

**HB**

**2002**

HFIN

FILE



# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: CSHB 2002 (FIN)  
 (H) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title: General Obligation Bonds: BRU: Revenue Operations  
Schools and State Facilities Component: Treasury Division  
 Sponsor: House Finance Committee  
 Requester: \_\_\_\_\_ Component Number: \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel		15.0				
Contractual		525.2				
Supplies						
Equipment						
Land & Structures						
Grants & Claims		15,497.8	15,497.8	15,497.8	15,497.8	15,497.8
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>16,038.0</b>	<b>15,497.8</b>	<b>15,497.8</b>	<b>15,497.8</b>	<b>15,497.8</b>

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

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		15,497.8	15,497.8	15,497.8	15,497.8	15,497.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)		540.2				
<b>TOTAL</b>	<b>0.0</b>	<b>16,038.0</b>	<b>15,497.8</b>	<b>15,497.8</b>	<b>15,497.8</b>	<b>15,497.8</b>

Estimate of any current year (FY2001) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This legislation authorizes the issuance of \$201,166,746 in general obligation bonds to pay for the cost of design, construction and maintenance of public schools and state facilities.

Prepared by: Representative Eldon Milder  
 Co-Chair  
Representative Bill Williams  
 Co-Chair

Phone 465-2647/465-3424

Date 5/18/02

22-LS1811C  
Utermohle  
5/17/02

*adopted*  
*5/18/02*

**CS FOR HOUSE BILL NO. 2002(FIN)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-SECOND LEGISLATURE - SECOND SPECIAL SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): HOUSE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the issuance of general obligation bonds for the purpose of paying  
2 the cost of design, construction, and major maintenance of educational and museum  
3 facilities; and providing for an effective date."

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

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

7 GENERAL OBLIGATION BONDS. For the purpose of paying the cost of design,  
8 construction, and major maintenance of educational and museum facilities, general obligation  
9 bonds of the state in the principal amount of not more than \$201,166,746, if ratified by a  
10 majority of the qualified voters of the state who vote on the question, shall be issued and sold.  
11 The full faith, credit, and resources of the state are pledged to the payment of the principal of  
12 and interest and redemption premium, if any, on the bonds. The bonds shall be issued under  
13 the provisions of AS 37.15 as those provisions read at the time of issuance.

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

1 read:

2 EDUCATIONAL AND MUSEUM FACILITY DESIGN, CONSTRUCTION, AND  
3 MAJOR MAINTENANCE FUND. If the issuance of the bonds is ratified by a majority of  
4 the qualified voters of the state who vote on the question. a special fund of the state to be  
5 known as the "educational and museum facility design, construction, and major maintenance  
6 fund" shall be established, to which shall be credited the proceeds of the sale of the bonds  
7 described in sec. 1 of this Act except for the accrued interest and premiums.

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

10 DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. The amount of  
11 \$134,462,746 is appropriated from the educational and museum facility design, construction,  
12 and major maintenance fund to the Department of Education and Early Development to be  
13 awarded as grants for design, construction, and major maintenance for public schools, subject  
14 to reallocation between projects in accordance with AS 37.07.080(e), for the following  
15 projects and estimates:

PROJECT	MUNICIPALITY OR REAA LOCATION	AMOUNT
(1) Tuluksak School improvement	Yupiit	\$17,703,793
(2) Akiak School improvement	Yupiit	13,228,730
(3) Akiachak School improvement	Yupiit	19,099,094
(4) Scammon Bay replacement school	Lower Yukon	17,029,762
(5) Teller K-12 remodel/addition	Bering Strait	9,426,570
(6) Hooper Bay addition/renovation	Lower Yukon	24,423,467
(7) Circle School replacement	Yukon Flats	4,068,521
(8) Naukati School replacement	Southeast Island	4,018,031
(9) Sheldon Point (Nunam Iqua) school improvement	Lower Yukon	7,285,492
(10) White Mountain K-12 remodel/ addition	Bering Strait	11,387,668
(11) Arctic Village addition/renovation	Yukon Flats	6,791,618

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

1 read:

2 UNIVERSITY OF ALASKA. The amount of \$61,704,000 is appropriated from the  
3 educational and museum facility design, construction, and major maintenance fund to the  
4 University of Alaska for the following design, construction, and major maintenance projects,  
5 subject to reallocation between projects in accordance with AS 37.07.080(e):

6	PROJECT	LOCATION	AMOUNT
7	(1) BioScience class/laboratory,	Fairbanks	\$21,500,000
8	infrastructure design, buildout,		
9	and site development		
10	(2) Integrated science facility,	Anchorage	8,400,000
11	Phase 1		
12	(3) Lena Point fisheries laboratory	Juneau	9,000,000
13	(4) Prince William Sound building	Valdez	1,500,000
14	acquisition		
15	(5) Classroom expansion	Kenai	850,000
16	(6) Classroom completion	Sitka	540,000
17	(7) Classroom addition/land	Homer	3,000,000
18	acquisition, Phase 1		
19	(8) Biomedical facility addition	Anchorage	4,750,000
20	(9) West Ridge research addition	Fairbanks	2,000,000
21	(10) Paul/Ziegler classroom	Ketchikan	3,900,000
22	renovation		
23	(11) Prince William Sound	Valdez	835,000
24	classroom building renovation		
25	(12) Matanuska-Susitna classroom	Palmer	650,000
26	building renovation		
27	(13) Robertson classroom/parking	Ketchikan	385,000
28	lot renovations		
29	(14) Classroom building renovations	Kodiak	500,000
30	(15) Tanana Valley space renovation	Fairbanks	2,000,000
31	(16) Chukchi classroom building	Kotzebue	580,000

1	renovaticn		
2	(17) Interior/Aleutians classroom	Interior/Aleutians	240,000
3	building renovation		
4	(18) Northwest College classroom	Nome	190,000
5	building renovation		
6	(19) Kuskokwim College classroom	Bethel	180,000
7	building renovation		
8	(20) Bristol Bay Campus addition	Dillingham	704,000

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

11 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT. The  
12 amount of \$5,000,000 is appropriated from the educational and museum facility design,  
13 construction, and major maintenance fund to the Department of Community and Economic  
14 Development to be awarded as a grant under AS 37.05.315 to the Municipality of Anchorage  
15 for renovation of the Anchorage Museum of History and Art.

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

18 STATE BOND COMMITTEE. If the issuance of the bonds is ratified by a majority  
19 of the qualified voters of the state who vote on the question, the amount of \$1,005,834 or as  
20 much of that amount as is found necessary is appropriated from the proceeds of the sale of the  
21 bonds authorized by this Act to the state bond committee to carry out the provisions of this  
22 Act and to pay expenses incident to the sale and issuance of the bonds authorized by this Act.

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

25 ADVANCE PLANNING. Any amount withdrawn from the public facility planning  
26 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements  
27 financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds  
28 authorized by this Act.

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

31 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated

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

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

9 BALLOT QUESTION. The question whether the bonds authorized by this Act are to  
 10 be issued shall be submitted to the qualified voters of the state at the next general election and  
 11 shall read substantially as follows:

12 PROPOSITION

13 State General Obligation Educational and  
 14 Museum Facility, Design, Construction,  
 15 and Major Maintenance Bonds \$201,166,746

16 Shall the State of Alaska issue its general obligation bonds in  
 17 the principal amount of not more than \$201,166,746 for the  
 18 purpose of paying for the cost of design, construction, and  
 19 major maintenance of educational and museum facilities?

20 Bonds Yes [ ]

21 Bonds No [ ]

22 \* Sec. 10. This Act takes effect immediately under AS 01.10.070(c).

REPRESENTATIVE  
**BILL WILLIAMS**  
Co-Chair  
(907) 465-3424  
Fax: (907) 465-3793

INTERIM ADDRESS  
50 Front Street, Suite 203  
Ketchikan, Alaska 99901  
(907) 247-4627  
Fax (907) 225-7157

**Alaska State Legislature**  
**House Finance Committee**



State Capitol, Juneau, Alaska 99801-1182

REPRESENTATIVE  
**ELDON MULDER**  
Co-Chair  
(907) 465-2647  
Fax: (907) 455-3518

INTERIM ADDRESS  
716 W. 4th Avenue  
Anchorage, Alaska 99501  
(907) 269-0265  
Fax: (907) 269-0264

## HOUSE BILL 2002

# General Obligation Bonds for Education Facility Construction and Major Maintenance

Finance Committee Substitute for House Bill 2002 authorizes a vote of the people on general obligation bonds issued by the State of Alaska for the construction of educational facilities.

The proposal, totaling \$201,166,746, provides for 11 new schools, University of Alaska projects and a portion of a museum expansion in Anchorage.

The new school projects funding includes \$134,462,746 for facilities in Tuluksak, Akiak, Akiachak, Scammon Bay, Teller, Hooper Bay, Circle, and Naukati. Major renovations will be financed at Sheldon Point, White Mountain and Arctic Village..

The University of Alaska funding of \$61,704,000 includes projects on campuses in Fairbanks, Juneau, Homer, Valdez, Anchorage, Kenai, Sitka, Homer, Palmer, Kotzebue, Nome, Bethel, Dillingham, and Ketchikan.

The bond question would be on the November ballot. If approved by the voters, projects could commence early in 2003.