

**SB**

**228**

# FISCAL NOTE

**STATE OF ALASKA**  
**2000 LEGISLATIVE SESSION**

NO. 2  
 Bill Version: \$B 228  
 (S) Publish Date: 1-27-00

Revision Date/Time \_\_\_\_\_ Dept. Affected Education & Early Development  
 Title An Act related to the financing of construction BRU School Debt Reimbursement  
and major maintenance of public school facilities... Component \_\_\_\_\_  
 Sponsor Rules School Debt Reimbursement  
 Requester Governor Component No. 153

**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	0.0	0.0	2,700.0	5,400.0	8,100.0	10,800.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>2,700.0</b>	<b>5,400.0</b>	<b>8,100.0</b>	<b>10,800.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	2,700.0	5,400.0	8,100.0	10,800.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>2,700.0</b>	<b>5,400.0</b>	<b>8,100.0</b>	<b>10,800.0</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This legislation would authorize an additional \$150 million in school construction projects under AS 14.11.100. The debt on these projects will be eligible for 70% reimbursement. This legislation will allocate \$60 million in projects to municipalities with a public school enrollment of 25,000 or more students. The remaining \$90 million will be available for school construction projects to municipalities with a public school enrollment of less than 25,000 students. It is anticipated that as new debt is issued the reimbursement will occur beginning in FY2003. As the annual debt reimbursement on the existing program declines, funds will become available to help offset new debt authorization.

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679  
 Division Education Support Services Date/Time 01/25/00  
 Approved by: Richard S. Cross, Commissioner Date 1/26/2000  
 Agency Education & Early Development

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# FISCAL NOTE

**STATE OF ALASKA  
2000 LEGISLATIVE SESSION**

No. 1  
Bill Version: SB 228  
(S) Publish Date: 1-27-00

Revision Date/Time (Note if correction) \_\_\_\_\_ Dept. Affected \_\_\_\_\_ Revenue \_\_\_\_\_  
Title School Construction Financing BRU Alaska Housing Finance Corp.  
Component Operatons  
Sponsor Rules Committee  
Requester Governor Component No. 110

**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
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>	<b>120,481.9</b>	<b>122,207.6</b>	<b>108,923.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>(29,804.1)</b>	<b>(29,078.5)</b>	<b>(30,265.7)</b>	<b>(30,301.6)</b>	<b>(47,643.5)</b>
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**FUND SOURCE** (Thousands of Dollars)

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

Estimate of any current year (FY2000) cost: \_\_\_\_\_

**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)

Under AS 18.56.089(a)(2)(A), activities of the corporation that relate to the issuance of obligations and the repayment of debt obligations are exempt from the provisions of the Executive Budget Act. These costs are included in the bond authorizations in the bill, including the cost of issuance, debt service reserves and capitalized interest. Debt service for these bonds will come from tobacco settlement funds and AHFC transfer payments that otherwise would have gone to the state treasury. This will result in a reduction in annual unrestricted revenues to the treasury (shown above).

Estimates for debt service and other costs are included in attached spreadsheets. These estimates are based on a number of assumptions, including future interest rates and bond ratings.

Operational costs for issuing and monitoring these bonds will be done with existing personnel and within the authorized operating budget requests for FY2001 and beyond. No budget authorizations are necessary with this fiscal note.

Prepared by: John Bitney, Legislative Liaison Phone 330-8445  
Division Alaska Housing Finance Corporation Date/Time 1/25/00 6:24 PM  
Approved by Commissioner Wilson Condon Date \_\_\_\_\_  
Agency Department of Revenue

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BOND DEBT SERVICE REPORT - DETAIL

State Education Bonds, 2000 Series A  
 AHFC State Capital Project Bonds  
 Under Current Plan  
 Fixed Rate

SCP 2000A-1 (80N07)

Date	Bond Debt Service				Total Bond Payment	Bond Valuation	
	Maturing Principal	Rate	Interest Paid	Debt Service		Bond Balance	Accreted Bond-Value
Sep 1, 2000	-	-	-	-	-	102,365,000	102,365,000
Jun 30, 2001	-	-	-	-	-	102,365,000	102,365,000
Jun 30, 2002	3,365,000	4.85%	9,365,822	12,730,821.52	12,730,821.52	99,000,000	99,000,000
Jun 30, 2003	6,900,000	**	5,105,154	12,005,154.25	12,005,154.25	92,100,000	92,100,000
Jun 30, 2004	7,235,000	**	4,762,428	11,997,427.50	11,997,427.50	84,865,000	84,865,000
Jun 30, 2005	7,630,000	**	4,390,376	12,020,375.50	12,020,375.50	77,235,000	77,235,000
Jun 30, 2006	24,550,000	**	4,051,901	28,601,900.50	28,601,900.50	52,685,000	52,685,000
Jun 30, 2007	47,820,000	**	2,177,908	49,997,907.50	49,997,907.50	4,865,000	4,865,000
Dec 1, 2007	4,865,000	5.35%	130,139	6,995,138.75	6,995,138.75	-	-
	102,365,000		29,983,726	132,348,725.52	132,348,725.52		

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## BOND DEBT SERVICE REPORT

State Education Bonds, 2000 Series A  
AHFC Tobacco Revenue Bonds

Date	Bond Debt Service			Redeemed Principal	Total Bond Payment	Bond Valuation		
	Maturing Principal	Interest Paid	Total Debt Serv			Bond Balance	Unpaid Interest	Accreted Bond-Value
Dec 1, 2000	-	-	-	-	-	339,424,838	-	339,424,838.00
Jun 1, 2001	-	8,536,654	8,536,653.50	-	8,536,653.50	339,424,838	-25,894,758	313,530,079.68
Jun 1, 2002	-	17,073,307	17,073,307.00	-	17,073,307.00	339,424,838	-24,077,470	315,347,368.19
Jun 1, 2003	-	17,073,307	17,073,307.00	-	17,073,307.00	339,424,838	-22,232,505	317,192,332.60
Jun 1, 2004	1,195,000	17,073,307	18,268,307.00	-	18,268,307.00	338,229,838	-20,288,233	317,941,605.41
Jun 1, 2005	1,265,000	17,016,186	18,281,186.00	-	18,281,186.00	336,964,838	-18,174,546	318,790,291.62
Jun 1, 2006	1,315,000	16,934,363	18,249,363.00	792,200	19,041,563.00	334,857,638	-15,898,514	318,959,124.08
Jun 1, 2007	1,305,000	16,763,923	18,068,922.75	3,297,745	21,366,667.75	330,254,893	-13,584,625	316,670,267.80
Jun 1, 2008	8,005,033	16,518,842	24,523,875.25	3,653,297	28,177,172.25	318,596,563	-11,089,019	307,507,544.37
Jun 1, 2009	7,425,743	16,044,658	23,470,400.50	11,264,402	34,734,802.50	299,906,418	-8,782,498	291,123,919.71
Jun 1, 2010	7,024,780	15,323,998	22,348,777.50	12,821,504	35,170,281.50	280,060,134	-6,757,684	273,302,449.83
Jun 1, 2011	6,498,836	14,506,889	21,005,724.50	14,453,995	35,459,719.50	259,107,303	-5,053,386	254,053,917.40
Jun 1, 2012	6,102,273	13,593,025	19,695,297.50	16,272,088	35,967,385.50	236,732,942	-3,492,651	233,240,291.23
Jun 1, 2013	5,677,393	12,570,933	18,248,326.25	17,993,205	36,241,531.25	213,062,344	-2,233,165	210,829,178.79
Jun 1, 2014	5,219,481	11,437,588	16,657,068.50	19,769,157	36,426,225.50	188,073,706	-1,260,843	186,812,862.89
Jun 1, 2015	4,639,980	10,182,352	14,822,331.50	21,701,904	36,524,235.50	161,731,822	-574,625	161,157,196.63
Jun 1, 2016	4,067,755	8,790,356	12,858,110.75	23,853,358	36,711,468.75	133,810,709	-172,843	133,637,866.46
Jun 1, 2017	3,334,331	7,233,529	10,567,859.50	26,446,378	37,014,237.50	104,030,000	-	104,030,000.00
Jun 1, 2018	1,435,000	5,484,153	6,919,152.75	29,350,000	36,269,152.75	73,245,000	-	73,245,000.00
Jun 1, 2019	1,065,000	3,820,173	4,885,173.25	22,280,000	27,165,173.25	49,900,000	-	49,900,000.00
Jun 1, 2020	580,000	2,321,898	2,901,898.25	24,470,000	27,371,890.25	24,850,000	-	24,850,000.00
Dec 1, 2020	-	767,584	767,583.75	24,850,000	25,617,583.75	-	-	-
	66,155,605	249,067,021	315,222,626.00	273,269,233	588,491,859.00			

\*\*Note: The entire \$8.5 million debt service payment in FY 2001, and \$8.5 million of the FY 2002 debt service payment will be made from Capitalized Interest and will not result in lost earnings to the State's General Fund.

SB 228 (#1)  
3 of 3

TONY KNOWLES  
GOVERNOR

2000  
JANUARY 26, 2000  
907-586-1111  
FAX 907-586-1112

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 26, 2000

The Honorable Drue Pearce  
President of the Senate  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear President Pearce:

Part of my Quality Schools Initiative is the provision of adequate, safe and well-maintained schools in which our children can learn. Unfortunately, with declining general fund capital budgets, the backlog of needed school construction and major maintenance projects across our state has continued to grow. Today I am introducing a \$510 million package that will address all of the statewide deferred maintenance list and two-thirds of the current statewide prioritized list of construction projects. In addition, the bill extends the 70 percent school debt reimbursement program for those districts that bond directly for projects.

The revenues for the state portion of the bond proposal rely largely on Alaska's share of national tobacco settlement funds. The settlement proceeds would serve as security for bonds issued by a subsidiary of the Alaska Housing Finance Corporation (AHFC). Additional proceeds would be raised from bonds issued directly by AHFC. This method for raising school construction money preserves the state's debt capacity.

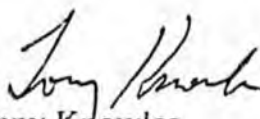
The program will provide \$360 million for all 86 major maintenance projects and 40 of 69 new school construction projects on the current Department of Education and Early Development priority list. The current priority list will remain in effect over the next three years to allow these critical projects to be funded.

To address funding for school districts with the capacity to bond, my proposal includes \$150 million in authorization for a 70% school debt retirement program. This authorization will provide \$60 million for the state's largest school district and \$90 million for other municipal districts.

The Honorable Drue Pearce  
January 26, 2000  
Page 2

We know we have needs beyond what is included in this package. However, this proposal will address a significant portion of our existing need, address issues raised in the Kasayulie case, and provide adequate space and safe learning environments for Alaska's children. I urge your prompt and favorable action.

Sincerely,

  
Tony Knowles  
Governor

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**SB 228/HB 322**

**Public School Construction  
& Major Maintenance**





## Office of the Governor Press Releases



### ALASKA IN THE NEWS

January 26, 2000

00021

#### **KNOWLES UNVEILS \$510 MILLION SCHOOL CONSTRUCTION AND MAJOR MAINTENANCE PLAN**

**Legislation Addresses Urban and Rural School Districts**

Anchorage- Gov. Tony Knowles today announced a sweeping school construction and major maintenance plan that will provide adequate, safe places for Alaska children to learn by addressing the statewide backlog of major maintenance projects and school construction needs.

Knowles signed the transmittal letter for his proposed legislation in the library of 50-year-old Denali Elementary School in Anchorage. He then traveled to Togiak to visit that community's disintegrating school to underscore his effort to improve the places where Alaska students come to learn.

"Denali Elementary School is a terrific example of partnership and cooperation, students, teachers, parents, school administrators, and the entire community working together to deliver a top-notch education," Knowles said. "But part of the equation in delivering a great education involves not just the learning that happens in the classrooms, but also the condition of the classrooms themselves."

In too many cases, Alaska's classrooms and school buildings are inadequate:

- They're too small because the building has outgrown the size of the student body;
- They're too cold because the heating system doesn't work right;
- They're unsafe because the roof leaks or the walls are getting rotten;
- In some of the worst cases in Alaska, the plumbing doesn't even work and hasn't worked in quite some time.

Knowles' plan will fix these problems in communities throughout Alaska. The bill provides \$510 million for school construction and maintenance over the next three years for rural and urban schools.

Of the \$510 million proposed, \$360 million would be grants for repairing existing schools and building new ones, and \$150 million would reimburse communities for 70 percent of the cost of school projects approved by voters.

Knowles said his plan is based on three important principles:

- First, it recognizes the problems faced by students in rural Alaska. A state judge has agreed with rural families and school districts who said their school construction needs have not been met.
- Second, it also recognizes the continuing needs in urban Alaska, making available state reimbursement for school construction bonds.
- And third, the plan sticks to the priority list ordered in state law and established every year by the Department of Education and Early Development.

Over the next three years, this package will pay for all 86 projects currently on the major maintenance list. It will also fund 40 new schools or school expansion projects.

"I am recommending that all of the current projects on the maintenance list be funded because it's a smart investment," Knowles added. "If you don't fix a leaky roof or a cracked wall today, you're likely

to end up with a much more expensive task tomorrow."

Knowles flew to Togiak in Southwest Alaska this afternoon and toured the cramped school, built in the 1950s for 110 students. Today, 265 students, from kindergartners to high school seniors, squeeze into a series of portable classrooms and building additions. The school is often damaged by flooding and a leaky roof and also has an inadequate heating system that frequently leaves classrooms so cold the students wear coats.

The proposed Togiak School replacement, on a hillside site donated by Togiak Natives Ltd., will cost \$24.5 million.

The governor's proposed plan will be funded in three major ways:

- Most of the state's annual share of the national tobacco settlement will be used to leverage revenue bonds totaling \$269 million over the next three years. The bonds are expected to be paid back in about 20 years.
- The Alaska Housing Finance Corporation will issue about \$91 million in state capital project bonds to be paid back over a 7-year period.
- To fund the state's reimbursement of school bonds issued by municipalities, this plan also uses state general funds.

Knowles was joined by Education and Early Development Commissioner Rick Cross and by Representative Mary Sattler (D-Bethel) on the Togiak portion of the trip.

##

Broadcasters note: An AP reporter will be covering the Togiak event. Video of the Togiak portion will be available. Please call Claire Richardson, 465-3996 for more information.

Juneau Reporters note: OMB Director Annalee McConnell will be available for questions about the proposal at 465-4660.

**Contact:**

Bob King, Press Secretary, (907) 465-3995

Claire Richardson, Deputy Press Secretary, (907) 465-3996

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# ***Governor Knowles' Plan for School Construction and Major Maintenance***

***January 26, 2000***

## ***Goals***

1. Provide adequate, safe places for children to learn by clearing up the backlog of statewide school construction and major maintenance projects.
2. Address the needs of both urban and rural school districts, with an emphasis on addressing major maintenance projects quickly to avoid more costly future capital construction costs.
3. Settle the Kasayulie lawsuit against the state.

## ***Summary of the Governor's Plan***

- Provides a total of \$510 million over the next three years; \$360 million in grants for school construction and major maintenance and \$150 million in authorization for school debt reimbursement.
- Within three years, all 86 major maintenance projects and 40 of 69 new school construction projects on the current Department of Education and Early Development (DEED) priority list would be funded. The current list remains in effect for this three year period.
- All major maintenance problems like roof and structural repairs are fixed before they become more expensive capital reconstruction projects. A small contingency reserve is built into the projections to allow for appropriations for emergency repairs that might be needed until new statutory priority lists are developed in FY2003 for the FY2004 budget cycle.
- A combination of tobacco settlement revenue bonds and Alaska Housing Finance Corporation (AHFC) state capital project bonds finance the \$360 million state share for 126 school projects.
- A \$150 million school debt reimbursement program is authorized for districts with the ability to bond for school construction and major maintenance projects that are not on the current DEED list. Of this total, \$60 million would be authorized for Anchorage and \$90 million for the rest of the state.
- Projects are funded in the order in which they are ranked on the DEED priority lists.

## ***Financing the Plan***

- School projects on the current DEED priority lists are funded with leveraged financing using tobacco settlement revenues and AHFC state capital project bonds.
- School debt reimbursement for districts with bonding capacity is financed with general funds.
- Debt service payments will not be required until FY2002 for the direct financing program and FY2003 for the debt reimbursement program.

**Revenue Bonds through AHFC Using the Tobacco Settlement - \$269 million**

- In November 1998, Alaska and other states entered into a \$246 billion settlement with the tobacco industry which requires annual payments to the state in perpetuity. Over the next 25 years, our total share of the settlement is projected to be between \$574 million and \$687 million, depending on tobacco sales volume. The average annual payment is estimated at \$23.6 million per year depending on volume adjustments.
- Several governments around the country have begun leveraging their tobacco settlement revenue streams to meet high priority current needs and reduce their risk of lower future payments due to sales volume adjustments.
- The governor's legislation authorizes sale of a portion of the tobacco settlement revenue stream to AHFC. AHFC would establish a limited liability subsidiary corporation to sell the tobacco settlement revenue bonds, thereby protecting the corporation's other responsibilities.
- This particular financing arrangement would have two major advantages:
  1. The limited liability corporation would assume the risk of downward tobacco sales volume adjustments, potential tobacco company bankruptcies, negative federal government actions, or other unforeseen circumstances; and
  2. More than \$250 million of school construction and maintenance projects could be completed with no effect on the state's credit rating or bonding capacity.
- Bond experts estimate that the projected tobacco settlement revenue stream could finance approximately \$269 million in projects at an investment grade rating.
- Bonds would be issued in up to three portions with debt service payments beginning in FY2002.
- AHFC would use the annual tobacco settlement payment (other than \$1.4 million which is the amount currently used for tobacco control) to pay debt service and to pay off the bonds at an accelerated rate beginning in FY2002.
- To meet all of the rating agency requirements, the bonds would be issued with an approximate 40 year maturity. However, based on current reasonable projections, the 40 year bonds would be paid off in about half that time — probably in FY2021.
- Once the bonds are paid off, the full settlement payment stream will be deposited into the general fund.

**AHFC State Capital Project Bonds - \$91 million**

- Legislation authorizes AHFC to issue up to an additional \$100 million in State Capital Project Bonds for school construction and major maintenance projects although it is anticipated that only \$91 million of this would be needed to complete the financing package for the \$360 million DEED list.
- These AHFC State Capital Project Bonds are the same type authorized in 1998 to fund \$199.6 million of schools and other capital projects statewide (Senate Bill 360).
- The state would extend by two years the seven year agreement with AHFC which limits AHFC-funded state bond debt repayment, capital projects and dividends to \$103 million per year. The current agreement, which is embodied in SB360, continues through FY2006.
- The projections assume 7 year bonds with an AA rating based on the strong financial position of AHFC. They also assume that AHFC statutes remain the same and SB 113 does not pass so the bond market's expectations about the corporation remain steady.

- Debt is assumed to be issued in FY2001, with the first payment due in FY2002.

**New School Debt Reimbursement Authorization - \$150 million**

- The legislation authorizes \$150 million in school debt reimbursement for urban districts with bonding capacity. This, combined with \$56 million on the DEED list provides a total of \$206 million in projects for districts with a 30% participating share.
- The application process and local share requirement of 30% are the same as in the current program.
- The bill earmarks \$60 million (40%) to Anchorage and \$90 million to the rest of the state, approximating most recent school debt reimbursement program. Fairbanks retains its FY99 allocation of \$57 million through FY2003. The district has programmed the use of less than \$13 million so far.
- Given past experience, it is projected that debt would be issued in \$30 million increments over five years, with new debt reimbursement payments beginning in FY2003.

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STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 26, 2000

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

Dear Speaker Porter:

Part of my Quality Schools Initiative is the provision of adequate, safe and well-maintained schools in which our children can learn. Unfortunately, with declining general fund capital budgets, the backlog of needed school construction and major maintenance projects across our state has continued to grow. Today I am introducing a \$510 million package that will address all of the statewide deferred maintenance list and two-thirds of the current statewide prioritized list of construction projects. In addition, the bill extends the 70 percent school debt reimbursement program for those districts that bond directly for projects.

The revenues for the state portion of the bond proposal rely largely on Alaska's share of national tobacco settlement funds. The settlement proceeds would serve as security for bonds issued by a subsidiary of the Alaska Housing Finance Corporation (AHFC). Additional proceeds would be raised from bonds issued directly by AHFC. This method for raising school construction money preserves the state's debt capacity.

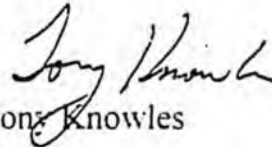
The program will provide \$360 million for all 86 major maintenance projects and 40 of 69 new school construction projects on the current Department of Education and Early Development priority list. The current priority list will remain in effect over the next three years to allow these critical projects to be funded.

To address funding for school districts with the capacity to bond, my proposal includes \$150 million in authorization for a 70% school debt retirement program. This authorization will provide \$60 million for the state's largest school district and \$90 million for other municipal districts.

The Honorable Brian Porter  
January 26, 2000  
Page 2

We know we have needs beyond what is included in this package. However, this proposal will address a significant portion of our existing need, address issues raised in the Kasayulie case, and provide adequate space and safe learning environments for Alaska's children. I urge your prompt and favorable action.

Sincerely,

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

Tony Knowles  
Governor

**SENATE BILL NO. 228**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/27/00

Referred: HES, State Affairs, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the financing of construction and major maintenance of  
2 public school facilities; authorizing the commissioner of revenue to sell the right  
3 to receive a portion of the anticipated revenue from a certain tobacco litigation  
4 settlement to the Alaska Housing Finance Corporation; authorizing the issuance of  
5 bonds by the Alaska Housing Finance Corporation with proceeds to finance public  
6 school construction and major maintenance grants; providing for the creation of  
7 subsidiary corporations of the Alaska Housing Finance Corporation for the purpose  
8 of financing or facilitating the financing of public school construction and major  
9 maintenance grants; relating to the annual public school construction and major  
10 maintenance grant application and approval process; providing for allocation of  
11 additional reimbursement of public school construction debt; and providing for an  
12 effective date."

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

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

4 INTENT. In connection with the authorization contained in sec. 3(b) of this Act, the  
5 legislature restates and reaffirms its intent as expressed in sec. 1, ch. 129, SLA 1998, that the  
6 sum of withdrawals for repayment of bonds under sec. 3(b) of this Act and for all other  
7 purposes described in sec. 1, ch. 129, SLA 1998, should not exceed the Alaska Housing  
8 Finance Corporation's net income for the preceding fiscal year, which the Alaska Housing  
9 Finance Corporation projects to be \$103,000,000 for the fiscal years beginning with 2000  
10 through 2008, for a total during that nine-year period of \$927,000,000.

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

13 **SALE OF RIGHT TO RECEIVE ANTICIPATED SPECIAL REVENUE.** (a) The  
14 commissioner of revenue is authorized to sell to the Alaska Housing Finance Corporation the  
15 right to receive a portion of the revenue derived from the settlement of *State of Alaska v.*  
16 *Philip Morris, Inc., et al*, No. 1JU-97-915CI (Alaska Super. 1997).

17 (b) The proceeds of the sale of the right to receive revenue sold under (a) of this  
18 section are anticipated to be not less than \$269,000,000, and the proceeds will be used to  
19 finance state grants for construction and major maintenance of public school facilities, as  
20 provided in sec. 3 of this Act.

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

23 **BOND AUTHORIZATION AND PROVISIONS.** (a) Notwithstanding the limitation  
24 in AS 18.56.090 or other provisions of law, the Alaska Housing Finance Corporation or a  
25 subsidiary corporation created under AS 18.56.086 is authorized to issue revenue bonds in  
26 principal amounts sufficient to acquire the right to receive revenue described in sec. 2 of this  
27 Act from the commissioner of revenue at a price agreed upon by the Alaska Housing Finance  
28 Corporation and the commissioner of revenue. The bonds may be special, limited obligations  
29 of the Alaska Housing Finance Corporation or of the subsidiary corporation secured solely by  
30 the right to receive revenue sold to the Alaska Housing Finance Corporation under sec. 2 of  
31 this Act, and the Alaska Housing Finance Corporation or the subsidiary corporation may

1 include in agreements with the bondholders a pledge of the right to receive that revenue and  
2 the promise of the state to honor that pledge.

3 (b) In addition to the authorization provided by (a) of this section, and notwithstanding  
4 the limitation contained in AS 18.56.090 or other provision of law, the Alaska Housing  
5 Finance Corporation is authorized to issue \$100,000,000 in bonds to finance state grants for  
6 construction and major maintenance of public school facilities.

7 (c) Bonds issued under this section may be further secured by a capital reserve fund  
8 described in AS 18.56.125. AS 18.56.110 - 18.56.190 apply to bonds issued under this  
9 section.

10 (d) Subject to agreements with bondholders and appropriation as described in (e) of  
11 this section, the Alaska Housing Finance Corporation shall make the proceeds of the bonds  
12 issued under (a) and (b) of this section available to the Department of Education and Early  
13 Development to pay for expenditures described in (e) of this section, including reimbursement  
14 to the Department of Education and Early Development for such expenditures.

15 (e) Subject to appropriation and to the grant conditions of AS 14.11.017, the proceeds  
16 of the bonds issued under (a) and (b) of this section shall be awarded as school construction  
17 grants and major maintenance grants under AS 14.11.005 and 14.11.007 in the fiscal years  
18 2001, 2002, and 2003, in the following amounts and for the following projects:

19 (1) in fiscal year 2001,

20	SCHOOL CONSTRUCTION PROJECTS	AMOUNT
21	(A) Kashunamiut - Chevak School Replacement	\$ 27,008,049
22	(B) Lower Yukon - Pilot Station School Replacement	17,654,005
23	(C) Southwest Region - Manokotak School Replacement	13,316,704
24	(D) Lower Yukon - Kotlik School Replacement	17,910,901
25	(E) Bering Strait - Elim School Phase III	12,146,788

26 (2) in fiscal year 2001,

27	MAJOR MAINTENANCE PROJECTS	AMOUNT
28	(A) Juneau City Borough - Auke Bay Elementary	
29	Roof Replacement	\$ 653,842
30	(B) Petersburg City - Fascia/Soffit Repair/Replacement	
31	Recovery of Funds	112,960

1	(C) Yukon-Koyukuk - Nulato Structural Repairs	400,724
2	(D) Northwest Arctic - Buckland Phase III, Renovation	1,406,396
3	(E) Juneau City Borough - Marie Drake Roof	
4	Replacement	599,501
5	(F) Pribilof Island - St. George School Remodel	4,385,970
6	(G) Bering Strait - Shishmaref School Roof Replacement	
7	and Renovation, Phase III	8,133,754
8	(H) Juneau City Borough - Harborview Elementary	
9	Gym Roof Replacement	106,604
10	(I) Chatham - Angoon Elementary School Major	
11	Maintenance	2,222,675
12	(J) Lake & Peninsula - Pedro Bay School	
13	Renovation/Relocation/Reconstruction	1,557,714
14	(K) Wrangell City - Wrangell Elementary and High	
15	School Structural Repairs	363,650
16	(L) Wrangell City - Elementary Schools Renovation	1,229,000
17	(M) Ketchikan - Schoenbar Renovation, Phase I	2,219,785
18	(N) Wrangell City - Middle School Renovation	168,518
19	(O) Hoonah City - Swimming Pool Sprinkler	212,458
20	(P) North Slope Borough - Tikigaq School	
21	Renovation	3,713,270
22	(Q) Kenai Peninsula - McNeil Canyon Elementary	
23	Wastewater Treatment System Replacement	125,300
24	(R) Tanana City - Tanana Kitchen Renovation	426,179
25	(S) Chatham - Angoon High School Major	
26	Maintenance	1,587,794
27	(T) Iditarod Area - Takotna Community School	
28	Water Project	179,512
29	(U) Iditarod Area - Blackwell School Heating	
30	Renovation & Site Repair	280,010
31	(V) Wrangell City - Elementary & High Schools	

		1-GS2044.A
1	Roof & Exterior Repairs	103,760
2	(W) Galena - Project Education Food Service	
3	Renovation	159,088
4	(X) Delta/Greely - Fort Greely Utility Conversion	1,996,941
5	(3) in fiscal year 2002,	
6	SCHOOL CONSTRUCTION PROJECTS	AMOUNT
7	(A) Northwest Arctic - Noorvik K-12	
8	Improvements	\$ 13,633,183
9	(B) Bering Strait - Golovin School Phase III	9,609,516
10	(C) Southwest Region - Togiak School	
11	Replacement	24,587,542
12	(D) Bering Strait - Koyuk K-12 School	14,059,664
13	(E) Yupiit - Akiachak Elementary Replacement	
14	and Secondary Renovation	14,370,287
15	(F) Yupiit - Tuluksak Elementary and Secondary	
16	Improvement	14,641,631
17	(4) in fiscal year 2002,	
18	MAJOR MAINTENANCE PROJECTS	AMOUNT
19	(A) Sitka City Borough - Blatchley Middle	
20	School Exterior Upgrade	\$ 317,638
21	(B) Southwest Region - Clark's Point Generator	
22	Building	36,302
23	(C) Kenai Peninsula - Kenai Central High School	
24	Reinsulate Exterior Walls	367,648
25	(D) Yakutat City - Yakutat High School Gym	
26	Structural Repairs	86,936
27	(E) Dillingham City - Elementary School	
28	Weatherization	146,860
29	(F) Yupiit - Akiak High School Repairs	329,954
30	(G) Juneau City Borough - High School Heating	
31	& Ventilation	65,303

1	(H) Juneau City Borough - High School Auxiliary	
2	Gym Floor Replacement	109,385
3	(I) Nenana City - Elementary Wing Sprinkler	
4	Expansion	106,333
5	(J) Juneau City Borough - Juneau-Douglas High	
6	School Renovation	9,097,138
7	(K) Alaska Gateway - Tok Multipurpose	
8	Recreation Complex Renovation	969,494
9	(L) Southwest Region - Koliganek School	
10	Weather Protection	379,555
11	(M) Galena - High School Repairs	128,662
12	(N) Juneau City Borough - Floyd Dryden Middle	
13	School Gym Floor Replacement	108,236
14	(O) Hoonah City - Hoonah Schools Renovation	1,223,725
15	(P) Lower Yukon - Alakanuk Mechanical System	
16	Upgrade	997,557
17	(Q) Kuspuk - George Morgan Sr. High School	
18	Sewage System Replacement	411,975
19	(R) Lower Yukon - Emmonak Mechanical System	
20	Upgrade	715,772
21	(S) Iditarod Area - David-Louis Memorial School	
22	Asbestos Abatement & Demolition	417,246
23	(T) Denali Borough - Cantwell School Heating	
24	and Sprinkler System	668,125
25	(U) Hydaburg City - Upgrading Facilities &	
26	Tanks Project	899,948
27	(V) Lower Kuskokwim - Districtwide Water	
28	Treatment, Subsurface Sources	1,470,000
29	(W) Denali Borough - Cantwell School Code	
30	Upgrade & Roof Repair	334,468
31	(X) Dillingham City - Central Administration	

1	Roof	50,250
2	(Y) Kenai Peninsula - Soldotna High School	
3	Roofing Replacement	644,014
4	(Z) Tanana City - Tanana School Major	
5	Maintenance	2,976,374
6	(AA) Yakutat City - Yakutat High School	
7	Renovation	143,906
8	(BB) Chugach - Whittier Fire Alarm Replacement	40,431
9	(CC) Mat-Su Borough - Fire Alarm Systems,	
10	5 Schools	620,648
11	(DD) Juneau City Borough - Gastineau	
12	Elementary Heating Coil Replacement	133,053
13	(EE) Iditarod Area - Innoko River School	
14	Water & Sewer Emergency	190,407
15	(FF) Denali Borough - Anderson School Heating	
16	& Ventilation	1,164,266
17	(GG) Mat-Su Borough - Septic System Upgrade,	
18	Colony High School	159,416
19	(HH) Mat-Su Borough - Fuel Tank Replacement	
20	Districtwide	126,261
21	(II) Mat-Su Borough - Fire Sprinklers & Piping,	
22	3 Schools	1,381,770
23	(JJ) Alaska Gateway - Tetlin Sewer Line	85,031
24	(KK) Dillingham City - High School Fire	
25	Panel Replacement	64,623
26	(LL) Dillingham City - High School Gym Roof	158,151
27	(MM) Kuspuk - Crow Village Sam School	
28	Sewage System Replacement, Chuathbaluk	349,272
29	(NN) Juneau City Borough - Floyd Dryden	
30	Middle School Renovation	3,629,683
31	(5) in fiscal year 2003,	

1	SCHOOL CONSTRUCTION PROJECTS	AMOUNT
2	(A) Bering Strait - Teller K-12 School Expansion	\$ 11,825,312
3	(B) Bering Strait - White Mountain New K-12	
4	School	10,787,903
5	(C) Lower Yukon - Hooper Bay Renovation	
6	& Addition	15,459,618
7	(D) Southeast Island - Naukati School	
8	Replacement	3,183,725
9	(E) Southeast Island - Howard Valentine School	
10	Construction	2,095,651
11	(F) Lower Kuskokwim - Chief Paul Memorial	
12	School Addition, Kipnuk	9,404,511
13	(G) Northwest Arctic - Ambler K-12 Improvements	5,788,063
14	(H) Copper River - Glennallen Elementary	
15	School Replacement	6,005,661
16	(I) Iditarod Area - Lime Village School Addition	280,010
17	(J) Southwest Region - New Stuyahok K-12	
18	Remodel & Expansion	410,096
19	(K) Northwest Arctic - Kiana K-12 Improvements	7,856,971
20	(L) Lower Kuskokwim - Chaptnguak School	
21	Addition, Chcfornak	288,707
22	(M) Kake City - Kake Elementary Addition	2,237,460
23	(N) Lower Kuskokwim - Dick R. Kiunya	
24	Memorial School Addition, Kongiganak	205,060
25	(O) Lower Yukon - Scammon Bay Renovation	
26	& Addition	433,029
27	(P) Cordova - Mount Eccles Renovation/Addition	3,026,456
28	(Q) Yukon Flats - Circle K-12 Replacement	1,953,949
29	(R) Yukon Flats - Arctic Village Addition &	
30	Renovation	3,925,459
31	(S) Kodiak Island - Peterson Elementary	

1	Addition	756,000
2	(T) Craig City - Craig Elementary School	
3	Addition/Renovation	5,001,968
4	(U) Haines - Haines Kitchen Remodel &	
5	Cafeteria Addition	435,448
6	(V) Lower Kuskokwim - Nightmute School	
7	Addition	153,020
8	(W) Lower Kuskokwim - Joann Alexie Memorial	
9	School Addition	172,029
10	(X) Lower Kuskokwim - Kwethluk School Addition	292,410
11	(Y) Lower Kuskokwim - Kwigillingok School	
12	Addition	186,262
13	(Z) Lower Yukon - Sheldon Point Renovation	
14	& Addition	294,806
15	(AA) Southeast Island - Covered Physical	
16	Education Areas	211,174
17	(BB) Kuspuk - Joseph & Olinga Gregory	
18	Elementary Replacement, Upper Kalskag	3,977,981
19	(CC) Aleutian Region - Nikolski Multipurpose	
20	Room Addition	641,733
21	(6) in fiscal year 2003,	
22	MAJOR MAINTENANCE PROJECTS	AMOUNT
23	(A) Kake City - Kake Middle School	
24	Renovation & Generator Installation	\$ 300,075
25	(B) Iditarod Area - Innoko River School	
26	Vocational Education Code Upgrade	73,821
27	(C) Dillingham City - Elementary Gym Floor	51,562
28	(D) Copper River - Glennallen High School	
29	Gym Floor Renovation	183,544
30	(E) Chugach - Tatitlek Fire Alarm Replacement	
31	& Security System	35,471

1	(F) Kuspuk - Johnnie John Sr. School Sewage	
2	System Replacement, Crooked Creek	356,257
3	(G) Iditarod Area - McGrath School Foundation	
4	& Deterioration Repairs	188,835
5	(H) Mat-Su Borough - Boiler & Water Heater	
6	Replacement, 4 Schools	221,051
7	(I) Sitka City Borough - Districtwide Major	
8	Maintenance	482,058
9	(J) Chugach - Districtwide Fuel Tank Upgrades	227,642
10	(K) Galena - High School Floor Renovation	128,786
11	(L) Hoonah City - Hoonah Pool Upgrades	167,394
12	(M) Chugach - Tatitlek Generator Replacement	197,122
13	(N) Lower Kuskokwim - Callback School Boiler	
14	Replacement	287,041
15	(O) Mat-Su Borough - Carpet Replacement, 6	
16	Elementary Schools	423,507
17	(P) Yukon Flats - Chalkyitsik Sewage Lagoon	
18	& Water Tank	780,341
19	(Q) Lower Kuskokwim - Districtwide Asbestos	
20	Abatement	4,865,404
21	(R) Iditarod Area - McGrath School Heating &	
22	Mechanical Design & Renovation	244,373
23	(S) Lower Kuskokwim - Districtwide ADA Upgrade	2,203,040
24	(T) Iditarod Area - Holy Cross School Shower,	
25	Bathroom & Flooring Deterioration	49,384
26	(U) Yukon Flats - Fort Yukon High School	
27	Gym Sprinklers	115,353
28	(V) Dillingham City - Oil Tank Removal/	
29	Replacement	51,562

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

1           SUSPENSION OF STATUTORY SCHOOL CONSTRUCTION AND MAJOR  
2 MAINTENANCE GRANT APPLICATION PROCESS. The provisions of AS 14.11.011,  
3 14.11.013, 14.11.015, and 14.11.016 are suspended.

4       \* Sec. 5. AS 14.11.100(a) is amended by adding a new paragraph to read:

5                       (10) subject to (h), (i), (j), and (p) of this section and after projects  
6 financed by the bonds, notes, or other indebtedness have been approved by the  
7 commissioner, 70 percent of payments made by a municipality during the fiscal year  
8 for the retirement of principal and interest on outstanding bonds, notes, or other  
9 indebtedness authorized by the qualified voters of the municipality on or after July 1,  
10 1997, to pay the costs that exceed \$200,000 of school construction projects and major  
11 maintenance projects that are approved under AS 14.07.020(a)(11).

12       \* Sec. 6. AS 14.11.100(h) is amended to read:

13                       (h) An allocation under (a)(4), (5), (6), (7), (8), [OR] (9), or (10) of this  
14 section for school construction begun after July 1, 1982, shall be reduced by the  
15 amount of money used for the construction of residential space, hockey rinks,  
16 planetariums, saunas, and other facilities for single purpose sporting or recreational  
17 uses that are not suitable for other activities and by the money used for construction  
18 that exceeds the amount needed for construction of a facility of efficient design as  
19 determined by the department. An allocation under (a)(4), (5), (6), (7), (8), [OR] (9),  
20 or (10) of this section may not be reduced by the amount of money used for  
21 construction of a small swimming pool, tank, or water storage facility used for water  
22 sports. However, an allocation shall be reduced by the difference between the amount  
23 of money used to construct a swimming pool that exceeds the standards adopted by  
24 the department and the amount of money that would have been used to construct a  
25 small swimming pool, tank, or water storage facility, as determined by the  
26 commissioner.

27       \* Sec. 7. AS 14.11.100(i) is amended to read:

28                       (i) For the purposes of (a)(4) - (10) [(a)(4) - (9)] of this section,  
29                               (1) an indebtedness for bonds is incurred after the bonds are sold;  
30                               (2) reimbursement for a cash payment may only be made after the  
31 payment is made to a vendor; and

1                   (3) payments may not be made for costs that are incurred under a  
2 contract after the contract has been released.

3 \* Sec. 8. AS 14.11.100(j) is amended to read:

4                   (j) Except as provided in (l) of this section, the state may not allocate money  
5 to a municipality for a school construction project under (a)(5), (6), (7), [OR] (9), or  
6 (10) of this section unless the municipality complies with the requirements of (1) - (4)  
7 of this subsection, the project is approved by the commissioner before the local vote  
8 on the bond issue for the project or for bonds authorized after March 31, 1990, but on  
9 or before April 30, 1993, the bonds are approved by the commissioner before  
10 reimbursement by the state, and the local vote occurs before July 1, 1987, or after  
11 June 30, 1988. In approving a project under this subsection, and to the extent required  
12 under (a)(8) of this section, the commissioner shall require

13                   (1) the municipality to include on the ballot for the bond issue, for  
14 bonds authorized on or before March 31, 1990, or after April 30, 1993, the estimated  
15 total cost of each project including estimated total interest, estimated annual operation  
16 and maintenance costs, the estimated amounts that will be paid by the state and by the  
17 municipality, and the approximate amount that would be due in annual taxes on  
18 \$100,000 in assessed value to retire the debt;

19                   (2) that the bonds may not be refunded unless the annual debt service  
20 on the refunding issue is not greater than the annual debt service on the original issue;

21                   (3) that the bonds must be repaid in approximately equal annual  
22 principal payments or approximately equal debt service payments over a period of at  
23 least 10 years;

24                   (4) the municipality to demonstrate need for the project by establishing  
25 that the school district has

26                               (A) projected long-term student enrollment that indicates the  
27 district has inadequate facilities to meet present or projected enrollment;

28                               (B) facilities that require repair or replacement in order to meet  
29 health and safety laws or regulations or building codes;

30                               (C) demonstrated that the project will result in a reduction in  
31 annual operating costs that economically justifies the cost of the project; or

1 (D) facilities that require modification or rehabilitation for the  
2 purpose of improving the instructional program.

3 \* Sec. 9. AS 14.11.100 is amended by adding a new subsection to read:

4 (p) The total amount of public school construction projects approved for  
5 reimbursement by the department under (a)(10) of this section

6 (1) may not exceed \$150,000,000; and

7 (2) is allocated as follows:

8 (A) \$60,000,000 is allocated to projects in a municipality with  
9 a public school enrollment of 25,000 or more students in fiscal year 2000 as  
10 determined under AS 14.17.600;

11 (B) \$90,000,000 is allocated to projects in a municipality with  
12 a public school enrollment of less than 25,000 students in fiscal year 2000 as  
13 determined under AS 14.17.600.

14 \* Sec. 10. AS 18.56 is amended by adding a new section to read:

15 **Sec. 18.56.086. Creation of subsidiaries.** Any corporation may create  
16 subsidiary corporations for the purpose of financing or facilitating the financing of  
17 school construction grants and major maintenance grants under AS 14.11.005 -  
18 14.11.020. A subsidiary corporation created under this section may be incorporated  
19 under AS 10.20.146 - 10.20.166. The corporation may transfer assets of the  
20 corporation to a subsidiary created under this section. A subsidiary created under this  
21 section may borrow money and issue bonds as evidence of that borrowing and has all  
22 the powers of the corporation that the corporation grants to it. Unless otherwise  
23 provided by the corporation, the debts, liabilities, and obligations of a subsidiary  
24 corporation created under this section are not the debts, liabilities, or obligations of the  
25 corporation.

26 \* Sec. 11. Section 4 of this Act is repealed July 1, 2002.

27 \* Sec. 12. Section 4 of this Act takes effect immediately under AS 01.10.070(c).

28 \* Sec. 13. Except as provided in sec. 12 of this Act, this Act takes effect July 1, 2000.

**Alaska Department of Education and Early Development**

**Capital Improvement Projects (FY2001)**

**Reconsideration List**

**Proposed 3 Year School Construction and Major Maintenance Funding**

	Priority Doc.15	School District	Project Name	Amount Requested	Eligible Amount	Participating Share	12/15 Priority List State Share	Gov. Plan State Share	Aggregate Amount
<b>School Construction</b>									
<b>Year 1</b>									
REAA	1	Kashunamiut	Chevak School Replacement	30,610,323	27,559,234	551,185	27,008,049	27,008,049	27,008,049
REAA	2	Lower Yukon	Pilot Station School Replacement	17,760,137	18,014,389	360,286	17,654,003	17,654,003	44,662,052
REAA	3	Southwest Region	Manokotak School Replacement	24,514,681	13,588,473	271,769	13,316,704	13,316,704	57,978,756
REAA	4	Lower Yukon	Kotlik School Replacement	19,121,687	18,276,430	365,529	17,910,901	17,910,901	75,889,657
REAA	5	Bering Strait	Elim School Phase III	12,504,719	12,394,682	247,894	12,146,788	12,146,788	88,036,445
<b>Sub Total School Construction</b>				<b>104,511,547</b>	<b>89,833,108</b>	<b>1,796,663</b>	<b>88,036,445</b>	<b>88,036,445</b>	
<b>Major Maintenance</b>									
<b>Year 1</b>									
	1	Juneau City Borough	Auke Bay Elementary Roof Replacement	934,060	934,060	280,218	653,842	653,842	88,690,287
	2	Petersburg City	Fascia/Soffit Repair/Replacement Recovery Of Funds	161,371	161,371	48,411	112,960	112,960	88,803,247
REAA	3	Yukon-Koyukuk	Nulato Structural Repairs	408,902	408,902	8,178	400,724	400,724	89,203,971
	4	Northwest Arctic	Buckland Phase III, Renovation	2,577,298	2,009,137	602,741	1,406,396	1,406,396	90,610,367
	5	Juneau City Borough	Marie Drake Roof Replacement	856,430	856,430	256,929	599,501	599,501	91,209,868
REAA	6	Pribilof Island	St. George School Remodel	4,475,480	4,475,480	89,510	4,385,970	4,385,970	95,595,838
REAA	7	Bering Strait	Shishmaref School Roof Replacement And Renovation, Phase III	10,064,449	8,299,749	165,995	8,133,754	8,133,754	103,729,592
	8	Juneau City Borough	Harborview Elementary Gym Roof Replacement	152,291	152,291	45,687	106,604	106,604	103,836,196
REAA	9	Chatham	Angoon Elementary School Major Maintenance	2,767,595	2,268,036	45,361	126,846	2,222,675	106,058,871
	10	Lake & Peninsula	Pedro Bay School Renovation/Relocation/Reconstruction	1,730,793	1,730,793	173,079	1,557,714	1,557,714	107,616,585
	11	Wrangell City	Wrangell Elementary And High School Structural Repairs	319,315	519,500	155,850	363,650	363,650	107,980,235
	12	Wrangell City	Elementary Schools Renovation	1,755,714	1,755,714	526,714	1,229,000	1,229,000	109,209,235
	13	Ketchikan	Schoenbar Renovation, Phase I	3,171,122	3,171,122	951,337	2,219,785	2,219,785	111,429,020
	14	Wrangell City	Middle School Renovation	240,740	240,740	72,222	168,518	168,518	111,597,538
	15	Hoonah City	Swimming Pool Sprinkler	236,064	236,064	23,606	212,458	212,458	111,809,996
	16	North Slope Borough	Tikigaq School Renovation	6,590,940	5,712,723	1,999,453	3,715,270	3,715,270	115,523,266
	17	Kenai Peninsula	McNeil Canyon Elementary Wastewater Treatment System Replacement	179,000	179,000	53,700	125,300	125,300	115,648,566
	18	Tanana City	Tanana Kitchen Renovation	448,610	448,610	22,431	426,179	426,179	116,074,745
REAA	19	Chatham	Angoon High School Major Maintenance	1,998,270	1,722,239	34,445	1,687,794	1,687,794	117,762,539
REAA	20	Iditarod Area	Takotna Community School Water Project	183,176	183,176	3,664	179,512	179,512	117,942,051
REAA	21	Iditarod Area	Blackwell School Heating Renovation & Site Repair	184,015	285,725	5,715	280,010	280,010	118,222,061
	22	Wrangell City	Elementary & High Schools Roof & Exterior Repairs	148,228	148,228	44,468	103,760	103,760	118,325,821
	23	Galena	Project Education Food Service Renovation	167,461	167,461	8,373	159,088	159,088	118,484,909
REAA	24	Delta/Greely	Fort Greely Utility Conversion	2,037,695	2,037,695	40,754	1,996,941	1,996,941	120,481,850
<b>Sub Total Major Maintenance</b>				<b>41,789,219</b>	<b>38,104,246</b>	<b>5,658,841</b>	<b>30,349,576</b>	<b>32,445,405</b>	
<b>Year 1 Totals</b>				<b>146,300,766</b>	<b>127,937,354</b>	<b>7,455,504</b>	<b>118,386,021</b>	<b>120,481,850</b>	

Alaska Department of Education and Early Development

Capital Improvement Projects (FY2001)

Reconsideration List

Proposed 3 Year School Construction and Major Maintenance Funding

	Priority Dec.15	School District	Project Name	Amount Requested	Eligible Amount	Participating Share	12/15 Priority List State Share	Gov. Plan State Share	Aggregate Amount
<b>School Construction</b>									
<b>Year 2</b>									
	6	Northwest Arctic	Noorvik K-12 Improvements	21,097,783	19,475,976	5,842,793	13,633,183	13,633,183	134,115,033
REAA	7	Bering Strait	Golovin School Phase III	9,816,295	9,805,629	196,113	9,609,516	9,609,516	143,724,549
REAA	8	Southwest Region	Togiak School Replacement	29,079,157	25,089,329	501,787	24,587,542	24,587,542	168,312,091
REAA	9	Bering Strait	Koyuk K-12 School	14,346,596	14,346,595	286,932	600,737	14,059,664	182,371,755
REAA	10	Yupit	Akiachak Elementary Replacement And Secondary Renovation	18,058,007	14,663,558	293,271	14,370,287	14,370,287	196,742,042
REAA	11	Yupit	Tuluksak Elementary And Secondary Improvement	23,459,018	14,940,440	298,809	612,761	14,641,631	211,383,673
<b>Sub Total School Construction</b>				<b>115,856,856</b>	<b>98,321,528</b>	<b>7,419,705</b>	<b>63,414,026</b>	<b>90,901,823</b>	
<b>Major Maintenance</b>									
<b>Year 2</b>									
	25	Sitka City Borough	Blatchley Middle School Exterior Upgrade	450,587	453,769	136,131	317,638	317,638	211,701,311
REAA	26	Southwest Region	Clark's Point Generator Building	37,043	37,043	741	36,302	36,302	211,737,613
	27	Kenai Peninsula	Kenai Central High School Reinsulate Exterior Walls	466,208	525,212	157,564	367,648	367,648	212,105,261
	28	Yakutat City	Yakutat High School Gym Structural Repairs	124,194	124,194	37,258	86,936	86,936	212,192,197
	29	Dillingham City	Elementary School Weatherization	209,800	209,800	62,940	146,860	146,860	212,339,057
REAA	30	Yupit	Akiak High School Repairs	336,688	336,688	6,734	329,954	329,954	212,669,011
	31	Juneau City Borough	High School Heating & Ventilation	93,290	93,290	27,987	65,303	65,303	212,734,314
	32	Juneau City Borough	High School Auxillary Gym Floor Replacement	156,265	156,265	46,880	109,385	109,385	212,843,699
	33	Nenana City	Elementary Wing Sprinkler Expansion	111,930	111,930	5,597	106,333	106,333	212,950,032
	34	Juneau City Borough	Juneau-Douglas High School Renovation	12,995,912	12,995,912	3,898,774	9,097,138	9,097,138	222,047,170
REAA	35	Alaska Gateway	Tok Multipurpose Recreation Complex Renovation	989,280	989,280	19,786	969,494	969,494	223,016,664
REAA	36	Southwest Region	Koliganek School Weather Protection	457,683	387,301	7,746	379,555	379,555	223,396,219
	37	Galena	High School Repairs	135,434	135,434	6,772	128,662	128,662	223,524,881
	38	Juneau City Borough	Floyd Dryden Middle School Gym Floor Replacement	154,623	154,623	46,387	108,236	108,236	223,633,117
	39	Hoonah City	Hoonah Schools Renovation	1,507,620	1,359,694	135,969	1,223,725	1,223,725	224,856,842
REAA	40	Lower Yukon	Alakanuk Mechanical System Upgrade	1,016,334	1,017,915	20,358	997,557	997,557	225,854,399
REAA	41	Kuspuk	George Morgan Sr. High School Sewage System Replacement	1,839,411	420,383	8,408	411,975	411,975	226,266,374
REAA	42	Lower Yukon	Emmonak Mechanical System Upgrade	729,245	730,380	14,608	715,772	715,772	226,982,146
REAA	43	Iditarod Area	David-Louis Memorial School Asbestos Abatement & Demolition	425,761	425,761	8,515	417,246	417,246	227,399,392
	44	Denali Borough	Cantwell School Heating And Sprinkler System	1,673,140	954,465	286,340	668,125	668,125	228,067,517
	45	Hydaburg City	Upgrading Facilities & Tanks Project	947,314	947,314	47,366	899,948	899,948	228,967,465
REAA	46	Lower Kuskokwim	Districtwide Water Treatment, Subsurface Sources	1,500,000	1,500,000	30,000	1,470,000	1,470,000	230,437,465
	47	Denali Borough	Cantwell School Code Upgrade & Roof Repair	477,812	477,812	143,344	334,468	334,468	230,771,933
	48	Dillingham City	Central Administration Roof	71,786	71,786	21,536	50,250	50,250	230,822,183
	49	Kenai Peninsula	Soldotna High School Roofing Replacement	792,298	920,020	276,006	644,014	644,014	231,466,197
	50	Tanana City	Tanana School Major Maintenance	3,133,025	3,133,025	156,651	2,976,374	2,976,374	234,442,571
	51	Yakutat City	Yakutat High School Renovation	205,580	205,580	61,674	143,906	143,906	234,586,477
REAA	52	Chugach	Whittier Fire Alarm Replacement	41,256	41,256	825	40,431	40,431	234,626,908
	53	Mat-Su Borough	Fire Alarm Systems, 5 Schools	886,640	886,640	265,992	620,648	620,648	235,247,556
	54	Juneau City Borough	Gastineau Elementary Heating Coil Replacement	190,076	190,076	57,023	133,053	133,053	235,380,609
REAA	55	Iditarod Area	Innoko River School Water & Sewer Emergency	194,293	194,293	3,886	190,407	190,407	235,571,016
	56	Denali Borough	Anderson School Heating & Ventilation	1,663,237	1,663,237	498,971	1,164,266	1,164,266	236,735,282
	57	Mat-Su Borough	Septic System Upgrade, Colony High School	227,737	227,737	68,321	159,416	159,416	236,894,698
	58	Mat-Su Borough	Fuel Tank Replacement Districtwide	180,373	180,373	54,112	126,261	126,261	237,020,959
	59	Mat-Su Borough	Fire Sprinklers & Piping, 3 Schools	1,973,957	1,973,957	592,187	1,381,770	1,381,770	238,407,729
REAA	60	Alaska Gateway	Tetiin Sewer Line	77,897	86,766	1,735	85,031	85,031	238,487,760
	61	Dillingham City	High School Fire Panel Replacement	92,318	92,318	27,695	64,623	64,623	238,552,383
	62	Dillingham City	High School Gym Roof	225,930	225,930	67,779	158,151	158,151	238,710,534
REAA	63	Kuspuk	Crow Village Sam School Sewage System Replacement, Chuathbaluk	356,400	356,400	7,128	349,272	349,272	239,059,806
	64	Juneau City Borough	Floyd Dryden Middle School Renovation	5,185,261	5,185,261	1,555,578	3,629,683	3,629,683	242,689,489
<b>Sub Total Major Maintenance</b>				<b>42,333,638</b>	<b>40,179,120</b>	<b>8,873,304</b>	<b>31,305,816</b>	<b>31,305,816</b>	
<b>Year 2 Totals</b>				<b>158,190,494</b>	<b>138,500,648</b>	<b>16,293,009</b>	<b>94,719,842</b>	<b>122,207,639</b>	

Alaska Department of Education and Early Development  
 Capital Improvement Projects (FY2001)  
 Reconsideration List  
 Proposed 3 Year School Construction and Major Maintenance Funding

	Priority Dec.15	School District	Project Name	Amount Requested	Eligible Amount	Participating Share	12/15 Priority List State Share	Gov. Plan State Share	Aggregate Amount
<b>School Construction</b>									
<b>Year 3</b>									
REAA	12	Bering Strait	Teller K-12 School Expansion	17,645,121	12,066,645	241,333	443,449	11,825,312	254,514,801
REAA	13	Bering Strait	White Mountain New K-12 School	14,589,599	11,000,064	220,161	522,146	10,787,903	265,302,704
REAA	14	Lower Yukon	Hooper Bay Renovation & Addition	16,947,069	15,775,120	315,502	623,836	15,459,618	280,762,322
REAA	15	Southeast Island	Naukatli School Replacement	3,227,821	3,248,699	64,974	3,183,725	3,183,725	283,946,047
REAA	16	Southeast Island	Howard Valentine School Construction	2,650,604	2,138,419	42,768	2,095,651	2,095,651	286,041,698
REAA	17	Lower Kuskokwim	Chief Paul Memorial School Addition, Klpruk	10,482,945	9,596,440	191,929	440,869	9,404,511	295,446,209
REAA	18	Northwest Arctic	Ambler K-12 Improvements	10,001,826	8,268,661	2,480,598	5,788,063	5,788,063	301,234,272
REAA	19	Copper River	Glennallen Elementary School Replacement	6,250,310	6,128,226	122,565	6,005,661	6,005,661	307,239,933
REAA	20	Iditarod Area	Lime Village School Addition	285,725	285,725	5,715	280,010	280,010	307,519,943
REAA	21	Southwest Region	New Stuyahok K-12 Remodel & Expansion	15,640,657	11,159,082	8,369	410,096	410,096	307,930,039
REAA	22	Northwest Arctic	Kiana K-12 Improvements	14,310,832	11,224,244	3,367,273	7,856,971	7,856,971	315,787,010
REAA	23	Lower Kuskokwim	Chapnguak School Addition, Chelornak	6,771,012	6,789,315	5,892	288,707	288,707	316,075,717
REAA	24	Kake City	Kake Elementary Addition	2,510,711	2,355,221	117,761	2,237,460	2,237,460	318,313,177
REAA	25	Lower Kuskokwim	Dick R. Kiunya Memorial School Addition, Kongiganak	3,962,289	4,513,201	4,185	205,060	205,060	318,518,237
REAA	26	Lower Yukon	Scammon Bay Renovation & Addition	10,294,839	10,449,769	8,837	433,029	433,029	310,951,266
REAA	27	Cordova	Mount Eccles Renovation/Addition	5,528,154	4,323,508	1,297,052	3,026,456	3,026,456	321,977,722
REAA	28	Yukon Flats	Circle K-12 Replacement	1,993,825	1,993,825	39,877	1,953,949	1,953,949	323,931,671
REAA	29	Yukon Flats	Arctic Village Addition & Renovation	4,063,974	4,005,570	80,111	3,925,459	3,925,459	327,857,130
REAA	30	Kodiak Island	Peterson Elementary Addition	1,080,000	1,080,000	324,000	756,000	756,000	328,613,130
REAA	31	Craig City	Craig Elementary School Addition/Renovation	7,425,362	7,145,669	2,143,701	5,001,968	5,001,968	333,615,098
REAA	32	Haines	Haines Kitchen Remodel & Cafeteria Addition	622,069	622,069	186,621	435,448	435,448	334,050,546
REAA	33	Lower Kuskokwim	Nightmute School Addition	2,889,030	3,097,152	3,123	153,020	153,020	334,203,566
REAA	34	Lower Kuskokwim	Joann Alexie Memorial School Addition	3,794,551	3,881,050	3,511	172,029	172,029	334,375,595
REAA	35	Lower Kuskokwim	Kwethluk School Addition	6,211,378	7,156,739	5,968	292,410	292,410	334,668,005
REAA	36	Lower Kuskokwim	Kwigillingok School Addition	3,867,722	4,001,685	3,801	186,262	186,262	334,854,267
REAA	37	Lower Yukon	Sheldon Point Renovation & Addition	7,692,021	6,688,588	6,016	294,806	294,806	335,149,073
REAA	38	Southeast Island	Covered Physical Education Areas	215,484	215,484	4,310	211,174	211,174	335,360,247
REAA	39	Kuspuk	Joseph & Olinga Gregory Elementary Replacement, Upper Kalskag	3,442,000	4,059,164	81,183	3,977,981	3,977,981	335,338,228
REAA	40	Aleutian Region	Nikolski Multipurpose Room Addition	706,106	654,830	13,097	641,733	641,733	339,979,961
<b>Sub Total School Construction</b>				<b>185,103,036</b>	<b>163,932,164</b>	<b>11,390,233</b>	<b>51,843,428</b>	<b>97,290,472</b>	
<b>Major Maintenance</b>									
<b>Year 3</b>									
REAA	65	Kake City	Kake Middle School Renovation & Generator Installation	315,868	315,868	15,793	300,075	300,075	340,280,036
REAA	66	Iditarod Area	Innoko River School Vocational Education Code Upgrade	75,328	75,328	1,507	73,821	73,821	340,353,857
REAA	67	Dillingham City	Elementary Gym Floor	73,660	73,660	22,098	51,562	51,562	340,405,419
REAA	68	Copper River	Glennallen High School Gym Floor Renovation	187,290	187,290	3,746	183,544	183,544	340,588,963
REAA	69	Chugach	Tatitlek Fire Alarm Replacement & Security System	36,195	36,195	724	35,471	35,471	340,624,434
REAA	70	Kuspuk	Johnnie John Sr. School Sewage System Replacement, Crooked Creek	363,528	363,528	7,271	356,257	356,257	340,980,691
REAA	71	Iditarod Area	McGrath School Foundation & Deterioration Repairs	192,689	192,689	3,854	188,835	188,835	341,169,526
REAA	72	Mat-Su Borough	Boiler & Water Heater Replacement, 4 Schools	315,787	315,787	94,736	221,051	221,051	341,390,577
REAA	73	Sitka City Borough	Districtwide Major Maintenance	688,655	688,655	206,597	482,058	482,058	341,872,635
REAA	74	Chugach	Districtwide Fuel Tank Upgrades	232,283	232,288	4,646	227,642	227,642	342,100,277
REAA	75	Galena	High School Floor Renovation	135,564	135,564	6,778	128,786	128,786	342,229,063
REAA	76	Hoonah City	Hoonah Pool Upgrades	188,685	185,993	18,599	167,394	167,394	342,396,457
REAA	77	Chugach	Tatitlek Generator Replacement	201,145	201,145	4,023	197,122	197,122	342,593,579
REAA	78	Lower Kuskokwim	Kilbuck School Boiler Replacement	292,899	292,899	5,858	287,041	287,041	342,880,620
REAA	79	Mat-Su Borough	Carpet Replacement, 6 Elementary Schools	605,010	605,010	181,503	423,507	423,507	343,304,127
REAA	80	Yukon Flats	Chalkyitsik Sewage Lagoon & Water Tank	1,408,849	796,266	15,925	780,341	780,341	344,084,468
REAA	81	Lower Kuskokwim	Districtwide Asbestos Abatement	4,964,698	4,964,698	99,294	4,865,404	4,865,404	348,949,872
REAA	82	Iditarod Area	McGrath School Heating & Mechanical Design & Renovation	249,360	249,360	4,987	244,373	244,373	349,194,245
REAA	83	Lower Kuskokwim	Districtwide ADA Upgrade	2,248,000	2,248,000	44,960	2,203,040	2,203,040	351,397,285
REAA	84	Iditarod Area	Holy Cross School Shower, Bathroom & Flooring Deterioration	50,392	50,392	1,008	49,384	49,384	351,446,669
REAA	85	Yukon Flats	Fort Yukon High School Gym Sprinklers	261,495	117,707	2,354	115,353	115,353	351,562,022
REAA	86	Dillingham City	Oil Tank Removal/Replacement	73,660	73,660	22,098	51,562	51,562	351,613,584
<b>Sub Total Major Maintenance</b>				<b>13,161,045</b>	<b>12,401,982</b>	<b>768,359</b>	<b>11,633,623</b>	<b>11,633,623</b>	
<b>Year 3 Totals</b>				<b>198,264,081</b>	<b>176,334,146</b>	<b>12,158,592</b>	<b>63,477,051</b>	<b>108,924,095</b>	

Alaska Department of Education and Early Development  
 Capital Improvement Projects (FY2001)  
 Reconsideration List  
 Proposed 3 Year School Construction and Major Maintenance Funding

Priority Dec.15	School District	Project Name	Amount Requested	Eligible Amount	Participating Share	12/15 Priority List State Share	Gov. Plan State Share	Aggregate Amount
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Funding Summary -

Sub Total Major Maintenance Year 1	41,789,219	38,104,246	5,658,841	30,349,576	32,445,405
Sub Total Major Maintenance Year 2	42,333,638	40,179,120	8,873,304	31,305,816	31,305,816
Sub Total Major Maintenance Year 3	13,161,045	12,401,982	768,359	11,633,623	11,633,623
<b>Total Major Maintenance</b>	<b>97,283,902</b>	<b>90,685,348</b>	<b>15,300,504</b>	<b>73,289,015</b>	<b>75,384,844</b>
Sub Total School Construction Year 1	104,511,547	89,833,108	1,796,663	88,036,445	88,036,445
Sub Total School Construction Year 2	115,856,856	98,321,528	7,419,705	63,414,026	90,901,823
Sub Total School Construction Year 3	185,103,036	163,932,164	11,390,233	51,033,428	97,250,472
<b>Total School Construction</b>	<b>405,471,439</b>	<b>352,086,800</b>	<b>20,606,601</b>	<b>203,293,899</b>	<b>276,228,740</b>
<b>Grands Totals</b>	<b>502,755,341</b>	<b>442,772,148</b>	<b>35,907,105</b>	<b>276,582,914</b>	<b>351,613,584</b>

# FISCAL NOTE

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

BILL NO. \_\_\_\_\_

Revision Date/Time \_\_\_\_\_ Dept. Affected Education & Early Development  
 Title An Act related to the financing of construction BRU School Debt Reimbursement  
and major maintenance of public school facilities... Component \_\_\_\_\_  
 Sponsor Rules School Debt Reimbursement  
 Requester Governor Component No. 153

**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	0.0	0.0	2,700.0	5,400.0	8,100.0	10,800.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>2,700.0</b>	<b>5,400.0</b>	<b>8,100.0</b>	<b>10,800.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	2,700.0	5,400.0	8,100.0	10,800.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>2,700.0</b>	<b>5,400.0</b>	<b>8,100.0</b>	<b>10,800.0</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This legislation would authorize an additional \$150 million in school construction projects under AS 14.11.100. The debt on these projects will be eligible for 70% reimbursement. This legislation will allocate \$60 million in projects to municipalities with a public school enrollment of 25,000 or more students. The remaining \$90 million will be available for school construction projects to municipalities with a public school enrollment of less than 25,000 students. It is anticipated that as new debt is issued the reimbursement will occur beginning in FY2003. As the annual debt reimbursement on the existing program declines, funds will become available to help offset new debt authorization.

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679  
 Division Education Support Services Date/Time 01/25/00  
 Approved by: Richard S. Cross, Commissioner Date 1/26/2000  
 Agency Education & Early Development

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# FISCAL NOTE

**STATE OF ALASKA  
2000 LEGISLATIVE SESSION**

**BILL NO.** \_\_\_\_\_

Revision Date/Time (Note if correction) _____	Dept. Affected _____	Revenue _____
Title <u>School Construction Financing</u>	BRU	<u>Alaska Housing Finance Corp</u>
Sponsor <u>Rules Committee</u>	Component	<u>Operations</u>
Requester <u>Governor</u>	Component No.	<u>110</u>

**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
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>	<b>120,481.9</b>	<b>122,207.6</b>	<b>108,923.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>(29,804.1)</b>	<b>(29,078.5)</b>	<b>(30,265.7)</b>	<b>(30,301.6)</b>	<b>(47,643.5)</b>
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**FUND SOURCE (Thousands of Dollars)**

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

Estimate of any current year (FY2000) cost: \_\_\_\_\_

**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)

Under AS 18.56.089(a)(2)(A), activities of the corporation that relate to the issuance of obligations and the repayment of debt obligations are exempt from the provisions of the Executive Budget Act. These costs are included in the bond authorizations in the bill, including the cost of issuance, debt service reserves and capitalized interest. Debt service for these bonds will come from tobacco settlement funds and AHFC transfer payments that otherwise would have gone to the state treasury. This will result in a reduction in annual unrestricted revenues to the treasury (shown above).

Estimates for debt service and other costs are included in attached spreadsheets. These estimates are based on a number of assumptions, including future interest rates and bond ratings.

Operational costs for issuing and monitoring these bonds will be done with existing personnel and within the authorized operating budget requests for FY2001 and beyond. No budget authorizations are necessary with this fiscal note.

Prepared by: <u>John Bitney, Legislative Liaison</u>	Phone: <u>330-8445</u>
Division: <u>Alaska Housing Finance Corporation</u>	Date/Time: <u>1/25/00 6:24 PM</u>
Approved by Commissioner: <u>Wilson Condon</u>	Date: _____
Agency: <u>Department of Revenue</u>	

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BOND DEBT SERVICE REPORT - DETAIL

State Education Bonds, 2000 Series A  
 AHFC State Capital Project Bonds  
 Under Current Plan  
 Fixed Rate

SCP 2000A-1 (BON07)

Date	Bond Debt Service				Total Bond Payment	Bond Valuation	
	Maturing Principal	Rate	Interest Paid	Debt Service		Bond Balance	Accrued Bond-Value
Sep 1, 2000	-	-	-	-	-	102,365,000	102,365,000
Jun 30, 2001	-	-	-	-	-	102,365,000	102,365,000
Jun 30, 2002	3,365,000	4.85%	9,365,822	12,730,821.52	12,730,821.52	99,000,000	99,000,000
Jun 30, 2003	6,900,000	**	5,105,154	12,005,154.25	12,005,154.25	92,100,000	92,100,000
Jun 30, 2004	7,235,000	**	4,762,428	11,997,427.50	11,997,427.50	84,865,000	84,865,000
Jun 30, 2005	7,630,000	**	4,390,376	12,020,375.50	12,020,375.50	77,235,000	77,235,000
Jun 30, 2006	24,550,000	**	4,051,901	28,601,900.50	28,601,900.50	52,685,000	52,685,000
Jun 30, 2007	47,820,000	**	2,177,908	49,997,907.50	49,997,907.50	4,865,000	4,865,000
Dec 1, 2007	4,865,000	5.35%	130,139	4,995,138.75	4,995,138.75	-	-
	102,365,000		29,983,726	132,348,725.52	132,348,725.52		

BOND DEBT SERVICE REPORT

State Education Bonds, 2000 Series A  
AHFC Tobacco Revenue Bonds

Date	Bond Debt Service			Redeemed Principal	Total Bond Payment	Bond Valuation		
	Maturing Principal	Interest Paid	Total Debt Serv			Bond Balance	Unpaid Interest	Accrued Bond Value
Dec 1, 2000	-	-	-	-	-	339,424,838	-	339,424,838.00
Jun 1, 2001	-	8,536,654	8,536,653.50	-	8,536,653.50	339,424,838	-25,894,758	313,530,079.68
Jun 1, 2002	-	17,073,307	17,073,307.00	-	17,073,307.00	339,424,838	-24,077,470	315,347,368.19
Jun 1, 2003	-	17,073,307	17,073,307.00	-	17,073,307.00	339,424,838	-22,232,505	317,192,332.60
Jun 1, 2004	1,195,000	17,073,307	18,268,307.00	-	18,268,307.00	338,229,838	-20,288,233	317,941,605.41
Jun 1, 2005	1,265,000	17,016,186	18,281,186.00	-	18,281,186.00	336,964,838	-18,174,546	318,790,291.62
Jun 1, 2006	1,315,000	16,934,363	18,249,363.00	792,200	19,041,563.00	334,857,638	-15,898,514	318,959,124.08
Jun 1, 2007	1,305,000	16,763,923	18,068,922.75	3,297,745	21,366,667.75	330,254,893	-13,584,625	316,670,267.80
Jun 1, 2008	8,005,033	16,510,842	24,523,075.25	3,653,297	28,177,172.25	318,596,563	-11,089,019	307,507,544.37
Jun 1, 2009	7,425,743	16,044,658	23,470,400.50	11,264,402	34,734,802.50	299,906,418	-8,782,498	291,123,919.71
Jun 1, 2010	7,024,780	15,323,998	22,348,777.50	12,821,504	35,170,281.50	280,060,134	-6,757,684	273,302,449.81
Jun 1, 2011	6,498,836	14,506,889	21,005,724.50	14,453,995	35,459,719.50	259,107,303	-5,053,386	254,053,917.40
Jun 1, 2012	6,102,273	13,593,025	19,695,297.50	16,272,088	35,967,385.50	236,732,942	-3,492,651	233,240,291.23
Jun 1, 2013	5,677,393	12,570,933	18,248,326.25	17,993,205	36,241,531.25	213,062,344	-2,233,165	210,829,178.79
Jun 1, 2014	5,219,481	11,437,588	16,657,068.50	19,769,157	36,426,225.50	188,073,706	-1,260,843	186,812,862.89
Jun 1, 2015	4,639,980	10,182,352	14,822,331.50	21,701,904	36,524,235.50	161,731,822	-574,625	161,157,196.63
Jun 1, 2016	4,067,755	8,790,356	12,858,110.75	23,853,358	36,711,468.75	133,810,709	-172,843	133,637,866.46
Jun 1, 2017	3,334,331	7,233,529	10,567,859.50	26,446,378	37,014,237.50	104,030,000	-	104,030,000.00
Jun 1, 2018	1,435,000	5,484,153	6,919,152.75	29,350,000	36,269,152.75	73,245,000	-	73,245,000.00
Jun 1, 2019	1,065,000	3,820,173	4,885,173.25	22,280,000	27,165,173.25	49,900,000	-	49,900,000.00
Jun 1, 2020	580,000	2,321,898	2,901,898.25	24,470,000	27,371,898.25	24,850,000	-	24,850,000.00
Dec 1, 2020	-	767,584	767,583.75	24,950,000	25,617,583.75	-	-	-
						66,155,605	249,067,021	315,222,626.00
						273,269,233	588,491,859.00	

\*\*Note: The entire \$8.5 million debt service payment in FY 2001, and \$8.5 million of the FY 2002 debt service payment will be made from Capitalized Interest and will not result in lost earnings to the State's General Fund.