

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

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/13/02

Referred: Rules

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 to be paid by the
 8 university during that same fiscal year for the principal and interest on outstanding
 9 debt for the project 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 of Alaska, Anchorage Community and Technical \$14,000,000

16 College Center

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

18 (c) The University of Alaska is authorized to incur debt for the projects listed
 19 under (b) of this section. AS 14.40.253 does not apply to the projects listed in (b) of
 20 this section or to obligations incurred by the university to finance those projects.

21 * **Sec. 3.** AS 29.60.700 is amended to read:

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

29 (1) the debt was incurred by the municipality [GENERAL
 30 OBLIGATION BONDS WERE ISSUED AFTER JULY 1, 2000, AND] before July 1,
 31 2007 [2003]; and

(2) the **project or** [PORT OR HARBOR] facility financed with the **debt** [BOND] proceeds is located in the municipality and the **project or** facility is [OWNED AND] operated **or controlled** by the municipality [;

(3) OWNERSHIP OF THE PORT OR HARBOR FACILITY FINANCED WITH THE BOND PROCEEDS HAS BEEN TRANSFERRED FROM THE STATE TO THE MUNICIPALITY BY A TRANSFER AGREEMENT UNDER AS 35.10.120; AND

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

(b) The Department of Transportation and Public Facilities may make an allocation to a municipality under (a) of this section only for reimbursement of costs incurred for the following [PORT AND HARBOR FACILITY] construction and renovation projects and only for reimbursement of total project costs incurred up to the following amounts:

PROJECT	
[KETCHIKAN	\$ 7,000,000
PETERSBURG	3,300,000
SITKA	4,038,900
KLAWOCK	860,000
SELDOVIA	2,500,000
WHITTIER	1,835,600]
Valdez	3,013,500
[CORDOVA	4,337,800]
Nome	1,000,000
<u>Anchorage (Port of Anchorage expansion)</u>	<u>15,000,000</u>
<u>Matanuska-Susitna Borough (deep water port and road upgrade)</u>	<u>10,000,000</u>
<u>Unalaska (LSA small boat harbor)</u>	<u>5,000,000</u>
<u>Aleutians East Borough/Akutan (small boat harbor)</u>	<u>4,000,000</u>

1	<u>Lake and Peninsula Borough/Chignik (dock project)</u>	<u>1,000,000</u>
2	<u>Aleutians East Borough/False Pass (small boat harbor)</u>	<u>2,000,000</u>
3	<u>Fairbanks North Star Borough (Eielson AFB schools,</u>	<u>4,500,000</u>
4	<u>major maintenance and upgrades)</u>	
5	<u>City of Fairbanks (fire headquarters station replacement)</u>	<u>7,500,000</u>
6	<u>Saxman (public safety building)</u>	<u>1,500,000</u>

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

8 **Sec. 42.45.065. Reimbursement for costs of power projects.** (a) Subject to
 9 appropriations for the purpose, during each fiscal year, the authority shall allocate to
 10 each entity listed in (b) of this section an amount to reimburse the cost paid by the
 11 entity during the immediately preceding fiscal year for the principal and interest on
 12 outstanding debt for the project listed. An allocation may be made to an entity only if

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

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

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

20 PROJECT

21	Kodiak Electric Association, Inc. (Nyman Combined	\$ 6,000,000
22	Cycle Cogeneration Plant)	
23	Cordova Electric Cooperative (Power Creek Hydropower	12,000,000
24	Station)	
25	Golden Valley Electric Association (Rock Creek line	700,000
26	extension)	
27	Copper Valley Electric Association, Inc., Valdez	10,000,000
28	(cogeneration projects)	
29	The Four Dam Pool Power Agency (Southeast Intertie,	20,000,000
30	Swan Lake to Tyee Lake)	
31	Metlakatla Power and Light (utility plant and capital additions)	3,000,000

1 * **Sec. 5.** AS 14.11.100(k) is repealed.

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

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

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