

HB

304

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/18/00

REPORTED OUT OF
SFC 4/19/00 UT OF
4/19/00

FURTHER:

DATE TURNED
IN TO OFFICE: 4/19/00

Finance Committee considered

CS FOR HOUSE BILL NO. 304(FIN) am

CLEAN WATER FUND/DRINKING WATER FUND

and recommends:

be replaced with CS CV HB 304 (Fin)

adopt previous _____

attached amendment(s) CS
For Incoming mittee

adopt Letter of Intent by _____ mittee

further referral to the _____ Committee

Senate Bill:

- same title
- new title
- House Bill:
- same title
- technical title
- new: SCR# _____

| SIGNING DO PASS | DP | OTHER RECOMMENDATIONS | NR | DNP | AM |
|------------------------------|----|-----------------------|----|-----|----|
| <u>Pat Kelle</u> | ✓ | <u>Kell E. Kelly</u> | ✓ | | |
| <u>Arwin D. Linn</u> | ✓ | <u>Luke Miller</u> | | | ✓ |
| | | <u>Bill Colson</u> | X | | |
| | | <u>Gary White</u> | ✓ | | |
| Co-Chair: <u>[Signature]</u> | ✓ | Co-Chair: | | | |
| Co-Chair: | | Co-Chair: | | | |

NEW FISCAL NOTE(S):

| Department | Date | Zero | Fiscal |
|------------|------|------|--------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

PREVIOUS FISCAL NOTE(S):*

| Department | Date | Zero | Fiscal |
|----------------|-----------------|------|--------|
| <u>DEC</u> | <u>4/14/00</u> | ✓ | |
| <u>Revenue</u> | <u>12/22/99</u> | ✓ | |
| | | | |
| | | | |
| | | | |

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

Bill Version: HB 304

(H) Publish Date: 1/21/00

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected Revenue
 Title Drinking Water Fund Bonds BRU Revenue Operations
 Component Treasury Division
 Sponsor Rules Committee
 Requester Governor Component Serial No. 121

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services | | | | | | |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of current year (FY00) cost: 0.0

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

The Alaska Drinking Water Fund will pay all costs of issuance, administration, and debt service for bonds issued. Bond proceeds will be deposited in the Drinking Water Fund to make loans to municipalities. There is no other fiscal impact on state funds.

Prepared by Deven Mitchell, Debt Manager *Deven Mitchell* Phone 465-3750
 Division Treasury Division Date/Time December 22, 1999
 Approved by Wilson L. Condon *Wilson L. Condon* Date December 22, 1999
 Commissioner
 Agency Department of Revenue

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FISCAL NOTE

Bill Version: HB 304

(H) Publish Date: 1/21/00

**STATE OF ALASKA
2000 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected DEC
 Title AK Bonding - AK Drinking Water Fund BRU Facility Construction and Operation
 Component Facility Construction and Operation
 Sponsor Rules Committee
 Requester Governor Component No. 637

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Travel | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Contractual | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Supplies | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Equipment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Land & Structures | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Grants & Claims | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Miscellaneous | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|------------|-------------|-------------|-------------|-------------|-------------|
| CAPITAL EXPENDITURES | 0.0 | 70.0 | 70.0 | 70.0 | 70.0 | 70.0 |
|-----------------------------|------------|-------------|-------------|-------------|-------------|-------------|

| | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-------------------------------|------------|------------|------------|------------|------------|------------|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|------------------------------------|------------|-------------|-------------|-------------|-------------|-------------|
| 1002 Federal Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1003 GF Match | 0.0 | (1,551.4) | (1,551.4) | (1,551.4) | (1,551.4) | (1,551.4) |
| 1004 GF | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1005 GF/Program Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1037 GF/Mental Health | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1075 Clean Water Loan Fund | 0.0 | 0.0 | (395.5) | (455.3) | (455.3) | (455.3) |
| 1100 Drinking Water Loan Fund | 0.0 | 70.0 | (380.4) | (448.4) | (448.4) | (448.4) |
| Drinking Water Fund Bond Recpts | 0.0 | 1,551.4 | 1,551.4 | 1,551.4 | 1,551.4 | 1,551.4 |
| Clean Water Administrative Fund | 0.0 | 0.0 | 355.5 | 455.3 | 455.3 | 455.3 |
| Drinking Water Administrative Fund | 0.0 | 0.0 | 450.4 | 518.4 | 518.4 | 518.4 |
| TOTAL | 0.0 | 70.0 | 70.0 | 70.0 | 70.0 | 70.0 |

Estimate of any current year (FY2000) cost: 0.0

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)

This legislation would provide for:

- 1) Using bond proceeds instead of GF Match to capitalize the Alaska Drinking Water Fund; and
- 2) Using fees deposited into (and appropriated from) two new administrative funds to pay the operating expenses of the Clean Water and Drinking Water loan programs. (Continued next page.)

Prepared by: Dan Easton, Director Phone 465-5135
 Division Facility Construction and Operation Date/Time 12/30/99 12:04 PM
 Approved by: [Signature] Date 12-29-99
 Agency Dept. of Environmental Conservation

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REPORTED OUT OF
SFC 4/19/00

FISCAL NOTE

No. 3

Bill Version: CSHB 304 (FN)

(S) Publish Date: 4/18/00

STATE OF ALASKA
2000 LEGISLATIVE SESSION

Revision Date/Time (Note if correction) _____ Dept. Affected DEC
 Title AK Bonding - AK Drinking Water Fund BRU Facility Construction and Operation
 Component Facility Construction and Operation
 Sponsor House Rules Committee
 Requester Senate Resources Committee Component No. 637

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 |
|------------------------|------------|-------------|--------------|--------------|--------------|--------------|
| Personal Services | 0.0 | 62.2 | 120.7 | 120.7 | 120.7 | 120.7 |
| Travel | 0.0 | 7.5 | 14.6 | 14.6 | 14.6 | 14.6 |
| Contractual | 0.0 | 27.2 | 52.8 | 52.8 | 52.8 | 52.8 |
| Supplies | 0.0 | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Equipment | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 0.0 | 98.9 | 191.1 | 191.1 | 191.1 | 191.1 |

| | | | | | | |
|----------------------|-----|------|------|------|------|------|
| CAPITAL EXPENDITURES | 0.0 | 70.0 | 70.0 | 70.0 | 70.0 | 70.0 |
|----------------------|-----|------|------|------|------|------|

| | | | | | | |
|------------------------|-----|-----|-----|-----|-----|-----|
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|------------------------|-----|-----|-----|-----|-----|-----|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|------------------------------------|------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1003 GF Match | 0.0 | (1,551.4) | (1,551.4) | (1,551.4) | (1,551.4) | (1,551.4) |
| 1004 GF | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1005 GF/Program Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1037 GF/Mental Health | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1075 Clean Water Loan Fund | 0.0 | 0.0 | (395.5) | (455.3) | (455.3) | (455.3) |
| 1100 Drinking Water Loan Fund | 0.0 | 168.9 | (380.4) | (448.4) | (448.4) | (448.4) |
| Drinking Water Fund Bond Recpts | 0.0 | 1,551.4 | 1,551.4 | 1,551.4 | 1,551.4 | 1,551.4 |
| Clean Water Administrative Fund | 0.0 | 0.0 | 395.5 | 455.3 | 455.3 | 455.3 |
| Drinking Water Administrative Fund | 0.0 | 0.0 | 641.5 | 709.5 | 709.5 | 709.5 |
| TOTAL | 0.0 | 168.9 | 261.1 | 261.1 | 261.1 | 261.1 |

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

| | | | | | | |
|-----------|---|---|---|---|---|---|
| Full-time | 0 | 1 | 2 | 2 | 2 | 2 |
| Part-time | 0 | 0 | 0 | 0 | 0 | 0 |
| Temporary | 0 | 0 | 0 | 0 | 0 | 0 |

ANALYSIS: (Attach a separate page if necessary)

This legislation would provide for:

- 1) Using bond proceeds instead of GF Match to capitalize the Alaska Drinking Water Fund;
- 2) Deriving loan program operating costs from a portion of loan repayments deposited into two new administrative funds; and
- 3) Making loans to privately-owned utilities which are currently ineligible for the low-interest drinking water and wastewater loan programs.

Prepared by: Dan Easton, Director Phone 465-5135
 Division Facility Construction and Operations Date/Time 4/10/00 7:48 AM
 Approved by: [Signature] Date 4-10-00
 Agency Dept. of Environmental Conservation

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ANALYSIS: (Continued)

The Drinking Water and Clean Water Loan Programs offer low-interest loans to municipalities for drinking water and sewerage facility construction projects. Loans are made from the Alaska Drinking Water Fund and the Alaska Clean Water Fund. Both funds are capitalized by annual federal grants that require a 20 percent state match. The Funds also earn investment and repayment interest.

To date, the state capitalization match requirement for the Drinking Water Fund has been met with GF Match. Federal law provides an alternative to general fund outlays for satisfying the state match requirement. States may use bond financing as match for federal funds to capitalize the Fund, and repay the bonds from interest earnings from the Fund. Statutes (AS 37.15.560) currently provide the bonding authority for the Clean Water Fund needed to take advantage of this funding mechanism. This legislation would provide the same bonding authority for the Drinking Water Fund.

Beginning in FY 2002 there will be sufficient interest in the Alaska Drinking Water Fund to meet the match requirement. Interest will be converted to bond proceeds and supplant the annual general fund appropriation. The effect will be to save approximately \$1.5 million in GF Match that year and each year thereafter. Bonding costs will be about \$70.0.

This legislation would also provide authority to collect fees as a means of funding the operation of the two loan programs. Federal law allows states to set aside four percent of the federal capitalization grants to help pay for program administration. To date, annual program operating expenditures have been met with this set aside. As federal grants decrease and ultimately end in the next few years, the State will be left without a means of paying for program operating costs. To prepare for that, this legislation provides for using a portion of loan repayments to cover program operating costs. The legislation creates two new administrative funds into which a portion of loan repayments would be deposited. Money could then be transferred from these administrative funds to the operating budget to finance program operating costs.

This legislation also makes some privately-owned utilities eligible for the Drinking Water Loan program. Under current law, loan program eligibility is restricted to municipalities. This change has the potential to improve drinking water quality, but it also has the potential to produce a significant increase in the number of loans and drinking water construction projects to be managed by the program. The best estimate is that 133 privately-owned drinking water systems could become eligible for the program. We project an increase of 10 new loan projects each year -- roughly doubling the current pace at which loans are made. This will result in receiving and prioritizing new loan applications, executing additional loan agreements, guiding additional loan recipients through the federally-mandate environmental review process, additional and more complex credit worthiness and owner capacity assessments, reviewing additional documents to approve loan payments, issuing additional payment checks, reviewing and improving a substantial increase in the number of engineering plans, and additional construction inspections and associated travel costs. The first year will also require development of regulations governing this new class of loan recipients.

The department estimates that two new positions will be required to handle the increased loan processing and engineering workload. The first position will be needed by SFY 2002 and both by SFY 2003. In addition, contractual funding of \$50.0 will be used to contract for credit worthiness assessments, as well as assessments of owner managerial, technical and financial capacity as required by federal law

Personal Services New Position Detail

Department of Environmental Conservation
HB 304 Personal Services - FY2003

Scenario: FY2001 Legislative Fiscal Note Info - 2
Component: Facility Construction and Operations (637)
BRU Name: Facility Construction and Operations

| PCN | Job Class Title | Time Status | Retire Code | Barg Unit | Location | Salary Sched | Range & Steps | Budgeted Months | Split / Annual Count Salary | COLA | Premium Pay | Annual Benefits | Total Costs |
|--|------------------------|-------------|-------------|-----------|-----------|--------------|-----------------|-----------------------|-----------------------------|------|-------------|-----------------|-------------|
| 18-#032 | Loan/Collection Off II | FT | A | GG | Anchorage | 1A | 18 C | 12.0 | 47,004 | 0 | 0 | 15,236 | 62,240 |
| Justification: Implementation of HB 304 | | | | | | | Funding Detail: | | | | | | |
| | | | | | | | 1004 | General Fund Receipts | | | | 100.00% | 62,240 |
| | | | | | | | Total Funding: | | | | | 100.00% | 62,240 |
| 18-#033 | Environ Eng Asst II | FT | A | GG | Anchorage | 1A | 17 C | 12.0 | 43,860 | 0 | 0 | 14,617 | 58,477 |
| Justification: Implementation of HB 304 | | | | | | | Funding Detail: | | | | | | |
| | | | | | | | 1004 | General Fund Receipts | | | | 100.00% | 58,477 |
| | | | | | | | Total Funding: | | | | | 100.00% | 58,477 |

Component Summary:

Total New Positions: 2

| Fund Description | Fund Percent | Fund Amount |
|----------------------------|--------------|-------------|
| 1004 General Fund Receipts | 100.00% | 120,717 |
| Total Funding: | 100.00% | 120,717 |

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.

Personal Services New Position Detail

Department of Environmental Conservation
HB 304 Personal Services - FY2002

Scenario: FY2001 Legislative Fiscal Note Info - 2
Component: Facility Construction and Operations (637)
BRU Name: Facility Construction and Operations

| PCN | Job Class Title | Time Status | Retire Code | Barg Unit | Location | Salary Sched | Range & Steps | Budgeted Months | Split / Annual Count | Annual Salary | COLA | Premium Pay | Annual Benefits | Total Costs | |
|--------------------------|------------------------|-------------|-------------|-----------|-----------|--------------|-----------------|-----------------------|----------------------|---------------|------|----------------|-----------------|-------------|--------|
| 18-#032 | Loan/Collection Off II | FT | A | GG | Anchorage | 1A | 18 C | 12.0 | | 47,004 | 0 | 0 | 15,236 | 62,240 | |
| Justification: | | | | | | | Funding Detail: | | | | | | | | |
| Implementation of HB 304 | | | | | | | 1004 | General Fund Receipts | | | | | | 100.00% | 62,240 |
| | | | | | | | | | | | | Total Funding: | 100.00% | 62,240 | |

Component Summary:

Total New Positions: 1

| Fund Description: | Fund Percent | Fund Amount |
|----------------------------|--------------|-------------|
| 1004 General Fund Receipts | 100.00% | 62,240 |
| Total Funding: | 100.00% | 62,240 |

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. HB 304

| | | | |
|---|--|----------------|--|
| Revision Date/Time (Note if correction) | _____ | Dept. Affected | <u>DEC</u> |
| Title | <u>AK Bonding - AK Drinking Water Fund</u> | BRU | <u>Facility Construction and Operation</u> |
| | | Component | <u>Facility Construction and Operation</u> |
| Sponsor | <u>Rules Committee</u> | | |
| Requester | <u>Governor</u> | Component No. | <u>637</u> |

ANALYSIS: *(Continued)*

The Drinking Water and Clean Water Loan Programs offer low-interest loans to municipalities for drinking water and sewerage facility construction projects. Loans are made from the Alaska Drinking Water Fund and the Alaska Clean Water Fund. Both funds are capitalized by annual federal grants that require a 20 percent state match. The Funds also earn investment and repayment interest.

To date, the state capitalization match requirement for the Drinking Water Fund has been met with GF Match. Federal law provides an alternative to general fund outlays for satisfying the state match requirement. States may use bond financing as match for federal funds to capitalize the Fund, and repay the bonds from interest earnings from the Fund. Statutes (AS 37.15.560) currently provide the bonding authority for the Clean Water Fund needed to take advantage of this funding mechanism. This legislation would provide the same bonding authority for the Drinking Water Fund.

Beginning in FY 2002 there will be sufficient interest in the Alaska Drinking Water Fund to meet the match requirement. Interest will be converted to bond proceeds and supplant the annual general fund appropriation. The effect will be to save approximately \$1.5 million in GF Match that year and each year thereafter. Bonding costs will be about \$70.0 per year.

This legislation would also provide authority to collect fees as a means of funding the operation of the two loan programs. Federal law allows states to set aside four percent of the federal capitalization grants to help pay for program administration. To date, annual operating expenditures of \$973.7 have been met with this Loan Fund set aside. With decreasing federal grant levels, the Loan Fund set-aside is also decreasing and is no longer sufficient to cover the costs of program administration. This legislation would create two new administrative funds into which loan fees would be deposited. Money could then be transferred from these administrative funds to the operating budget to finance program operating costs. This legislation would result in fully fee-supported loan programs by FY 2005.

| | | | |
|--------------|--|-----------|--------------------------|
| Prepared by: | <u>Dan Easton, Director</u> | Phone | <u>465-5135</u> |
| Division | <u>Facility Construction and Operation</u> | Date/Time | <u>12/30/99 12:04 PM</u> |
| Agency | <u>Dept. of Environmental Conservation</u> | | |

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Amend #1 - Kelly

1-GH2031\M

SENATE CS FOR CS FOR HOUSE BILL NO. 304(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE RESOURCES COMMITTEE

Offered: 4/18/00

Referred: Finance

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to issuance and sale of revenue bonds to fund drinking water
2 projects, to the Alaska clean water fund, to creation of an Alaska clean water
3 administrative fund and an Alaska drinking water administrative fund, to fees to
4 be charged in connection with loans made from the Alaska clean water fund and
5 the Alaska drinking water fund, and to clarification of the character and
6 permissible uses of the Alaska drinking water fund; amending Rule 3, Alaska
7 Rules of Civil Procedure; and providing for an effective date."

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

9 * Section 1. AS 37.15.560(a) is amended to read:

10 (a) For purposes of providing part of the money to be used to provide financial
11 assistance to municipalities and other qualified entities under AS 46.03.032 and
12 46.03.036 [FOR THE PURPOSES STATED IN AS 46.03.032(d)], including the costs
13 of bond issuance and administration, the issuance and sale of revenue bonds of the

1 state is authorized subject to (b) of this section. The bonds are to be issued by the
 2 state bond committee, as provided in AS 37.15.560 - 37.15.605, as part of the Alaska
 3 clean water fund and the Alaska drinking water fund revolving loan fund programs
 4 [PROGRAM] (AS 46.03.032 and 46.03.036), [A] public enterprises [ENTERPRISE]
 5 of the state. The net proceeds of the sale of the bonds [,] remaining after any payment
 6 of costs of issuance and administration [,] shall be paid into the Alaska clean water
 7 fund or the Alaska drinking water fund, as appropriate. Accrued interest paid on
 8 the bonds shall be paid into the Alaska clean water fund or the Alaska drinking
 9 water fund for transfer to the Alaska clean water fund revenue bond redemption fund
 10 or the Alaska drinking water fund revenue bond redemption fund (AS 37.15.565),
 11 as appropriate.

12 * Sec. 2. AS 37.15.560(b) is amended to read:

13 (b) The state bond committee may not issue more than \$15,000,000 in revenue
 14 bonds under AS 37.15.560 - 37.15.605 during a fiscal year for each revolving loan
 15 fund program referred to in (a) of this section, excluding refunding bonds. The
 16 total unpaid principal amount of revenue bonds, including refunding bonds, but
 17 excluding refunded bonds, issued under AS 37.15.560 - 37.15.605 [,] may not exceed
 18 \$150,000,000 for each program.

19 * Sec. 3. AS 37.15.565 is amended to read:

20 Sec. 37.15.565. Bond redemption funds [FUND]. (a) There are [IS]
 21 established [A] special funds [FUND] of the state, known as the "Alaska clean water
 22 fund revenue bond redemption fund [,]" and the "Alaska drinking water fund
 23 revenue bond redemption fund," which are [IS A] trust funds [FUND] for paying
 24 and securing the payment of the principal of and interest and redemption premium, if
 25 any, on the bonds and which shall be at all times completely segregated and set apart
 26 from all other funds of the state. The committee, on behalf of the state, may obligate
 27 and bind the state to set aside and pay into the bond redemption funds [FUND], on
 28 a monthly or other periodic basis, any part or parts of, or all of, or a fixed proportion
 29 of, or a fixed amount of the money in the Alaska clean water fund (AS 46.03.032) or
 30 the Alaska drinking water fund (AS 46.03.036) sufficient to pay the principal of and
 31 interest and redemption premium, if any, on the bonds and, if it considers it necessary,

1 to set aside and maintain reserves for this purpose. The bond redemption **funds**
 2 [FUND] shall be drawn upon only for the purpose of paying the principal of and
 3 interest and redemption premium, if any, on the bonds, together with related trustee
 4 fees, if any.

5 (b) Money in the bond redemption **funds** [FUND] may be invested in the same
 6 manner and on the same conditions as permitted for investment of money belonging
 7 to the state or held in the treasury under AS 37.10.070; however, the committee may
 8 agree with the bondholders to further limit these investments. Earnings on investments
 9 must be retained in the bond redemption **funds** [FUND].

10 (c) Separate accounts may be created in the bond redemption **funds** [FUND]
 11 for the purposes of paying and securing the bonds. The accounts may be combined for
 12 purposes of investment and for financial support to achieve the purposes of
 13 AS 37.15.570(c).

14 * Sec. 4. AS 37.15.570(c) is amended to read:

15 (c) The committee may pledge to the payment of the principal of and interest
 16 on bonds issued by the committee part or all of the legally available money or other
 17 assets on hand in the Alaska clean water fund (AS 46.03.032) or the Alaska drinking
 18 water fund (AS 46.03.036); part or all of the revenue of the Alaska clean water fund
 19 or the Alaska drinking water fund, including federal capitalization grants, the
 20 proceeds of loan repayments, and interest on money in the **funds** [FUND]; the
 21 proceeds of the sale of bonds; and money on hand in the bond redemption **funds**
 22 [FUND]. Revenue of the Alaska clean water fund or the Alaska drinking water fund,
 23 if so pledged, must be paid into the Alaska clean water fund or the Alaska drinking
 24 water fund, as appropriate. The committee may provide for the issuance of
 25 additional bonds, secured by a pledge of such money and revenue, ranking junior to,
 26 senior to, or on a parity with, outstanding bonds, upon conditions prescribed in the
 27 bond resolution. A pledge of loan repayments securing bonds may be made applicable
 28 to specific loans from the Alaska clean water fund or the Alaska drinking water
 29 fund, or, on a pooled basis, to all loan repayments received.

30 * Sec. 5. AS 37.15.570(d) is amended to read:

31 (d) If the committee finds it reasonably necessary, the committee may select

1 a trustee or trustees for the holders of the bonds, or any series of them, for the
 2 safeguarding and disbursement of any of the money in the bond redemption funds
 3 [FUND] created by AS 37.15.565, or for duties with respect to the enforcement,
 4 authentication, delivery, payment, and registration of the bonds as the committee may
 5 determine. The committee shall fix the rights, duties, powers, and obligations of the
 6 trustee or trustees.

7 * **Sec. 6.** AS 37.15.570(e) is amended to read:

8 (e) In its determination of all matters and questions relating to the issuance and
 9 sale of the bonds and the fixing of their maturities, terms, conditions, and covenants
 10 as provided in (a) - (d) of this section, the decisions of the committee shall be those
 11 that are reasonably necessary for the best interests of the state and its inhabitants and
 12 that will accomplish the most advantageous sale of the bonds, with due regard,
 13 however, for the continued funding under AS 46.03.032 and AS 46.03.306 of the
 14 categories of projects identified in AS 46.03.032(d) and 46.03.036(b). Decisions of
 15 the committee, as expressed in a bond resolution, are final and are conclusively
 16 considered to comply with the requirements of AS 37.15.560 - 37.15.605, [AND]
 17 AS 46.03.032, and 46.03.036.

18 * **Sec. 7.** AS 37.15.570(f) is amended to read:

19 (f) A bond resolution may provide that the bonds issued must contain a recital
 20 that they are issued under AS 37.15.560 - 37.15.605 and under AS 46.03.032 or
 21 46.03.036, as appropriate, and a bond containing this recital is conclusively
 22 considered to be valid and to have been issued in conformity with AS 37.15.560 -
 23 37.15.605 and with AS 46.03.032 or 46.03.036, as appropriate.

24 * **Sec. 8.** AS 37.15.573 is amended to read:

25 **Sec. 37.15.573. Bond resolution.** The committee shall authorize the issuance
 26 of bonds by adopting a resolution and shall prepare all other documents and
 27 proceedings necessary for the issuance, sale, and delivery of the bonds or any part or
 28 series of them. The bond resolution must fix the principal amount, denominations,
 29 date, maturities, manner of sale, place or places of payment, rights of redemption, if
 30 any, terms, form, conditions, and covenants of the bonds or each series of them. A
 31 bond resolution may state terms, conditions, amounts, and other limitations on loans

1 to be made from the Alaska clean water fund (AS 46.03.032) or the Alaska drinking
2 water fund (AS 46.03.036), as appropriate, from the relevant bond proceeds.

3 * Sec. 9. AS 37.15.575 is amended to read:

4 **Sec. 37.15.575. State aid intercept.** If a municipality is in [THE] default on
5 the payment of principal or interest on a loan from the Alaska clean water fund
6 (AS 46.03.032) or the Alaska drinking water fund (AS 46.03.036), the committee
7 may provide written notice of default to any state agency that is the custodian of
8 money that is payable to the municipality. If the committee determines to provide
9 notice, a separate written notice shall be given in each instance of default.
10 Notwithstanding any other provision of law, at any time after receipt of written notice
11 of default, the agency head shall withhold payment of the money from the
12 municipality. The agency head shall pay over the withheld money to the committee
13 for deposit in the Alaska clean water fund or the Alaska drinking water fund, as
14 appropriate, for the purpose of paying or securing the principal and interest on the
15 loan.

16 * Sec. 10. AS 37.15.580 is amended to read:

17 **Sec. 37.15.580. Pledge of the state.** The state pledges to and agrees with the
18 holders of bonds issued by the committee under AS 37.15.560 - 37.15.605 and under
19 AS 46.03.032 or 46.03.036, as appropriate, that the state will not limit or alter the
20 rights and powers vested in the committee by AS 37.15.560 - 37.15.605 and by
21 AS 46.03.032 or 46.03.036, as appropriate, to fulfill the terms of any contract made
22 by the committee with the holders, or in any way impair the rights and remedies of the
23 holders until the principal amount of the bonds, together with the interest on them with
24 interest on unpaid installments of interest, are fully met and discharged. The
25 committee may include this pledge and agreement of the state in a contract with the
26 holders.

27 * Sec. 11. AS 37.15.583(a) is amended to read:

28 (a) The owner or owners of not less than 10 percent of the aggregate principal
29 amount of any series or issue of bonds or the trustee for the owners of the bonds or
30 any series of them may, by appropriate proceedings in state court, require and compel
31 the transfer, setting aside, and payment of money and the enforcement of all of the

1 terms, conditions, and covenants as required and provided in AS 37.15.560 -
 2 37.15.605, AS 46.03.032 or 46.03.036, as appropriate, and the bond resolution.

3 * Sec. 12. AS 37.15.585 is amended to read:

4 **Sec. 37.15.585. Amounts required for payments.** The committee shall,
 5 before June 30 of each year or from time to time within the year, as appropriate,
 6 commencing with the year in which the bonds are issued, certify to the commissioners
 7 of revenue and environmental conservation the amounts required in the current fiscal
 8 year and the next ensuing fiscal year by the bond resolution or resolutions to be paid
 9 out of the Alaska clean water fund or the Alaska drinking water fund into the
 10 appropriate bond redemption fund and to be paid into and maintained in any reserve
 11 fund or account or other fund or account created by the bond resolution or resolutions,
 12 and shall also certify to the commissioners the last date or dates upon which payments
 13 may be made.

14 * Sec. 13. AS 37.15.587 is amended to read:

15 **Sec. 37.15.587. Purposes and sufficiency of revenue.** The proceeds of bonds
 16 may be used for the purposes described in AS 46.03.032 or 46.03.036, as appropriate
 17 [AS 46.03.032(d)]. Bonds may not be issued unless the committee first finds that
 18 revenue to be derived from repayment of loans from the Alaska clean water fund or
 19 the Alaska drinking water fund, as appropriate, will be sufficient, together with
 20 other available money, to comply with all covenants of the bond resolutions.

21 * Sec. 14. AS 37.15.590(b) is amended to read:

22 (b) The issuance of refunding bonds need not be authorized by the voters of
 23 the state or by an act of the legislature. The committee shall adopt the resolution or
 24 resolutions and prepare all other documents and proceedings necessary for the
 25 issuance, exchange or sale, and delivery of the refunding bonds. All provisions of
 26 AS 37.15.560 - 37.15.605 and of AS 46.03.032 and 46.03.036, as appropriate,
 27 applicable to revenue bonds are applicable to the refunding bonds and to the issuance,
 28 sale, or exchange of them, except as otherwise provided in this section.

29 * Sec. 15. AS 37.15.605(1) is amended to read:

30 (1) "bond redemption funds [FUND]" means the Alaska clean water
 31 fund revenue bond redemption fund and the Alaska drinking water fund revenue

4/20/00 Note to file. Once the amendment language was removed from this Act, the entire Act was removed since the amendment bond redemption fund established in AS 37.15.565, as applicable;

1-GH2031\M

* Sec. 16. AS 37.15.605(3) is amended to read: *was new to existing statute language.*

(3) "bonds" means the Alaska clean water fund revenue bonds or the Alaska drinking water fund revenue bonds authorized in AS 37.15.560 - 37.15.605, as applicable;

Darwin signed off on these changes.

* Sec. 17. AS 37.15.605(7) is amended to read:

(7) "costs of issuance and administration" means all costs associated with issuance and administration of Alaska clean water fund revenue bonds or the Alaska drinking water fund revenue bonds, as applicable, and refunding bonds, including costs of bond printing, official statements, financial advisors, travel costs, rating agencies, bond insurance, letters and lines of credit for credit enhancement, underwriters, legal services, paying agents, bonds registrars, bond and escrow trustees, arbitrage rebate, and all other costs, including administrative costs, both direct and indirect.

* Sec. 18. AS 46.03.032(i) is amended to read:

(i) Before making a loan from the Alaska clean water fund, the department shall, by regulation, specify

(1) standards for the eligibility of borrowers and the type of projects to be financed with loans;

(2) loan term and interest rate policies for loans made from the fund;

~~interest rates for each class of borrowers shall be established as the same percentage of market rate index appropriate to that class of borrowers;~~

And.

(3) standards regarding the technical and economic viability and revenue self-sufficiency of eligible projects;

(4) collateral or other security required for loans;

(5) terms of loans; and

(6) other relevant criteria, standards, or procedures.

* Sec. 19. AS 46.03.032(p)(1) is amended to read:

(1) "other qualified entity" means

(A) an intermunicipal or interstate agency as those terms are used in 33 U.S.C. 1383, and may include an authority, corporation,

1 instrumentality, enterprise, or other entity formed through an agreement
 2 between a municipality and one or more other governmental entities under
 3 AS 29.35.010(13) or under art. X, sec. 13, Constitution of the State of Alaska,
 4 or between a municipality and a regional housing authority under
 5 AS 18.55.996(b); or

6 (B) an organization that is eligible for assistance under 33
 7 U.S.C. 1383, that is not exempted from regulation under AS 42.05.711(d),
 8 *one word* that provides waste water service under a certificate of convenience and
 9 necessity from the former Alaska Public Utilities Commission or the
 10 Regulatory Commission of Alaska, and that is economically regulated by
 11 the Regulatory Commission of Alaska;

12 * Sec. 20. AS 46.03.034 is repealed and reenacted to read:

13 **Sec. 46.03.034. Alaska clean water administrative fund.** (a) The Alaska
 14 clean water administrative fund is established as a separate fund that is distinct from
 15 other money or funds in the treasury. The fund is composed of two accounts, the

16 (1) Alaska clean water administrative operating account; and

17 (2) Alaska clean water administrative income account.

18 (b) The legislature may appropriate to the Alaska clean water administrative
 19 operating account the annual balance of the Alaska clean water administrative income
 20 account.

21 (c) The department shall administer the Alaska clean water administrative
 22 fund.

23 (d) The Alaska clean water administrative operating account may be used to
 24 pay for the department's operational and administrative costs necessary to manage the
 25 Alaska clean water fund and the Alaska clean water administrative fund and for such
 26 other purposes permitted by federal law.

27 (e) Money received in payment of fees charged by the department under the
 28 authority of AS 46.03.035 and earnings on the Alaska clean water administrative fund
 29 shall be deposited in the Alaska clean water administrative income account.

30 * Sec. 21. AS 46.03 is amended by adding a new section to read:

31 **Sec. 46.03.035. Fees charged for loans made from the Alaska clean water**

1 fund. The department may charge and collect reasonable fees in connection with
 2 making and servicing loans made by the department under the authority of
 3 AS 46.03.032. The department shall by regulation specify the rates and amounts of
 4 the fees.

5 * Sec. 22. AS 46.03.036 is repealed and reenacted to read:

6 **Sec. 46.03.036. Alaska drinking water fund.** (a) The Alaska drinking water
 7 fund is established as a separate fund that is distinct from other money or funds in the
 8 treasury. The fund shall be administered by the department. The Alaska drinking
 9 water fund consists of the following items, all of which shall be deposited into the
 10 fund upon receipt:

11 (1) the proceeds and accrued interest received from the sale of revenue
 12 bonds issued under AS 37.15.560 - 37.15.605 and secured by the Alaska drinking
 13 water fund;

14 (2) money appropriated by the legislature, including federal
 15 capitalization grants;

16 (3) loan repayments; and

17 (4) interest received from loan repayments and interest received from
 18 investment of money in the Alaska drinking water fund.

19 (b) Except as otherwise limited by federal law, the department may use money
 20 in the Alaska drinking water fund to

21 (1) provide financial assistance for drinking water system projects,
 22 including projects to plan, design, build, construct, or rehabilitate a public drinking
 23 water collection, storage, treatment, or distribution system, to

24 (A) municipalities;

25 (B) organizations that are not exempted from regulation under
 26 AS 42.05.711(d), that provide water service under a certificate of convenience
 27 and necessity from the former Alaska Public Utilities Commission or the
 28 Regulatory Commission of Alaska, and that are economically regulated by the
 29 Regulatory Commission of Alaska;

30 (2) earn interest on the amounts deposited in the fund;

31 (3) pay the costs of administering the fund and conducting activities

1 under this section and AS 37.15.560 - 37.15.605, including the costs of issuance and
2 administration as defined in AS 37.15.605;

3 (4) pay and secure the payment of the principal of and interest on
4 revenue bonds issued by the state and to pay the costs of issuance and administration
5 of the bonds, so long as the proceeds of the bond sale are deposited in the Alaska
6 drinking water fund;

7 (5) pay

8 (A) into the bond redemption fund (AS 37.15.565), and into any
9 other bond redemption fund or account created by a relevant bond resolution,
10 the amount certified by the state bond committee under AS 37.15.585; and

11 (B) the costs of the state bond committee in conducting
12 activities under this section and AS 37.15.560 - 37.15.605, including the costs
13 of issuance and administration as defined in AS 37.15.605.

14 (c) Repayment of loans shall be secured in a manner that the department
15 determines is feasible to ensure prompt repayment under a loan agreement entered into
16 with the borrower.

17 (d) Separate accounts may be created in the Alaska drinking water fund. The
18 accounts may be combined for purposes of investment.

19 (e) The department may adopt regulations necessary to implement the Alaska
20 drinking water fund in a manner consistent with federal law. The regulations adopted
21 by the department under (h) of this section may establish different loan terms, charges,
22 rates, and standards for different classes of borrowers to accommodate the different
23 levels of risk and costs that the different classes may present.

24 (f) An organization that qualifies for financial assistance under (b)(1)(B) of this
25 section or a municipality wishing to borrow money from the Alaska drinking water
26 fund shall demonstrate to the satisfaction of the department that it

27 (1) has sufficient legal authority to incur the debt for which it is
28 applying; and

29 (2) will establish and maintain a dedicated source of revenue or other
30 acceptable revenue source for repayment of the loan and sufficient reserves for the
31 loan as may be necessary.

1 (g) Allocation of Alaska drinking water fund loans shall be made in
 2 accordance with a priority list developed by the department, using criteria specified in
 3 regulations adopted by the department. A loan may not be made to an organization
 4 that is not a municipality to refinance debt of that organization.

5 (h) Before making a loan from the Alaska drinking water fund, the department
 6 shall, by regulation, specify

7 (1) standards for the eligibility of borrowers and the type of projects
 8 to be financed with loans;

9 (2) loan term and interest rate policies for loans made from the fund;
 10 ~~interest rates for each class of borrowers shall be established as the same percentage~~
 11 ~~of market rate index appropriate to that class of borrowers;~~ *Amended*

12 (3) standards regarding the technical and economic viability and
 13 revenue of self-sufficiency of eligible projects;

14 (4) collateral or other security required for loans;

15 (5) terms of loans; and

16 (6) other relevant standards or procedures.

17 (i) Except as necessary to comply with the covenants of a bond resolution
 18 under AS 37.15.573, a loan made by the department shall be made according to the
 19 standards and procedures established by regulations under this section. A loan made
 20 from the Alaska drinking water fund may be subject to the state aid intercept
 21 provisions of AS 37.15.575.

22 (j) The department shall also prepare reports and notices, including notices of
 23 default, required by the state bond committee in conjunction with bonds issued under
 24 AS 37.15.560 - 37.15.605.

25 (k) Regulations adopted by the department under this section that would affect
 26 issuance or repayment of revenue bonds under AS 37.15.560 - 37.15.605 may not be
 27 inconsistent with those statutes or with regulations adopted by the state bond
 28 committee under those statutes. To the extent that regulations adopted by the
 29 department are inconsistent with AS 37.15.560 - 37.15.605, with regulations adopted
 30 by the state bond committee under those statutes, or with the covenants of a bond
 31 resolution adopted under AS 37.15.573, the provisions of AS 37.15.560 - 37.15.605,

1 the regulations adopted under those statutes, and the covenants of the bond resolution
2 govern.

3 * **Sec. 23.** AS 46.03.038 is repealed and reenacted to read:

4 **Sec. 46.03.038. Alaska drinking water administrative fund.** (a) The Alaska
5 drinking water administrative fund is established as a separate fund that is distinct from
6 other money or funds in the state treasury. The fund is composed of two accounts, the

7 (1) Alaska drinking water administrative operating account; and

8 (2) Alaska drinking water administrative income account.

9 (b) The legislature may appropriate to the Alaska drinking water administrative
10 operating account the annual balance of the Alaska drinking water administrative
11 income account.

12 (c) The department shall administer the Alaska drinking water administrative
13 fund.

14 (d) The Alaska drinking water administrative operating account may be used
15 to pay for the department's operational and administrative costs necessary to manage
16 the Alaska drinking water fund and the Alaska drinking water administrative fund and
17 for such other purposes permitted by federal law.

18 (e) Money received in payment of fees charged by the department under the
19 authority of AS 46.03.039 and earnings on the Alaska drinking water administrative
20 fund shall be deposited in the Alaska drinking water administrative income account.

21 * **Sec. 24.** AS 46.03 is amended by adding a new section to read:

22 **Sec. 46.03.039. Fees charged for loans made from the Alaska drinking**
23 **water fund.** The department may charge and collect reasonable fees in connection
24 with making and servicing loans made by the department under the authority of
25 AS 46.03.036. The department shall by regulation specify the rates and amounts of
26 such fees.

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

29 **INDIRECT COURT RULE AMENDMENT.** The provisions of sec. 11 of this Act
30 have the effect of changing Rule 3, Alaska Rules of Civil Procedure, by limiting to the
31 Superior Court for the State of Alaska, First Judicial District at Juneau the venue district in

1 which a proceeding under AS 37.15.583(a) may be commenced and conducted.

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

4 TEMPORARY LIMITATION ON LOANS. Until July 1, 2002, loans may be made
5 from the Alaska drinking water fund only to municipalities, notwithstanding the provision
6 authorizing financial assistance to certain other organizations in AS 46.03.036(b)(1)(B), as
7 repealed and reenacted in sec. 22 of this Act.

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

10 CONDITIONAL EFFECT. Section 11 of this Act takes effect only if sec. 25 of this
11 Act receives the two-thirds majority vote of each house required by art. IV, sec. 15,
12 Constitution of the State of Alaska.

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

15 TRANSITION: REGULATIONS. The respective state agencies may proceed to adopt
16 any regulations necessary to implement their duties under this Act. The regulations take effect
17 under AS 44.62 (Administrative Procedure Act), but not before the effective date of secs. 1 -
18 24 and 26 of this Act.

19 * Sec. 29. Section 28 of this Act takes effect immediately under AS 01.10.070(c).

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

| | | |
|-----------------------------------|--------------------|---|
| Bill Number | HB 304 | |
| Amendment | #1 | |
| Motion | | |
| <u>Motion by</u> | JK | |
| <u>Objection</u> | | |
| <u>Objection by</u> | JB | |
| <u>Removed</u> | | |
| <u>Second Objection by</u> | | |
| <u>Committee Member</u> | <u>Vote</u> | |
| Senator Gary Wilken | y | |
| Senator Pete Kelly | y | |
| Senator Lyda Green | y/x | |
| Senator Randy Phillips | N | |
| Senator Dave Donley | Pass | |
| Senator Loren Leman | y | |
| Senator Al Adaris | y | |
| Co-Chair Sean Parnell | y | |
| Co-Chair John Torgerson | y | |
| | | |
| <u>Tally</u> | | |
| Yea | 5 | 0 |
| Nay | 2 | 0 |
| Absent | | 0 |
| | | |
| <u>MOTION</u> | | |

SENATE

COMMITTEE

Amendment Number: # 1

Bill Number: SHB 277 (FI)

Sponsor: Green Date: 04-19-

Logged In By: Dree

Amendment

TO: HB277

Offered By Senator Green

Page 2, Line 21 after the word "reemployment."

Insert:

, except that no school district employee who retired under a retirement incentive program approved by the State of Alaska shall be eligible to receive benefits under this section for a period of five years from the time of retirement.

TONY KNOWLES
GOVERNOR
200 North 2nd Street, Juneau

RECEIVED
JAN 20 2000
LEGISLATIVE COUNSEL

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 20, 2000

The Honorable Brian Porter
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Porter:

Low-interest state loans from the Alaska Drinking Water Fund and the Alaska Clean Water Fund offer municipalities the means to build drinking water and sewage facility projects. This bill I transmit today will allow the state to use revenue bonds to capitalize the Alaska Drinking Water Fund.

Both the Drinking Water and Clean Water funds are capitalized by annual federal grants that require a 20 percent state match. Bond revenues will help provide the state match for federal drinking water project money. But the state is only authorized to sell bonds for the Clean Water Fund. It makes sense to extend this leveraging power to the Drinking Water Fund.

As with existing law, the bill requires the state bond committee to conduct its activities in the best interests of the state, in a manner that will accomplish the most advantageous sale of the bonds. The bill also provides for a new, self-supporting structure to pay for the costs of operating these important loan programs.

I urge your prompt consideration and passage of this bill.

Sincerely,



Tony Knowles
Governor



Teleconference Participants

TCN: 10809

Participant Lists

View List for

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

ANCHORAGE (ANC)

1 Name:Mr. Mike Burns Ans ?s Phone:
 Address: Affiliation: ADEC
 City /St /Zip: Type: Testifier
 Bill: HB 304: CLEAN WATER FUND/DRINKING WATER FUND

FAIRBANKS (FBX)

1 Name:Mr. Andy Warwick Phone:
 Address: Affiliation: Utility Se
 City /St /Zip: Type: Testifier
 Bill: HB 304: CLEAN WATER FUND/DRINKING WATER FUND

MATSU (MAT)

1 ✓ Name:Mr. Ocie Adams Phone:
 Address: Affiliation:
 City /St /Zip: Type: Testifier
 Bill: HB 133: VOTER APPROVAL OF SERVICE AREA CHANGES

2 ✓ Name:Ms. Valen Bair Phone:
 Address: Affiliation:
 City /St /Zip: Type: Testifier
 Bill: HB 133: VOTER APPROVAL OF SERVICE AREA CHANGES

SENATE FINANCE COMMITTEE

SIGN-IN

HB 304-CLEAN WATER FUND/DRINKING WATER FUND

NAME: Dan Easton Subject/Bill No: HB 304

Co./Dept./Title: DEC, Director, Facility Const & Op Phone: 465-5135

Address: 410 Willoughby, Juneau 99801 Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions