



LAWS OF ALASKA

2003

Source
CSSB 215(STA)

Chapter No.

AN ACT

Relating to a lease-purchase agreement for, the construction and equipping of, and the financing of a seafood and food safety laboratory facility to be operated by the Department of Environmental Conservation, including the issuance of certificates of participation, and the use of certain investment income for certain construction and equipping costs; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Relating to a lease-purchase agreement for, the construction and equipping of, and the
2 financing of a seafood and food safety laboratory facility to be operated by the Department of
3 Environmental Conservation, including the issuance of certificates of participation, and the
4 use of certain investment income for certain construction and equipping costs; and providing
5 for an effective date.

6

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

9 INTENT. It is the intent of the legislature that the amount of money to be used for the
10 construction and equipping of a new seafood and food safety laboratory facility is
11 \$14,285,000. Of that amount, it is the intent of the legislature that

12 (1) \$14,145,000 shall come from the proceeds of the certificates of
13 participation to be issued by the state bond committee under sec. 2 of this Act; and

1 (2) \$140,000 shall come from the investment income earned on the proceeds
2 of the sale of the certificates of participation described in sec. 2 of this Act.

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

5 NOTICE AND APPROVAL OF ENTRY INTO AND FINANCING OF A LEASE-
6 PURCHASE AGREEMENT. (a) Subject to annual appropriation, the Department of
7 Administration is authorized to enter into a lease-purchase agreement for a seafood and food
8 safety laboratory facility to be constructed under the lease-purchase agreement and to be
9 operated by the Department of Environmental Conservation.

10 (b) The state bond committee is authorized to provide for the issuance of certificates
11 of participation in one or more series in the aggregate principal amount of \$14,145,000 for the
12 construction of a seafood and food safety laboratory facility under the lease-purchase
13 agreement authorized in (a) of this section. The remaining balance of the construction and
14 equipping costs shall be paid from investment income of \$140,000 earned on the proceeds of
15 the sale of the certificates of participation. The estimated total cost of construction,
16 acquisition, and other costs of the project is \$14,285,000. The estimated annual amount of
17 rental obligations under the lease-purchase agreement is \$1,391,000. The estimated total
18 lease payments for the full term of the lease-purchase agreement is \$20,862,400. In this
19 subsection, "cost of construction" includes credit enhancement and underwriting expenses,
20 rating agency fees, bond counsel fees, financial advisor fees, printing fees, advertising fees,
21 capitalized interest, and interest earnings used for lease payments.

22 (c) The state bond committee may contract for credit enhancement, underwriting,
23 credit ratings, bond counsel, financial advisor, printing, advertising, and trustee services that
24 the committee considers necessary in financing the project described in this section.

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

27 APPROVAL OF AGREEMENT. Section 2 of this Act constitutes the approval
28 required by AS 36.30.085.

29 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).