

**MINUTES**  
**SENATE FINANCE COMMITTEE**  
**May 13, 2002**  
**1:44 PM**

**TAPES**

SFC-02 # 99, Side A

**CALL TO ORDER**

Co-Chair Pete Kelly convened the meeting at approximately 1:44 PM.

**PRESENT**

Senator Pete Kelly, Co-Chair  
Senator Jerry Ward, Vice Chair  
Senator Loren Leman  
Senator Gary Wilken  
Senator Lyman Hoffman  
Senator Donald Olson  
Senator Alan Austerman  
Senator Lyda Green  
Senator Gary Wilken

**Also Attending:**

There were no testifiers.

**Attending via Teleconference:**

There were no teleconference participants.

**SUMMARY INFORMATION**

HB 51-LEGIS APPROVAL OF SEAFOOD/FOOD SAFETY LAB

The Committee adopted a committee substitute and one amendment. The bill was reported from Committee.

HB 528-STATE REIMBURSEMENT CAPITAL PROJECT DEBTS

The Committee adopted a committee substitute and the bill moved from Committee.

HB 525-GO BONDS: MAJOR MAINTENANCE FOR FACILITIES

The Committee adopted a committee substitute and the bill moved

from Committee.

HB 524-G.O. BONDS: SCHOOLS/MUSEUM/UNIVERSITY

The Committee adopted a committee substitute, considered and failed to adopt one amendment, and moved the bill from Committee.

HB 451-MUNICIPAL BOND REIMBURSEMENT

The bill was waived from Committee.

#hb51

CS FOR HOUSE BILL NO. 51(FIN)

"An Act giving notice of and approving the entry into and the issuance of certificates of participation for a lease-purchase agreement for a seafood and food safety laboratory facility; relating to the use of certain investment income for certain construction costs; and providing for an effective date."

This was the first hearing for this bill in the Senate Finance Committee.

Senator Ward moved for adoption of SCS CS HB 51, 22-GH1012\J as a working document.

Co-Chair Kelly explained that Version "J" contains revised costs for the new seafood and food safety laboratory facility as a result of money being appropriated to this project in FY02.

There being no objection, the committee substitute was ADOPTED.

Amendment #1: This amendment changes the effective date of the bill to March 1, 2003.

Senator Ward moved for adoption of Amendment #1.

Senator Hoffman inquired as to the reason for the effective date change.

Senator Kelly replied that this date would allow the new gubernatorial administration to negotiate the lease arrangements associated with this legislation.

There being no objection, Amendment #1 was ADOPTED.

Senator Ward moved to report "Senate Committee Substitute for Committee Substitute for House Bill #51 (Finance), Version J out of Committee with individual recommendations and accompanying notes, as amended."

There being no objection, SCS CS HB 51(FIN) was REPORTED from Committee with a new zero fiscal note dated May 13, 2002 from the Department of Administration, a new \$11,705,800 capital expenditure/zero operating expenditure fiscal note dated May 13, 2002 from the Department of Environmental Conservation, and a new \$18,000 fiscal note dated May 13, 2002 from the Department of Revenue.

RECESSED TO CALL OF THE CHAIR 1:47 PM / 9:00 PM

AT EASE 9:03 PM / 9:05 PM

#HB525

CS FOR HOUSE BILL NO. 525(FIN) am  
"An Act relating to the issuance of general obligation bonds for the purpose of paying the cost of deferred maintenance of public facilities; and providing for an effective date."

This was the first hearing for this bill in the Senate Finance Committee.

Senator Ward moved for adoption of SCS CS HB 525, 22-LS1735\L as a working draft.

There being no objections, the committee substitute was ADOPTED.

Senator Ward offered a motion to report "Senate Committee Substitute for Committee Substitute for House Bill #525, Finance, Version L out of Committee with individual recommendations and accompanying notes."

There being no objections, SCS CS HB 525(FIN) was REPORTED from Committee with fiscal note #1, dated May 3, 2002 from the Department of Revenue.

#hb524

CS FOR HOUSE BILL NO. 524(FIN)

"An Act relating to the issuance of general obligation bonds for the purpose of paying the cost of design, construction, and major maintenance of educational and museum facilities; and providing for an effective date."

This was the first hearing for this bill in the Senate Finance Committee.

Senator Lemman moved to adopt SCS CS HB 524, 22-LS1725\0 as a working document.

There being no objection, the committee substitute was ADOPTED.

Amendment #1: This amendment would truncate [or round down] the dollar amounts for the eleven projects identified in Section 3 of the bill beginning with the thousandth digit position so that the four affected digits reflect the number zero.

Senator Lemman moved for adoption of Amendment #1, stating "it would be a better way to list the numbers." He stated this would create "a fairly minor affect" on the total.

Co-Chair Kelly objected stating this amendment might create some unforeseen delays in moving the bill forward.

A roll call was taken on the motion.

IN FAVOR: Senator Green, Senator Lemman

OPPOSED: Senator Austerman, Senator Hoffman, Senator Olson, Senator Ward, Senator Wilken, Co-Chair Donley, Co-Chair Kelly

The motion FAILED (2-7)

Senator Olson inquired as to the difference between the House version of the bill and the committee substitute.

Co-Chair Kelly responded that the Senate Committee Substitute, Version "O", includes a more extensive list of projects. He explained, "To achieve that, most of the major maintenance was removed."

Senator Lemman offered a motion to report "Senate CS for CS for House Bill 524 Finance from Committee with individual recommendations and accompanying small fiscal note."

There being no objection, SCS CS HB 524 (FIN) was REPORTED from Committee with Fiscal Note #1 from the Department of Revenue, dated May 3, 2002.

#hb528

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

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

This was the first hearing for this bill in the Senate Finance Committee.

Senator Ward offered a motion to adopt the SCS CS HB 528, 22-LS1724\V as a working draft.

There being no objections, the committee substitute was ADOPTED.

Senator Ward moved to report "Senate Committee Substitute for Committee Substitute for House Bill #528 Finance, Version V and any accompanying fiscal notes" out of Committee with individual recommendations.

Senator Lemman commented, for the record, that he would prefer that funding for the University of Alaska Anchorage Community and Technical College Center project for \$14 million, identified on page 3, line 15 in Section 2 of the bill, "instead be shifted to the second phase of the science building instead of the project listed."

There being no objections, SCS CS HB 528 (FIN) was REPORTED from Committee with no fiscal notes, as it is an appropriations legislation.

AT EASE 9:11 PM / 9:14 PM

#hb451

HOUSE BILL NO. 451am

"An Act relating to municipal bond reimbursement for school construction; and providing for an effective date."

This was the second hearing for this bill in the Senate Finance Committee.

Co-Chair Kelly announced that HB 451 would be WAIVED from this Committee to the Senate Rules Committee.

RECESSED TO THE CALL OF THE CHAIR 9:15 PM  
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**ADJOURNMENT**

Co-Chair Pete Kelly adjourned the meeting at 05:03 PM, Tuesday, May 14, 2002.