

**SB**

**51**

SFIN

FILE

# SENATE FINANCE COMMITTEE REPORT

DATE: 2/3/97

FURTHER: 4/23/97

DATE TURNED  
IN TO OFFICE: 4/23/97

Finance Committee considered

SENATE BILL NO. 51

"An Act giving notice of and approving the entry into, and the issuance of certificates of participation in, a lease-purchase agreement for a centralized public health laboratory facility."

and recommends:

be replaced with CS SB 51 ( FIN )

adopt previous CS ( )

attached amendment(s)

adopt Letter of Intent by \_\_\_\_\_ Committee

further referral to the \_\_\_\_\_ Committee

**Senate Bill:**

- same title
- new title
- House Bill:**
- same title
- technical change
- new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Robert C. ...</i>	✓	<i>See Adams</i>		X	
<i>John ...</i>	✓				
<i>Dave ...</i>	✓				
Co-Chair: <i>Peace</i>	✓	Co-Chair:			
Co-Chair:		Co-Chair: <i>Bob ...</i>			

**NEW FISCAL NOTE(S):**

Department                      Date    Zero    Fiscal

<i>updated F/N</i>				
<i>forthcoming per</i>				
<i>Tim Benetande</i>				

**PREVIOUS FISCAL NOTE(S):\***

Department                      Date    Zero    Fiscal


APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

REPORTED OUT OF  
SFC APR 23 1997

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Approve Public Health Lab BRU: Revenue Operations  
 Component: Treasury  
 Sponsor: (S) RLS  
 Requestor: (S) FIN COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
<b>OPERATING EXPENDITURES</b>						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS-Lease Payments		2,424.6	2,426.2	2,426.1	2,424.7	2,424.6
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>2,424.6</b>	<b>2,426.2</b>	<b>2,426.1</b>	<b>2,424.7</b>	<b>2,424.6</b>
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>						

FUND SOURCE (Thousands of Dollars)

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	2,424.6	2,426.2	2,426.1	2,424.7	2,424.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>2,424.6</b>	<b>2,426.2</b>	<b>2,426.1</b>	<b>2,424.7</b>	<b>2,424.6</b>

Estimate of any current year (FY97) cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Authorizes a lease-purchase agreement for up to \$18,440,000 for a centralized public health lab facility with anticipated annual rent of \$2,420,000 and total rent of \$24,130,000.

The lease payments shown above are projected at current interest rates over ten years for \$18,440,000. These lease payments are within the amounts anticipated in the proposed bill. If, however, interest rates are projected at current rates plus 75 basis points (.75%/year), the rental payments are projected to exceed the amounts anticipated in the proposed bill.

Prepared by: Forrest R. Browne  
 Division: Treasury  
 Approved by Commissioner: Wilson L. Condon  
 Agency: Revenue

Phone: 465-3750  
 Date: April 25, 1997  
 Date: April 25, 1997

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## Sizing Debt Services Schedule

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Dated: 2/1/98  
Delivered: 2/1/98

### H&SS Centralized Lab Current Interest Rates

Fiscal Yr	Coupon MYY	Zer Date	Cpn Rate	Maturing Principal	Periodic Interest	Gross Semi-Annl Dbt Svc	Cap Int	DebtSvcRsv Int&Prin	CntgncyFnd Int&Prin	NetSemi-AnnlDbtSvc	Net Fiscal Dbt Svc
2 99	8/1/98				474,816.25	474,816.25				474,816.25	
8 99	2/1/99	N	4.300	1,475,000.00	474,816.25	1,949,816.25				1,949,816.25	2,424,632.50
1 2 0	8/1/99				443,103.75	443,103.75				443,103.75	
8 0	2/1/00	N	4.550	1,540,000.00	443,103.75	1,983,103.75				1,983,103.75	2,426,207.50
2 2 1	8/1/00				408,068.75	408,068.75				408,068.75	
8 1	2/1/01	N	4.750	1,610,000.00	408,068.75	2,018,068.75				2,018,068.75	2,426,137.50
3 2 2	8/1/01				369,831.25	369,831.25				369,831.25	
8 2	2/1/02	N	5.050	1,685,000.00	369,831.25	2,054,831.25				2,054,831.25	2,424,662.50
4 2 3	8/1/02				327,285.00	327,285.00				327,285.00	
8 3	2/1/03	N	5.150	1,770,000.00	327,285.00	2,097,285.00				2,097,285.00	2,424,570.00
5 2 4	8/1/03				281,707.50	281,707.50				281,707.50	
8 4	2/1/04	N	5.250	1,860,000.00	281,707.50	2,141,707.50				2,141,707.50	2,423,415.00
6 2 5	8/1/04				232,882.50	232,882.50				232,882.50	
8 5	2/1/05	N	5.350	1,960,000.00	232,882.50	2,192,882.50				2,192,882.50	2,425,765.00
7 2 6	8/1/05				180,452.50	180,452.50				180,452.50	
8 6	2/1/06	N	5.450	2,065,000.00	180,452.50	2,245,452.50				2,245,452.50	2,425,905.00
8 2 7	8/1/06				124,181.25	124,181.25				124,181.25	
8 7	2/1/07	N	5.550	2,175,000.00	124,181.25	2,299,181.25				2,299,181.25	2,423,362.50
9 2 8	8/1/07				63,825.00	63,825.00				63,825.00	
8 8	2/1/08	N	5.550	2,300,000.00	63,825.00	2,363,825.00				2,363,825.00	2,427,650.00
<b>18,440,000.00</b>					<b>5,812,307.50</b>	<b>24,252,307.50</b>				<b>24,252,307.50</b>	<b>24,252,307.50</b>

<i>True Interest Cost (TIC)</i> .....	5.3189287
<i>Net Interest Cost (NIC)</i> .....	5.3348394
<i>Arbitrage Yield Limit (AYL)</i> .....	5.3189287
<i>Arbitrage Net Interest Cost (ANIC)</i> .....	5.3348394

Prepared by: FORREST BROWNE, DOR - TREASURY  
 Prepared on: 4/22/97 14:38 8.20 Rpt 14  
 Record ID: LAB-1998-PA :MUNIDB

(Page 2 of 2)

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Approve Centralized Public Health Lab BRU: Revenue Operations  
 Component: Treasury  
 Sponsor: (S) RLS  
 Requestor: (S) HES COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS-Lease Payments		2,378.3	2,381.3	2,379.2	2,380.2	2,381.2
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>2,378.3</b>	<b>2,381.3</b>	<b>2,379.2</b>	<b>2,380.2</b>	<b>2,381.2</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		2,378.3	2,381.3	2,379.2	2,380.2	2,381.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>2,378.3</b>	<b>2,381.3</b>	<b>2,379.2</b>	<b>2,380.2</b>	<b>2,381.2</b>

Estimate of any current year (FY97) cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS:

Authorizes a lease-purchase agreement for up to \$18,440,000 for a centralized public health lab facility with anticipated annual rent of \$2,420,000 and total rent of \$24,130,000. Bond counsel suggests that the sentence beginning in line 6 of the proposed bill be amended to read: "The State Bond Committee is authorized to provide for the issuance of certificates of participation for, and the Department of Administration is authorized to enter into, a lease purchase agreement for a centralized public laboratory facility to be constructed under the lease-purchase agreement and to be operated by the Department of Health and Social Services." The lease payments shown above are projected at current interest rates over ten years for \$18,440,000 and assume rental payments begin on 8-1-98. These payments are within the amounts anticipated in the proposed bill. If, however, interest rates are projected at current rates plus 75 basis points (.75%/year), the rental payments are projected to exceed the amounts anticipated in the proposed bill. In that event, the amount financed and available for project costs would have to be reduced by approximately \$410,000.

Prepared by: Forrest R. Browne  
 Division: Treasury  
 Approved by Commissioner: Ross A. Kinney  
 Agency: Revenue

Phone: 465-3750  
 Date: January 24, 1997  
 Date: January 24, 1997

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**Sizing Debt Services Schedule  
H&SS Centralized Lab  
Current Interest Rates**

F3 1

Dated: 2/1/98  
Delivered: 2/1/98

Fiscal Yr	Coupon M YY	Zer Date	Coupon Cpn	Coupon Rate	Maturing Principal	Periodic Interest	Gross Semi-Annl Dbt Svc	Capitalized Interest	Debt Svc Rsv Int & Prin	Cntgncy Fnd Int & Prin	Net Semi-Annl Dbt Svc	Net Fiscal Dbt Svc
2	99	8/1/98				439,126.25	439,126.25				439,126.25	
8	99	2/1/99	N	3.800	1,500,000.00	439,126.25	1,939,126.25				1,939,126.25	2,378,252.50
1	2	0	8/1/99			410,626.25	410,626.25				410,626.25	
8	0	2/1/00	N	4.300	1,560,000.00	410,626.25	1,970,626.25				1,970,626.25	2,381,252.50
2	2	1	8/1/00			377,086.25	377,086.25				377,086.25	
8	1	2/1/01	N	4.550	1,625,000.00	377,086.25	2,002,086.25				2,002,086.25	2,379,172.50
3	2	2	8/1/01			340,117.50	340,117.50				340,117.50	
8	2	2/1/02	N	4.650	1,700,000.00	340,117.50	2,040,117.50				2,040,117.50	2,380,235.00
4	2	3	8/1/02			300,592.50	300,592.50				300,592.50	
8	3	2/1/03	N	4.750	1,780,000.00	300,592.50	2,080,592.50				2,080,592.50	2,381,185.00
5	2	4	8/1/03			258,317.50	258,317.50				258,317.50	
8	4	2/1/04	N	4.850	1,865,000.00	258,317.50	2,123,317.50				2,123,317.50	2,381,635.00
6	2	5	8/1/04			213,091.25	213,091.25				213,091.25	
8	5	2/1/05	N	4.950	1,955,000.00	213,091.25	2,168,091.25				2,168,091.25	2,381,182.50
7	2	6	8/1/05			164,705.00	164,705.00				164,705.00	
8	6	2/1/06	N	5.000	2,050,000.00	164,705.00	2,214,705.00				2,214,705.00	2,379,410.00
8	2	7	8/1/06			113,455.00	113,455.00				113,455.00	
8	7	2/1/07	N	5.100	2,150,000.00	113,455.00	2,263,455.00				2,263,455.00	2,376,910.00
9	2	8	8/1/07			58,630.00	58,630.00				58,630.00	
8	8	2/1/08	N	5.200	2,255,000.00	58,630.00	2,313,630.00				2,313,630.00	2,372,260.00
						<b>18,440,000.00</b>	<b>5,351,495.00</b>	<b>23,791,495.00</b>			<b>23,791,495.00</b>	<b>23,791,495.00</b>

**True Interest Cost (TIC).....4.9244049**  
**Net Interest Cost (NIC).....4.9381702**  
**Arbitrage Yield Limit (AYL).....4.9244049**  
**Arbitrage Net Interest Cost (ANIC)..... 4.9381702**

Prepared by: FORREST R BROWNE, STATE TREAS  
 Prepared on: 1/24/97 09:46 3.05 Rpt 14  
 Record ID: LAB-1998-P :MUNIDB

Dated: 2/1/98  
 Delivered: 2/1/98

**Sizing Debt Services Schedule**  
**H&SS Centralized Lab**  
**Current Rates +75bp**

Fiscal Yr	Coupon MYY	Zer Date	Coupon Cpn	Coupon Rate	Maturing Principal	Periodic Interest	Gross Semi-Annl Dbt Svc	Capitalized Interest	Debt Svc Rsv Int & Prin	Cntgney Fnd Int & Prin	Net Semi-Annl Dbt Svc	Net Fiscal Dlt Svc
	2	99	8/1/98			508,971.25	508,971.25				508,971.25	
	8	99	2/1/99	N	4.550	1,450,000.00	508,971.25	1,958,971.25			1,958,971.25	2,457,942.50
1	2	0	8/1/99			475,983.75	475,983.75				475,983.75	
	8	0	2/1/00	N	5.050	1,515,000.00	475,983.75	1,990,983.75			1,990,983.75	2,466,967.50
2	2	1	8/1/00			437,730.00	437,730.00				437,730.00	
	8	1	2/1/01	N	5.300	1,590,000.00	437,730.00	2,027,730.00			2,027,730.00	2,465,460.00
3	2	2	8/1/01			395,595.00	395,595.00				395,595.00	
	8	2	2/1/02	N	5.400	1,675,000.00	395,595.00	2,070,595.00			2,070,595.00	2,466,190.00
4	2	3	8/1/02			350,370.00	350,370.00				350,370.00	
	8	3	2/1/03	N	5.500	1,765,000.00	350,370.00	2,115,370.00			2,115,370.00	2,465,740.00
5	2	4	8/1/03			301,832.50	301,832.50				301,832.50	
	8	4	2/1/04	N	5.600	1,865,000.00	301,832.50	2,166,832.50			2,166,832.50	2,468,665.00
6	2	5	8/1/04			249,612.50	249,612.50				249,612.50	
	8	5	2/1/05	N	5.700	1,970,000.00	249,612.50	2,219,612.50			2,219,612.50	2,469,225.00
7	2	6	8/1/05			193,467.50	193,467.50				193,467.50	
	8	6	2/1/06	N	5.750	2,080,000.00	193,467.50	2,273,467.50			2,273,467.50	2,466,935.00
8	2	7	8/1/06			133,667.50	133,667.50				133,667.50	
	8	7	2/1/07	N	5.850	2,200,000.00	133,667.50	2,333,667.50			2,333,667.50	2,467,335.00
9	2	8	8/1/07			69,317.50	69,317.50				69,317.50	
	8	8	2/1/08	N	5.950	2,330,000.00	69,317.50	2,399,317.50			2,399,317.50	2,468,635.00
						<b>18,440,000.00</b>	<b>6,233,095.00</b>	<b>24,673,095.00</b>			<b>24,673,095.00</b>	<b>24,673,095.00</b>

True Interest Cost (TIC).....	5.6770480
Net Interest Cost (NIC).....	5.6925841
Arbitrage Yield Limit (AYL).....	5.6770480
Arbitrage Net Interest Cost (ANIC).....	5.925841

Prepared by:	FORREST R BROWNE, STATE TREASURY
Prepared on:	1/24/97 10:01 8.05 Rpt 14
Record ID:	LAB-1998-R :MUNIDB

**Sizing Debt Services Schedule  
H&SS Centralized Lab  
+75bp & Reduced Cost**

Dated: 2/1/98  
Delivered: 2/1/98

Fiscal Yr	Coupon M YY	Zer Date	Coupon Cpn	Coupon Rate	Maturing Principal	Periodic Interest	Gross Semi-Annl Dbt Svc	Capitalized Interest	Debt Svc Rsv Int & Prin	Cntgncy Fnd Int & Prin	Net Semi-Annl Dbt Svc	Net Fiscal Dbt Svc
2	99	8/1/98				497,678.75	497,678.75				497,678.75	
8	99	2/1/99	N	4.550	1,415,000.00	497,678.75	1,912,678.75				1,912,678.75	2,410,357.50
1	2	0	8/1/99			465,487.50	465,487.50				465,487.50	
8	0	2/1/00	N	5.050	1,480,000.00	465,487.50	1,945,487.50				1,945,487.50	2,410,975.00
2	2	1	8/1/00			428,117.50	428,117.50				428,117.50	
8	1	2/1/01	N	5.300	1,555,000.00	428,117.50	1,983,117.50				1,983,117.50	2,411,235.00
3	2	2	8/1/01			386,910.00	386,910.00				386,910.00	
8	2	2/1/02	N	5.400	1,610,000.00	386,910.00	2,026,910.00				2,026,910.00	2,413,820.00
4	2	3	8/1/02			342,630.00	342,630.00				342,630.00	
8	3	2/1/03	N	5.500	1,725,000.00	342,630.00	2,067,630.00				2,067,630.00	2,410,260.00
5	2	4	8/1/03			295,192.50	295,192.50				295,192.50	
8	4	2/1/04	N	5.600	1,820,000.00	295,192.50	2,115,192.50				2,115,192.50	2,410,385.00
6	2	5	8/1/04			244,232.50	244,232.50				244,232.50	
8	5	2/1/05	N	5.700	1,925,000.00	244,232.50	2,169,232.50				2,169,232.50	2,413,465.00
7	2	6	8/1/05			189,370.00	189,370.00				189,370.00	
8	6	2/1/06	N	5.750	2,035,000.00	189,370.00	2,224,370.00				2,224,370.00	2,413,740.00
8	2	7	8/1/06			130,863.75	130,863.75				130,863.75	
8	7	2/1/07	N	5.850	2,155,000.00	130,863.75	2,285,863.75				2,285,863.75	2,416,727.50
9	2	8	8/1/07			67,830.00	67,830.00				67,830.00	
8	8	2/1/08	N	5.950	2,280,000.00	67,830.00	2,347,830.00				2,347,830.00	2,415,660.00
						<b>18,030,000.00</b>	<b>6,096,625.00</b>	<b>24,126,625.00</b>			<b>24,126,625.00</b>	<b>24,126,625.00</b>

**True Interest Cost (TIC).....5.6771947**  
**Net Interest Cost (NIC).....5.6927261**  
**Arbitrage Yield Limit (AYL).....5.6771947**  
**Arbitrage Net Interest Cost (ANIC)..... 5.6927261**

Prepared by: FORREST R BROWNE, STATE TREAS  
 Prepared on: 1/24/97 10:34 8.05 Rpt 14  
 Record ID: LAB-1998-U :MUNIDB

1997 LEGISLATIVE SESSION

(S) Publish Date: 2-3-97

Revision Date: \_\_\_\_\_

Dept. Affected: Public Safety

Title: Approve Centralized Public Health Lab

DPS Statewide Support

Component: Scientific Crime Detection Laboratory

Sponsor: Rules Committee

Requestor: S. HESS

COMPONENT SERIAL NO. 0527

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES ( )	-0-	-0-	-0-	-0-	-0-	-0-
Code Revenue						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 97) impact: \$ \_\_\_\_\_

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)  
 No fiscal impact is anticipated to the Department of Public Safety

Prepared By: George Taft, Director

Phone: 269-5687

Division: Scientific Crime Detection Laboratory

Date: 1/29/97

Approved by Commissioner: *Ronald L. Otte*

Date: 1/29/97

Agency: Ronald L. Otte, Dept. of Public Safety

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**FISCAL NOTE**

No. 2

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

Bill Version: SB 51

(S) Publish Date: 2-3-97

Revision Date: \_\_\_\_\_

Title: "An Act giving notice of and approving . . . a lease purchase agreement for a centralized health laboratory facility."

Sponsor: (S) Rules Committee

Requestor: (S)HESS

Department Affected: Administration

BRU: General Services

Component: Leasing

**COMPONENT SERIAL NO. 81**

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	0.0	0.0	0.0	(75.4)	(75.4)	(75.4)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(75.4)</b>	<b>(75.4)</b>	<b>(75.4)</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>	0.0	0.0	0.0	(75.4)	(75.4)	(75.4)
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**FUND SOURCE:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	(75.4)	(75.4)	(75.4)
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER * CIP receipts						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(75.4)</b>	<b>(75.4)</b>	<b>(75.4)</b>

Estimate of any current year (FY 97) cost: \$ 0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary.) The bill would authorize financing and construction of a new laboratory facility which would replace two leased locations in Anchorage and Juneau. Lease savings would be expected to begin in FY 2001. The specific leases and current costs are shown on the following page. Costs for the Juneau lease are budgeted in the Department of Health & Social Services. Future years estimated lease savings have been adjusted to reflect probable CPI adjustments. Payments on the new lease purchase facility are not included on this fiscal note. Funds for design, construction, acquisition, and contract compliance are not included in this fiscal note.

Prepared by: Dugan Pettv, Director *Dugan Pettv*  
 Division: General Services

Phone: 465-2250  
 Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer *Mark Boyer*  
 Agency: Department of Administration

Date: 1/24/97

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ANALYSIS: (continued)

**Current Public Health Laboratory Leases**

Lease #	Location	Property	FY 97 Cost		RSA Amount	Net FY 97 Estimated FY01	
			Sq Ft	/ Year		DOA Budget	DOA Reduction
1517C	Anchorage	CR Lewis Bldg	5,100	73,440	0	73,440	76,044
1517D	Anchorage	CR Lewis Bldg	385	2,079	2,079	0	0
			5,485	75,519	2,079	73,440	76,044

Revision Date: \_\_\_\_\_  
Title: Authorize Financing for a new lab  
Sponsor: Senate Rules  
Requestor: \_\_\_\_\_

Dept. Affected: Health and Social Services  
BRU: State Health Services  
Component: Laboratory Services  
COMPONENT SERIAL NO. 291  
See also (SN#): \_\_\_\_\_

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES	0.0	0.0	0.0	(83.2)	(85.3)	(87.4)
TRAVEL				(3.6)	(3.7)	(3.8)
CONTRACTUAL				(130.8)	(134.1)	(137.5)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(217.6)</b>	<b>(223.1)</b>	<b>(228.7)</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGES IN REVENUES						
---------------------	--	--	--	--	--	--

**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF				(217.6)	(223.1)	(228.7)
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(217.6)</b>	<b>(223.1)</b>	<b>(228.7)</b>

**POSITIONS:**

FULL-TIME				-2	-2	-2
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

**ANALYSIS:** (Attach a separate page if necessary)

Currently, the Division of Public Health operates three inadequate state public health laboratories in Anchorage, Juneau and Fairbanks and the Medical Examiner's laboratory temporarily located in the Department of Public Safety crime lab. Consolidation of the Juneau lab activities within Anchorage would not only save the state from having to upgrade two laboratories but would also show a savings in operating costs.

The savings would start to occur in FY01 in the following line items.

Personal Services Line 100

With the consolidation of the two laboratories the current staffing level can be reduced by two positions:

PCN 06-1065 Lab Technician I, range 10 GG, PFT Juneau \$46.4

Prepared by: Peter M. Nakamura, MD, MPH  
Division: Public Health  
Approved by Commissioner: Karen Perdue, Commissioner  
Agency: Department of Health & Social Services

Phone: (907) 465-3090  
Date: 01/22/97

Date: 1/23/97

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**ANALYSIS (cont.):**

PCN 06-1436 Admin. Clerk II, range 8, GG, PFT, Juneau \$36.8

**Travel Line 200**

Travel would be reduced by \$3.5 due to the staff being located in two locations, rather than three, the Chief would have to travel to each laboratory as required under CLIA.

**Contractual Line 300**

Janitorial Services - \$2.2

Federal Inspections - \$1.5

Subscriptions - \$0.5

Telephones - \$1.9

Public Utilities - \$2.8

Rent - \$0.6

Maintenance and Repair of Equipment - \$3.2

Courier Services - \$2.9

Space Lease - \$115.2

All line items listed above assume a 2.5% per year inflation factor.

AMENDMENT #1

OFFERED IN THE SENATE

TO: SB 51

*Sen. Sharp by request  
moves for discussion.  
adopted w/o objection.*

- 1 Page 1, line 6:
- 2 Delete "issue"
- 3 Insert "provide for the issuance of"
  
- 4 Page 1, line 12:
- 5 Delete "\$2,420,000"
- 6 Insert "\$2,490,000"
  
- 7 Page 1, line 13:
- 8 Delete "\$24,130,000"
- 9 Insert "\$24,900,000"

POSSIBLE FIN. C.S. FOR SB 51

AMENDMENT

OFFERED IN THE \_\_\_\_\_ BY \_\_\_\_\_  
TO: SB 51

Page 1, line 6:

Following "The state bond committee is authorized":  
Delete "issue".  
Insert "provide for the issuance of".

Page 1, line 12

Following "obligation is":  
Delete "\$2,420,000"  
Insert "\$2,490,000"

Page 1, line 13

Following "purchase agreement amount to":  
Delete "\$24,130,000"  
Insert "\$24,900,000"

NEW BILL IN  
COMMITTEE \_\_\_\_\_

SENATE BILL NO. 51

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE

Introduced: 1/16/97  
Referred: HESS, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act giving notice of and approving the entry into, and the issuance of  
2 certificates of participation in, a lease-purchase agreement for a centralized public  
3 health laboratory facility."

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

5 \* Section 1. NOTICE AND APPROVAL OF THE ENTRY INTO AND FINANCING OF  
6 A LEASE-PURCHASE AGREEMENT. The state bond committee is authorized to issue  
7 certificates of participation for, and the Department of Administration is authorized to enter  
8 into, a lease-purchase agreement for a centralized public health laboratory facility to be  
9 constructed under the lease-purchase agreement and to be operated by the Department of  
10 Health and Social Services. The anticipated total construction, acquisition, and other costs of  
11 the project are not to exceed \$18,440,000. The total anticipated annual amount of the rental  
12 obligation is \$2,420,000. The total anticipated lease payments for the full term of the lease-  
13 purchase agreement amount to \$24,130,000. The state shall own the facility at the end of the  
14 lease term. This section constitutes the notice and approval required by AS 36.30.085.

OMM

COP

## CS FOR HOUSE BILL NO. 66(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 2/5/97

Referred: Finance

Sponsor(s): HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

## A BILL

## FOR AN ACT ENTITLED

1 "An Act giving notice of and approving the entry into, and the issuance of  
 2 certificates of participation in, a lease-purchase agreement for a centralized public  
 3 health laboratory facility."

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

5 \* Section 1. NOTICE AND APPROVAL OF THE ENTRY INTO AND FINANCING OF  
 6 A LEASE-PURCHASE AGREEMENT. The state bond committee is authorized to provide  
 7 for the issuance of certificates of participation for, and the Department of Administration is  
 8 authorized to enter into, a lease-purchase agreement for a centralized public health laboratory  
 9 facility to be constructed under the lease-purchase agreement and to be operated by the  
 10 Department of Health and Social Services. The anticipated total construction, acquisition, and  
 11 other costs of the project are not to exceed \$18,440,000. The total anticipated annual amount  
 12 of the rental obligation is \$2,490,000. The total anticipated lease payments for the full term  
 13 of the lease-purchase agreement amount to \$24,900,000. The state shall own the facility at  
 14 the end of the lease term. This section constitutes the notice and approval required by

AS 36.30.085

HB0066b

-1-

CSHB 66(HES)

New Text Underlined [DELETED TEXT BRACKETED]