

HB

84

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 5/7/99

FURTHER: S. 5/17/99

DATE TURNED
IN TO OFFICE: 17 May 1999

Finance Committee considered HOUSE BILL NO. 84

"An Act relating to international airports revenue bonds; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- 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 title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
<i>[Signature]</i>		<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓	<i>[Signature]</i>	X		
<i>[Signature]</i>	✓	<i>[Signature]</i>			
<i>[Signature]</i>		<i>[Signature]</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair:		Co-Chair: <i>[Signature]</i>	✓		

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

REVENUE	5/13/99	✓	\$

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

STATE OF ALASKA
1998 LEGISLATIVE SESSION

6/17/99

FISCAL NOTE

Bill Version: HB 84

(H) Publish Date: 2/10/99

Revision Date: _____ Dept. Affected: Revenue
 Title: Anchorage International Airport BRU: Revenue Operations
 Component: Treasury
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES					
TRAVEL					
CONTRACTUAL					
SUPPLIES					
EQUIPMENT					
LAND & STRUCTURES					
GRANTS, CLAIMS					
Debt Service	0.0	0.0	1,598.3	2,188.6	2,189.8
TOTAL OPERATING	0.0	0.0	1,598.3	2,188.6	2,189.8

CAPITAL EXPENDITURES					
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CHANGE IN REVENUES ()					
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts					
1003 GF Match					
1004 GF					
1001 CBRF					
International Airports Revenue Fund	0.0	0.0	1,598.3	2,188.6	2,189.8
Other					
TOTAL	0.0	0.0	1,598.3	2,188.6	2,189.8

Estimate of any current year cost \$ 0.0

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)

The bill authorizes the State Bond Committee to issue an additional \$25.0 million of revenue bonds to complete the Anchorage International Airport Terminal Redevelopment Project. The debt service on these bonds will be funded from the International Airports Revenue Fund. Assuming an interest rate of 7% when the bonds are sold, two years of capitalized interest, and a 25 year term, estimated annual debt service is approximately \$2.2 million.

These funds are being requested for cash flow purposes. The Airport has secured a federal grant called a "Letter Of Intent" (LOI) for \$25.0 million which will be appropriated by Congress over a 10-year period. However, the Terminal Redevelopment Project anticipates cash flow needs from calendar year 1999 through 2001 for these funds.

See attached debt service analysis for low, mid, and high rates. The mid rate was used in this fiscal note.

Prepared by: Deven Mitchell, Acting State Debt Manager Phone: 465-3750
 Division: Treasury Division Date: January 13, 1999
 Approved by Commissioner: Wilson L. Condon *Wilson L. Condon* Date: January 13, 1999
 Agency: Revenue

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Schedule 1
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Sources & Uses of Funds; Summary of Key Dates, Assumptions & Results

Sources & Uses of Funds

	Non-AMT	AMT	Total
Sources of Funds			
Par Amount of Bonds:	-	25,000,000.00	25,000,000.00
Plus Premium / Less Discount:	-	236,682.30	236,682.30
Interest Earnings on Existing Notes:	-	-	-
Accrued Interest:	-	-	-
Total Sources of Funds:	-	25,236,682.30	25,236,682.30
Uses of Funds			
Deposit to Construction Fund:	-	21,535,076.59	21,535,076.59
Deposit to Cap. Int. Fund:	-	2,855,775.00	2,855,775.00
DSRF:	-	-	-
Surety Bond:	-	49,325.31	49,325.31
Costs of Issuance:	-	500,000.00	500,000.00
Insurance:	-	146,505.39	146,505.39
Underwriters' Discount:	-	150,000.00	150,000.00
Accrued Interest:	-	-	-
Rounding:	-	-	-
Total Uses of Funds:	-	25,236,682.30	25,236,682.30

Key Results

	Non-AMT	AMT	Combined
Arbitrage Yield:	N/A	5.698761%	5.698761%
All-In Tie:	N/A	5.958927%	5.958927%
Average Life (Years):	N/A	16.62	16.62
Average Coupon:	N/A	5.738%	5.738%
Average Dollar Price:	N/A	100.947	100.947

Key Dates

Dated Date:	6/1/99
Delivery Date:	6/1/99
First Interest Date:	10/1/99
Underwriters' Discount (\$/1000):	6.000
Underwriters' Discount (%):	0.600%
Costs of Issuance (\$):	\$ 500,000
Costs of Issuance (%):	2.000%
Insurance:	Yes
Insurance Premium:	0.300%
Surety Bond Cost (% of DSRF):	2.500%
Use Surety Bond:	Yes
DSRF Earnings Rate:	0.000%
DSRF Negative (Positive) Arbitrage:	-
First Construction Draw Date:	6/1/99
Funds Needed for Completion:	9,928,520
Percent Spent In	
Year 1:	40.000%
Year 2:	40.000%
Year 3:	20.000%
Year 4:	0.000%
Construction Fund Earnings Rate:	0.000%
Negative (Positive) Arbitrage:	1,412,816
Average Life of Construction Fund:	1.21
Capitalize Interest Through:	6/1/01
Cap. Int. Fund Earnings Rate:	0.000%
Net Total Cap. Int. Fund Deposit:	2,855,775
Negative (Positive) Arbitrage:	192,157
Average Life of Cap. Int. Fund:	1.23

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Schedule 2
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Proposed New Money Debt Service - AMT

	Coupon	Yield	Price	Principal	Interest	Gross Semi-Annual Debt Service	Gross Bond Year Debt Service	Accrued Interest	Capitalized Interest	Earnings From Const. Fund	Earnings from DGAAP	Net Semi-Annual Debt Service	Net Bond Year Debt Service
06/01/99					475,963	475,963	475,963		475,963				
10/01/99					713,944	713,944	713,944		713,944				
04/01/00					713,944	713,944	1,427,888		713,944				
10/01/00					713,944	713,944	713,944		713,944				
04/01/01					713,944	848,944	1,602,888		237,981			650,963	650,963
10/01/01	3.500%	4.400%	102.407	175,000	709,131	709,131						709,131	
04/01/02					709,131	1,259,131	1,968,263					1,259,131	1,968,263
10/01/02	3.500%	4.550%	102.900	550,000	694,006	694,006						694,006	
04/01/03					694,006	1,279,006	1,973,013					1,279,006	1,973,013
10/01/03	3.500%	4.650%	103.294	585,000	677,919	677,919						677,919	
04/01/04					677,919	1,292,919	1,970,838					1,292,919	1,970,838
10/01/04	3.500%	4.750%	103.490	615,000	661,006	661,006						661,006	
04/01/05					661,006	1,311,006	1,972,013					1,311,006	1,972,013
10/01/05	3.500%	4.850%	103.501	630,000	643,131	643,131						643,131	
04/01/06					643,131	1,328,131	1,971,263					1,328,131	1,971,263
10/01/06	3.500%	4.900%	103.651	645,000	624,294	624,294						624,294	
04/01/07					624,294	1,344,294	1,968,588					1,344,294	1,968,588
10/01/07	3.500%	4.950%	103.711	720,000	604,494	604,494						604,494	
04/01/08					604,494	1,364,494	1,968,988					1,364,494	1,968,988
10/01/08	3.500%	5.050%	103.308	760,000	583,594	583,594						583,594	
04/01/09					583,594	1,384,594	1,972,188					1,384,594	1,972,188
10/01/09	3.750%	5.150%	104.753	805,000	560,430	560,430						560,430	
04/01/10					560,430	1,410,430	1,970,900					1,410,430	1,970,900
10/01/10	3.750%	5.200%	104.657	850,000	536,013	536,013						536,013	
04/01/11					536,013	1,436,013	1,972,023					1,436,013	1,972,023
10/01/11	3.750%	5.300%	104.028	900,000	510,138	510,138						510,138	
04/01/12					510,138	1,460,138	1,970,273					1,460,138	1,970,273
10/01/12	3.750%	5.400%	103.113	950,000	482,823	482,823						482,823	
04/01/13					482,823	1,487,823	1,970,650					1,487,823	1,970,650
10/01/13	3.875%	5.500%	103.317	1,005,000	453,303	453,303						453,303	
04/01/14					453,303	1,518,303	1,971,606					1,518,303	1,971,606
10/01/14	3.875%	5.600%	102.416	1,065,000	422,019	422,019						422,019	
04/01/15					422,019	1,547,019	1,969,038					1,547,019	1,969,038
10/01/15	3.875%	5.650%	101.970	1,125,000	388,972	388,972						388,972	
04/01/16					388,972	1,583,972	1,972,944					1,583,972	1,972,944
10/01/16	3.875%	5.700%	101.526	1,195,000	353,869	353,869						353,869	
04/01/17					353,869	1,618,869	1,972,738					1,618,869	1,972,738
10/01/17	3.625%	5.750%	98.543	1,265,000	318,291	318,291						318,291	
04/01/18					318,291	1,653,291	1,971,581					1,653,291	1,971,581
10/01/18	3.625%	5.750%	98.543	1,335,000	280,744	280,744						280,744	
04/01/19					280,744	1,690,744	1,971,488					1,690,744	1,971,488
10/01/19	3.750%	5.850%	98.678	1,410,000	240,206	240,206						240,206	
04/01/20					240,206	1,730,206	1,970,413					1,730,206	1,970,413
10/01/20	3.750%	5.850%	98.678	1,490,000	197,369	197,369						197,369	
04/01/21					197,369	1,772,369	1,969,738					1,772,369	1,969,738
10/01/21	3.750%	5.850%	98.678	1,575,000	152,088	152,088						152,088	
04/01/22					152,088	1,817,088	1,969,175					1,817,088	1,969,175
10/01/22	3.750%	5.850%	98.678	1,665,000	104,219	104,219						104,219	
04/01/23					104,219	1,864,219	1,968,438					1,864,219	1,968,438
10/01/23	3.750%	5.850%	98.678	1,760,000	53,619	53,619						53,619	
04/01/24					53,619	1,918,619	1,972,238					1,918,619	1,972,238
10/01/24	3.750%	5.850%	98.678	1,865,000									
04/01/25													
10/01/25													
04/01/26													
10/01/26													
04/01/27													
10/01/27													
04/01/28													
10/01/28													
04/01/29													
10/01/29													
04/01/30													
10/01/30													
04/01/31													
				25,000,000	23,835,131	48,835,131	48,835,131		2,033,775			45,979,356	45,979,356

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Schedule I
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 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Sources & Uses of Funds; Summary of Key Dates, Assumptions & Results

Sources & Uses of Funds

	Non-AMT	AMT	Total
Sources of Funds			
Par Amount of Bonds:	-	25,000,000.00	25,000,000.00
Plus Premium / Less Discount:	-	-	-
Interest Earnings on Existing Notes:	-	-	-
Accrued Interest:	-	-	-
Total Sources of Funds:	-	25,000,000.00	25,000,000.00
Uses of Funds			
Deposit to Construction Fund:	-	20,630,002.95	20,630,002.95
Deposit to Cap. Int. Fund:	-	3,500,000.00	3,500,000.00
DSRF:	-	-	-
Surety Bond:	-	55,182.50	55,182.50
Costs of Issuance:	-	500,000.00	500,000.00
Insurance:	-	164,814.55	164,814.55
Underwriters' Discount:	-	150,000.00	150,000.00
Accrued Interest:	-	-	-
Rounding:	-	-	-
Total Uses of Funds:	-	25,000,000.00	25,000,000.00

Key Results

	Non-AMT	AMT	Combined
Arbitrage Yield:	N/A	7.071804%	7.071804%
All-In Tie:	N/A	7.356673%	7.356673%
Average Life (Years):	N/A	17.11	17.11
Average Coupon:	N/A	7.000%	7.000%
Average Dollar Price:	N/A	100.000	100.000

Key Dates

Dated Date:	6/1/99
Delivery Date:	6/1/99
First Interest Date:	10/1/99
Underwriters' Discount (\$/1000):	6.000
Underwriters' Discount (%):	0.600%
Costs of Issuance (\$):	\$ 500,000
Costs of Issuance (%):	2.000%
Insurance:	Yes
Insurance Premium:	0.300%
Surety Bond Cost (% of DSRF):	2.500%
Use Surety Bond:	Yes
DSRF Earnings Rate:	0.000%
DSRF Negative (Positive) Arbitrage:	-
First Construction Draw Date:	6/1/99
Funds Needed for Completion:	9,928,520
Percent Spent In	
Year 1:	40.000%
Year 2:	40.000%
Year 3:	20.000%
Year 4:	0.000%
Construction Fund Earnings Rate:	0.000%
Negative (Positive) Arbitrage:	1,660,373
Average Life of Construction Fund:	1.21
Capitalize Interest Through:	6/1/01
Cap. Int. Fund Earnings Rate:	0.000%
Net Total Cap. Int. Fund Deposit:	3,500,000
Negative (Positive) Arbitrage:	288,364
Average Life of Cap. Int. Fund:	1.25

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Schedule 2
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Proposed New Money Debt Service - AMT

	Compos	Yield	Price	Principal	Interest	Gross Semi-Annual Debt Service	Gross Bond Year Debt Service	Accrued Interest	Capitalized Issued	Earnings from Const. Fund	Earnings from DSRP	Net Semi-Annual Debt Service	Net Bond Year Debt Service
06/01/99					583,333	583,333	583,333	-	583,333	-	-	-	-
10/01/99					875,000	875,000	875,000	-	875,000	-	-	-	-
04/01/00					875,000	875,000	1,750,000	-	875,000	-	-	-	-
10/01/00					875,000	875,000	-	-	875,000	-	-	-	-
04/01/01					875,000	1,000,000	1,895,000	-	291,667	-	-	728,333	728,333
10/01/01	7.000%	7.000%	100,000	145,000	869,923	869,923	-	-	-	-	-	869,923	-
04/01/02					869,923	1,334,923	2,204,850	-	-	-	-	1,334,923	7,704,850
10/01/02	7.000%	7.000%	100,000	465,000	853,650	853,650	-	-	-	-	-	853,650	-
04/01/03					853,650	1,353,650	2,207,300	-	-	-	-	1,353,650	2,707,300
10/01/03	7.000%	7.000%	100,000	500,000	836,150	836,150	-	-	-	-	-	836,150	-
04/01/04					836,150	1,371,150	2,207,300	-	-	-	-	1,371,150	2,707,300
10/01/04	7.000%	7.000%	100,000	535,000	817,425	817,425	-	-	-	-	-	817,425	-
04/01/05					817,425	1,387,425	2,204,850	-	-	-	-	1,387,425	2,704,850
10/01/05	7.000%	7.000%	100,000	570,000	797,475	797,475	-	-	-	-	-	797,475	-
04/01/06					797,475	1,407,475	2,204,950	-	-	-	-	1,407,475	2,704,950
10/01/06	7.000%	7.000%	100,000	610,000	776,125	776,125	-	-	-	-	-	776,125	-
04/01/07					776,125	1,426,125	2,207,250	-	-	-	-	1,426,125	2,707,250
10/01/07	7.000%	7.000%	100,000	650,000	753,375	753,375	-	-	-	-	-	753,375	-
04/01/08					753,375	1,453,375	2,206,750	-	-	-	-	1,453,375	2,706,750
10/01/08	7.000%	7.000%	100,000	700,000	728,875	728,875	-	-	-	-	-	728,875	-
04/01/09					728,875	1,473,875	2,202,750	-	-	-	-	1,473,875	2,702,750
10/01/09	7.000%	7.000%	100,000	745,000	702,800	702,800	-	-	-	-	-	702,800	-
04/01/10					702,800	1,502,800	2,205,800	-	-	-	-	1,502,800	2,705,800
10/01/10	7.000%	7.000%	100,000	800,000	674,800	674,800	-	-	-	-	-	674,800	-
04/01/11					674,800	1,529,800	2,200,600	-	-	-	-	1,529,800	2,704,600
10/01/11	7.000%	7.000%	100,000	855,000	644,875	644,875	-	-	-	-	-	644,875	-
04/01/12					644,875	1,559,875	2,204,750	-	-	-	-	1,559,875	2,704,750
10/01/12	7.000%	7.000%	100,000	915,000	612,850	612,850	-	-	-	-	-	612,850	-
04/01/13					612,850	1,592,850	2,205,700	-	-	-	-	1,592,850	2,705,700
10/01/13	7.000%	7.000%	100,000	980,000	578,550	578,550	-	-	-	-	-	578,550	-
04/01/14					578,550	1,623,550	2,202,100	-	-	-	-	1,623,550	2,702,100
10/01/14	7.000%	7.000%	100,000	1,045,000	541,975	541,975	-	-	-	-	-	541,975	-
04/01/15					541,975	1,661,975	2,203,950	-	-	-	-	1,661,975	2,703,950
10/01/15	7.000%	7.000%	100,000	1,120,000	507,775	507,775	-	-	-	-	-	507,775	-
04/01/16					507,775	1,702,775	2,205,550	-	-	-	-	1,702,775	2,705,550
10/01/16	7.000%	7.000%	100,000	1,200,000	460,775	460,775	-	-	-	-	-	460,775	-
04/01/17					460,775	1,745,775	2,206,550	-	-	-	-	1,745,775	2,706,550
10/01/17	7.000%	7.000%	100,000	1,285,000	415,800	415,800	-	-	-	-	-	415,800	-
04/01/18					415,800	1,790,800	2,206,600	-	-	-	-	1,790,800	2,706,600
10/01/18	7.000%	7.000%	100,000	1,375,000	367,675	367,675	-	-	-	-	-	367,675	-
04/01/19					367,675	1,837,675	2,203,350	-	-	-	-	1,837,675	2,703,350
10/01/19	7.000%	7.000%	100,000	1,470,000	316,225	316,225	-	-	-	-	-	316,225	-
04/01/20					316,225	1,886,225	2,202,450	-	-	-	-	1,886,225	2,702,450
10/01/20	7.000%	7.000%	100,000	1,570,000	261,275	261,275	-	-	-	-	-	261,275	-
04/01/21					261,275	1,941,275	2,202,550	-	-	-	-	1,941,275	2,702,550
10/01/21	7.000%	7.000%	100,000	1,640,000	202,475	202,475	-	-	-	-	-	202,475	-
04/01/22					202,475	2,002,475	2,204,950	-	-	-	-	2,002,475	2,704,950
10/01/22	7.000%	7.000%	100,000	1,805,000	139,475	139,475	-	-	-	-	-	139,475	-
04/01/23					139,475	2,064,475	2,203,950	-	-	-	-	2,064,475	2,703,950
10/01/23	7.000%	7.000%	100,000	1,925,000	72,100	72,100	-	-	-	-	-	72,100	-
04/01/24					72,100	2,132,100	2,204,200	-	-	-	-	2,132,100	2,704,200
10/01/24	7.000%	7.000%	100,000	2,060,000	-	-	-	-	-	-	-	-	-
04/01/25					-	-	-	-	-	-	-	-	-
10/01/25					-	-	-	-	-	-	-	-	-
04/01/26					-	-	-	-	-	-	-	-	-
10/01/26					-	-	-	-	-	-	-	-	-
04/01/27					-	-	-	-	-	-	-	-	-
10/01/27					-	-	-	-	-	-	-	-	-
04/01/28					-	-	-	-	-	-	-	-	-
10/01/28					-	-	-	-	-	-	-	-	-
04/01/29					-	-	-	-	-	-	-	-	-
10/01/29					-	-	-	-	-	-	-	-	-
04/01/30					-	-	-	-	-	-	-	-	-
10/01/30					-	-	-	-	-	-	-	-	-
04/01/31					-	-	-	-	-	-	-	-	-
				25,000,000	29,938,183	34,938,183	34,938,183	-	3,500,000	-	-	31,438,183	31,438,183

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Schedule 1
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Sources & Uses of Funds; Summary of Key Dates, Assumptions & Results

Sources & Uses of Funds

	Non-AMT	AMT	Total
Sources of Funds			
Par Amount of Bonds:	-	25,000,000.00	25,000,000.00
Plus Premium / Less Discount:	-	-	-
Interest Earnings on Existing Notes:	-	-	-
Accrued Interest:	-	-	-
Total Sources of Funds:	-	25,000,000.00	25,000,000.00
Uses of Funds			
Deposit to Construction Fund:	-	20,110,087.80	20,110,087.80
Deposit to Cap. Int. Fund:	-	4,000,000.00	4,000,000.00
DSRF:	-	-	-
Surety Bond:	-	60,035.00	60,035.00
Costs of Issuance:	-	500,000.00	500,000.00
Insurance:	-	179,877.20	179,877.20
Underwriters' Discount:	-	150,000.00	150,000.00
Accrued Interest:	-	-	-
Rounding:	-	-	-
Total Uses of Funds:	-	25,000,000.00	25,000,000.00

Key Results

	Non-AMT	AMT	Combined
Arbitrage Yield:	N/A	8.083355%	8.083355%
All-In Tie:	N/A	8.385590%	8.385590%
Average Life (Years):	N/A	17.48	17.48
Average Coupon:	N/A	8.000%	8.000%
Average Dollar Price:	N/A	100.000	100.000

Key Dates

Dated Date:	6/1/99
Delivery Date:	6/1/99
First Interest Date:	10/1/99
Underwriters' Discount (\$/1000):	6.000
Underwriters' Discount (%):	0.600%
Costs of Issuance (\$):	\$ 500,000
Costs of Issuance (%):	2.000%
Insurance:	Yes
Insurance Premium:	0.300%
Surety Bond Cost (% of DSRF):	2.500%
Use Surety Bond:	Yes
DSRF Earnings Rate:	0.000%
DSRF Negative (Positive) Arbitrage:	-
First Construction Draw Date:	6/1/99
Funds Needed for Completion:	9,928,520
Percent Spent In	
Year 1:	40.000%
Year 2:	40.000%
Year 3:	20.000%
Year 4:	0.000%
Construction Fund Earnings Rate:	0.000%
Negative (Positive) Arbitrage:	1,834,559
Average Life of Construction Fund:	1.21
Capitalize Interest Through:	6/1/01
Cap. Int. Fund Earnings Rate:	0.000%
Net Total Cap. Int. Fund Deposit:	4,000,000
Negative (Positive) Arbitrage:	373,038
Average Life of Cap. Int. Fund:	1.25

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Schedule 2
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Serial 1999
 Proposed New Money Debt Service - AMT

	Coupon	Yield	Price	Principal	Interest	Gross Semi-Annual Debt Service	Gross Bond Year Debt Service	Accrued Interest	Capitalized Interest	Earnings From Conv. Paid	Earnings From DRP	Net Semi-Annual Debt Service	Net Bond Year Debt Service
06/01/99					666,667	666,667	666,667		666,667				
10/01/99					1,000,000	1,000,000			1,000,000				
04/01/00					1,000,000	1,000,000	2,000,000		1,000,000				
10/01/00					1,000,000	1,000,000			1,000,000				
04/01/01					1,000,000	1,125,000	2,125,000		333,333			791,667	791,667
10/01/01	8.00%	8.00%	100.000	125,000	1,000,000	1,125,000						993,000	
04/01/02					993,000	993,000	2,400,000					1,405,000	2,400,000
10/01/02	8.00%	8.00%	100.000	410,000	993,000	1,405,000						978,600	
04/01/03					978,600	978,600	2,397,200					1,418,600	2,397,200
10/01/03	8.00%	8.00%	100.000	440,000	978,600	1,418,600						961,000	
04/01/04					961,000	961,000	2,397,000					1,436,000	2,397,000
10/01/04	8.00%	8.00%	100.000	475,000	961,000	1,436,000						942,000	
04/01/05					942,000	942,000	2,399,000					1,457,000	2,399,000
10/01/05	8.00%	8.00%	100.000	515,000	942,000	1,457,000						921,400	
04/01/06					921,400	921,400	2,397,800					1,476,400	2,397,800
10/01/06	8.00%	8.00%	100.000	555,000	921,400	1,476,400						899,200	
04/01/07					899,200	899,200	2,398,400					1,499,200	2,398,400
10/01/07	8.00%	8.00%	100.000	600,000	899,200	1,499,200						873,200	
04/01/08					873,200	873,200	2,400,400					1,523,200	2,400,400
10/01/08	8.00%	8.00%	100.000	650,000	873,200	1,523,200						849,200	
04/01/09					849,200	849,200	2,398,400					1,549,200	2,398,400
10/01/09	8.00%	8.00%	100.000	700,000	849,200	1,549,200						821,200	
04/01/10					821,200	821,200	2,397,400					1,578,200	2,397,400
10/01/10	8.00%	8.00%	100.000	755,000	821,200	1,578,200						791,000	
04/01/11					791,000	791,000	2,397,000					1,606,000	2,397,000
10/01/11	8.00%	8.00%	100.000	815,000	791,000	1,606,000						758,400	
04/01/12					758,400	758,400	2,396,800					1,638,400	2,396,800
10/01/12	8.00%	8.00%	100.000	840,000	758,400	1,638,400						723,200	
04/01/13					723,200	723,200	2,401,400					1,678,200	2,401,400
10/01/13	8.00%	8.00%	100.000	955,000	723,200	1,678,200						683,000	
04/01/14					683,000	683,000	2,400,000					1,715,000	2,400,000
10/01/14	8.00%	8.00%	100.000	1,070,000	683,000	1,715,000						643,800	
04/01/15					643,800	643,800	2,397,600					1,753,800	2,397,600
10/01/15	8.00%	8.00%	100.000	1,110,000	643,800	1,753,800						599,400	
04/01/16					599,400	599,400	2,398,800					1,799,400	2,398,800
10/01/16	8.00%	8.00%	100.000	1,200,000	599,400	1,799,400						551,400	
04/01/17					551,400	551,400	2,397,800					1,846,400	2,397,800
10/01/17	8.00%	8.00%	100.000	1,295,000	551,400	1,846,400						499,600	
04/01/18					499,600	499,600	2,399,200					1,899,600	2,399,200
10/01/18	8.00%	8.00%	100.000	1,400,000	499,600	1,899,600						443,600	
04/01/19					443,600	443,600	2,397,200					1,953,600	2,397,200
10/01/19	8.00%	8.00%	100.000	1,510,000	443,600	1,953,600						383,200	
04/01/20					383,200	383,200	2,401,400					2,018,200	2,401,400
10/01/20	8.00%	8.00%	100.000	1,635,000	383,200	2,018,200						317,800	
04/01/21					317,800	317,800	2,400,600					2,082,800	2,400,600
10/01/21	8.00%	8.00%	100.000	1,765,000	317,800	2,082,800						247,200	
04/01/22					247,200	247,200	2,399,400					2,152,200	2,399,400
10/01/22	8.00%	8.00%	100.000	1,905,000	247,200	2,152,200						171,000	
04/01/23					171,000	171,000	2,397,000					2,226,000	2,397,000
10/01/23	8.00%	8.00%	100.000	2,055,000	171,000	2,226,000						88,800	
04/01/24					88,800	88,800	2,397,800					2,308,800	2,397,800
10/01/24	8.00%	8.00%	100.000	2,220,000	88,800	2,308,800							
04/01/25					.	.	.						
10/01/25					.	.	.						
04/01/26					.	.	.						
10/01/26					.	.	.						
04/01/27					.	.	.						
10/01/27					.	.	.						
04/01/28					.	.	.						
10/01/28					.	.	.						
04/01/29					.	.	.						
10/01/29					.	.	.						
04/01/30					.	.	.						
10/01/30					.	.	.						
04/01/31					.	.	.						
				23,000,000	34,959,067	59,959,067	59,959,067		4,000,000			55,959,067	55,959,067

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TONY KNOWLES
GOVERNOR



HB 84
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Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 8, 1999

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

Dear Speaker ^{Brian} Porter:

In the 1998 legislative session, I offered bond authorization bills (SB 277 and HB 382) to provide the financing needed for the Anchorage International Airport terminal redevelopment project. This project is the cornerstone of the larger Gateway Alaska initiative to improve the airport and connecting highway transportation infrastructure that makes Anchorage International Airport one of Alaska's most important economic engines. The Legislature approved the proposal, but lowered the bond authorization by approximately \$25 million in anticipation of receiving Federal Aviation Administration (FAA) grant money toward the project in that amount.

Late last year, the FAA approved the Anchorage International Airport's application for grant funds. However, the money will actually be disbursed over a 10-year period, as appropriated annually by Congress. This long-term pass-through of federal funds will disrupt the timely cash flow needed for construction of the project.

Consistent with the Legislature's directive to secure federal funds for the project, today I transmit a bill to authorize the sale of \$25 million in additional revenue bonds for the Anchorage International Airport terminal redevelopment project. This \$25 million will provide the necessary cash flow until federal funds are received and will allow us to complete the project according to schedule.

The airport terminal project is already underway, with the support of air carriers. In order to ensure timely project development pending receipt of federal money, I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Tony Knowles".
Tony Knowles
Governor

SENATE FINANCE COMMITTEE

SIGN-IN

HB 84-INTERNATIONAL AIRPORTS REVENUE BONDS

NAME: Dennis Poschard Sub./Bill No: HB 84

Co./Dept./Title: DOT & AF Phone: 465-3904

Address: _____ Zip: _____

Do you wish to testify? Yes ___ No Respond to Questions

NAME: Deven Mitchell Sub./Bill No: HB 84

Co./Dept./Title: Dept. of Revenue Phone: 465-7409

Address: _____ Zip: _____

Do you wish to testify? Yes ___ No Respond to Questions

NAME: _____ Sub./Bill No: _____

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

Address: _____ Zip: _____

Do you wish to testify? ___ Yes ___ No ___ Respond to Questions

NAME: _____ Sub./Bill No: _____

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

Address: _____ Zip: _____

Do you wish to testify? ___ Yes ___ No ___ Respond to Questions