

CS FOR HOUSE BILL NO. 424(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/11/10

Referred: First Supplemental Calendar

Sponsor(s): HOUSE FINANCE COMMITTEE

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 design and construction of library, education, and**
3 **educational research facilities; and providing for an 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 design and
8 construction of library, education, and educational research facilities, general obligation bonds
9 of the state in the principal amount of not more than \$384,200,000, if ratified by a majority of
10 the qualified voters of the state who vote on the question, shall be issued and sold. The full
11 faith, credit, and resources of the state are pledged to the payment of the principal of and
12 interest and redemption premium, if any, on the bonds. The bonds shall be issued under the
13 provisions of AS 37.15 as those provisions read at the time of issuance, except that
14 AS 37.15.040 does not apply. The bonds may be issued and sold at a public or negotiated sale

1 in the manner, in the amounts or series, and at the time or times that the state bond committee
2 determines after considering market conditions and structuring alternatives.

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

5 2010 EDUCATION PROJECT FUND. If the issuance of the bonds is ratified by a
6 majority of the qualified voters of the state who vote on the question, a special fund of the
7 state to be known as the "2010 education project fund" shall be established, to which shall be
8 credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for the
9 accrued interest and premiums.

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

12 DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. The amount of
13 \$40,000,000 is appropriated from the 2010 education project fund to the Department of
14 Education and Early Development to be allocated among the following projects in the
15 amounts listed, subject to reallocation between projects in accordance with AS 37.07.080(e):

16 PROJECT	16 AMOUNT
17 (1) Mount Edgecumbe High School aquatic facility	\$20,000,000
18 (2) State Library, Archives, and Museum facility	20,000,000

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

21 DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. The amount of
22 \$128,500,000 is appropriated from the 2010 education project fund to the Department of
23 Education and Early Development to be awarded as grants for design, construction, and major
24 maintenance of public schools, subject to reallocation between projects in accordance with
25 AS 37.07.080(e), for the following projects, subject to reallocation between projects in
26 accordance with AS 37.07.080(e):

27 PROJECT	27 REAA LOCATION	27 AMOUNT
28 (1) Alakanuk K-12	Lower Yukon	\$46,500,000
29 school replacement		
30 (2) Kipnuk K-12 school	Lower Kuskokwim	49,900,000
31 renovation/addition		

1 (3) Kwigillingok K-12 Lower Kuskokwim 32,100,000
 2 school renovation/addition

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

5 UNIVERSITY OF ALASKA. The amount of \$161,800,000 is appropriated from the
 6 2010 education project fund to the University of Alaska for the following projects, subject to
 7 reallocation between projects in accordance with AS 37.07.080(e):

8 PROJECT	LOCATION	AMOUNT
9 (1) Valley center for art 10 and learning	Mat-Su campus	\$23,500,000
11 (2) Community arena 12 and athletic facility	UA-Anchorage	50,000,000
13 (3) Life science classroom 14 and laboratory facility	UA-Fairbanks	50,000,000
15 (4) Student housing	Kenai campus	17,800,000
16 (5) Career and technical 17 education center	Kenai campus	14,500,000
18 (6) Campus renovation and 19 renewal	Prince William Sound Community College	6,000,000

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

22 DEPARTMENT OF FISH AND GAME. The amount of \$20,000,000 is appropriated
 23 from the 2010 education project fund to the Department of Fish and Game for the Near Island
 24 research facility.

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

27 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC
 28 DEVELOPMENT. The amount of \$33,900,000 is appropriated from the 2010 education
 29 project fund to the Department of Commerce, Community, and Economic Development for
 30 payment of grants to municipalities under AS 37.05.315 for the following projects, subject to
 31 reallocation between projects in accordance with AS 37.07.080(e):

1	PROJECT	MUNICIPALITY	AMOUNT
2	(1) Loussac Library	Anchorage	\$4,650,000
3	(2) Cordova Center and	Cordova	2,500,000
4	Library		
5	(3) Community Library	Kenai	1,500,000
6	expansion		
7	(4) Sutton Community	Matanuska-Susitna	1,700,000
8	Library and Resource		
9	Center		
10	(5) Tuzzy Library expansion	North Slope	350,000
11	(6) Public library	Petersburg	3,300,000
12	(7) Community library	Seward	4,700,000
13	(8) Prince of Wales Island	City of Klawock	3,200,000
14	vocational education		
15	center		
16	(9) Northwest Magnet School/	Northwest Arctic Borough	12,000,000
17	Kotzebue High School		

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

20 STATE BOND COMMITTEE. If the issuance of the bonds is ratified by a majority of
21 the qualified voters of the state who vote on the question, the amount of \$4,610,400 or as
22 much of that amount as is found necessary is appropriated from the general fund of the state
23 to the state bond committee to carry out the provisions of this Act and to pay expenses
24 incident to the sale and issuance of the bonds authorized in this Act. The amounts expended
25 from the appropriation authorized by this section shall be reimbursed to the general fund from
26 the proceeds of the sale of the bonds authorized by this Act.

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

29 ADVANCE PLANNING. The amount withdrawn from the public facility planning
30 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements
31 financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds

1 authorized by this Act.

2 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated
5 balances of the appropriations made in secs. 3 - 7 of this Act lapse under AS 37.25.020 and
6 are appropriated to the state bond committee to redeem bonds sold under this Act. The
7 amounts expended from the general fund to pay the principal, interest, and redemption
8 premium on bonds issued under this Act shall be reimbursed to the general fund from the
9 appropriation made under this section to the extent that the money is not needed to redeem the
10 bonds.

11 * **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to
12 read:

13 BALLOT QUESTION. The question whether the bonds authorized in this Act are to
14 be issued shall be submitted to the qualified voters of the state at the next general election and
15 shall read substantially as follows:

16 PROPOSITION

17 State General Obligation \$384,200,000
18 Library, Education, and Educational
19 Research Facilities Bonds

20 Shall the State of Alaska issue its general obligation bonds in the principal
21 amount of not more than \$384,200,000 for the purpose of design and
22 construction of library, education, and educational research facilities?

23 Bonds Yes []

24 Bonds No []

25 * **Sec. 12.** This Act takes effect immediately under AS 01.10.070(c).