the power project financed with the debt proceeds is owned and  
5 operated by the entity.

6 (b) The authority may make an allocation to an entity under (a) of this section  
7 only for reimbursement of costs incurred for construction and renovation of the  
8 following power projects and only for reimbursement of total project costs incurred up  
9 to the following amounts:

10 PROJECT

11 Kodiak Electric Association, Inc. (Nyman Combined 12 Cycle Cogeneration Plant)	\$ 6,000,000
13 Cordova Electric Cooperative (Power Creek 14 Hydropower Project)	12,000,000
15 Copper Valley Electric Association, Inc., Valdez 16 (Cogeneration Projects)	10,000,000
17 The Four Dam Pool Power Agency (Southeast Intertie, 18 Swan Lake to Tye Lake)	20,000,000
19 Metlakatla Power and Light (utility plant and capital additions)	3,000,000

20 \* **Sec. 5.** AS 14.11.100(k) is repealed.

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

23 TRANSITION. Notwithstanding AS 42.45.065(a), added in sec. 4 of this Act, the  
24 allocation made during fiscal year 2003 to each listed entity shall be the amount to reimburse  
25 the cost paid by the entity during fiscal years 1999, 2000, 2001, and 2002 for the principal and  
26 interest on outstanding debt for the project listed.

27 \* **Sec. 7.** This Act takes effect July 1, 2002.