

**SENATE BILL NO. 1005**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SPECIAL SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**Introduced: 6/22/04**

**Referred: Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act providing for and relating to the issuance of general obligation bonds for the**  
2 **purpose of paying the cost of state surface transportation projects; and providing for an**  
3 **effective date."**

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

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

7 GENERAL OBLIGATION BONDS. For the purpose of paying the cost of state  
8 surface transportation projects, general obligation bonds of the state in the principal amount of  
9 not more than \$77,100,000 shall be issued and sold. The full faith, credit, and resources of  
10 the state are pledged to the payment of the principal of and interest and redemption premium,  
11 if any, on the bonds. The bonds shall be issued under the provisions of AS 37.15 as those  
12 provisions read at the time of issuance.

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

1 SURFACE TRANSPORTATION PROJECT FUND. A special fund of the state to be  
 2 known as the "surface transportation project fund" shall be established, to which shall be  
 3 credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for the  
 4 accrued interest and premiums.

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

7 SURFACE TRANSPORTATION PROJECTS. (a) The amount of \$76,700,000 is  
 8 appropriated from the surface transportation project fund to the Department of Transportation  
 9 and Public Facilities to be allocated among the following surface transportation projects in the  
 10 amounts listed, subject to reallocation between projects in accordance with AS 37.07.080(e):

11 PROJECT	ALLOCATION
12 (1) Anchorage - Abbott Loop Road upgrade	\$15,000,000
13 (Tudor Road to Abbott Road)	
14 (2) Anchorage - Lake Otis and Tudor intersection	8,500,000
15 improvements	
16 (3) Anchorage - Dowling East Extension	14,600,000
17 (4) Fairbanks - Cowles Street and 21st Avenue upgrade	1,200,000
18 (5) Fairbanks - Van Horn Road - Cushman to Peger	6,100,000
19 (6) North Slope - Bullen Point Road EIS and Design	3,700,000
20 (7) Matanuska - Susitna - Bogard Road East Extension	
21 EIS, Design, and Right-of-Way	6,600,000
22 (8) Kenai Peninsula - Area Road Paving	4,000,000
23 (9) Aleknagik - Wood River Bridge Design	1,000,000
24 (10) Sitka - Sawmill Creek Road	1,000,000
25 (11) Southeast Alaska Road Construction	8,000,000
26 (12) Yukon-Kuskokwim Rivers transportation corridor	
27 EIS and Design	2,000,00
28 (13) Kodiak - Pasagshak Road paving	1,500,000
29 (14) Noatak Airport to Red Dog Mine Road EIS	
30 and Design	3,500,000

31 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 STATE BOND COMMITTEE. The amount of \$400,000 or as much of that amount  
3 as is found necessary is appropriated from the general fund of the state to the state bond  
4 committee to carry out the provisions of this Act and to pay expenses incident to the sale and  
5 issuance of the bonds authorized in sec. 1 of this Act. The amounts expended from the  
6 appropriation authorized by this section shall be reimbursed to the general fund from the  
7 proceeds of the sale of the bonds authorized by sec. 1 of this Act.

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

10 ANNUAL EARNINGS APPROPRIATIONS. The annual earnings on the proceeds of  
11 the sale of bonds authorized in sec. 1 of this Act managed by the Department of Revenue may  
12 be appropriated for reimbursement to the Department of Revenue for the costs of establishing  
13 and managing the funds.

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

16 ADVANCE PLANNING. The amount withdrawn from the public facility planning  
17 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements  
18 financed under sec. 3 of this Act shall be reimbursed to the fund from the proceeds of the sale  
19 of bonds authorized by sec. 1 of this Act.

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

22 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated  
23 balance of the appropriation made in sec. 3 of this Act lapses under AS 37.25.020 and is  
24 appropriated to the state bond committee to redeem bonds sold under sec. 1 of this Act. The  
25 amounts expended from the general fund to pay the principal, interest, and redemption  
26 premium on bonds issued under sec. 1 of this Act shall be reimbursed to the general fund  
27 from the appropriation made under this section to the extent that the money is not needed to  
28 redeem the bonds.

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

31 BALLOT PROPOSITION. The question whether the bonds authorized in this Act are

1 to be issued shall be submitted to the qualified voters of the state at the next general election  
 2 and shall read substantially as follows:

3 PROPOSITION

4 State General Obligation State Surface Transportation Project  
 5 Bonds \$77,100,000

6 Shall the State of Alaska issue general obligation bonds in the  
 7 principal amount of not more than \$77,100,000 for the purpose  
 8 of paying the cost of state surface transportation projects?

9 Bonds Yes [ ]

10 Bonds No [ ]

11 \* **Sec. 9.** Section 8 of this Act takes effect immediately under AS 01.10.070(c).

12 \* **Sec. 10.** Sections 1 - 7 of this Act take effect on the date that the lieutenant governor  
 13 certifies to the revisor of statutes that

14 (1) a majority of the qualified voters of the state who vote on the question at  
 15 the 2004 general election affirmatively voted in favor of the 2004 amendments to the  
 16 Constitution of the State of Alaska relating to and limiting appropriations from the Alaska  
 17 permanent fund based on an averaged percent of the fund market value; and

18 (2) the issuance of bonds authorized by this Act is ratified by a majority of the  
 19 qualified voters of the state who vote on the question at the 2004 general election.