

HB

528

HFIN

FILE

Debt Reimbursement HB 528

Entity	Project		Amount of Debt to Be Reimbursed
Northwest Arctic Borough School District	Ambler K-12 Replacement School		7,405,992
	Subtotal Schools	7,405,992	
Municipality of Anchorage	Port of Anchorage Expansion		3,000,000
City of Unalaska	LSA Small Boat Harbor		5,000,000
City of Akutan	Small Boat Harbor		4,000,000
City of Chignik	Small Boat Harbor		1,000,000
City of False Pass	Small Boat Harbor		2,000,000
	Subtotal Docks & Harbors	15,000,000	
Kodiak Electric Association, Inc	Nyman Combined Cycle Cogeneration Plant		6,000,000
Cordova Electric Cooperative	Power Creek Hydropower Project		12,000,000
Copper Valley Electric Association, Inc. (Valdez)	Cogeneration Project		10,000,000
The Four Dam Pool Power Agency	Southeast Intertie (Swan Lake to Lake Tyee)		20,000,000
	Subtotal Energy Projects	48,000,000	
	Total Bill		70,405,992

Debt Reimbursement CSHB 528(FIN)

Entity	Project		Amount of Debt to Be Reimbursed
Northwest Arctic Borough School District	Ambler K-12 Replacement School		7,405,992
	Subtotal Schools	7,405,992	
University of Alaska	Joint Facility Readiness Center/ UAS Physical Education Facility		5,470,000
University of Alaska	University Center Project (Anchorage)		14,000,000
	Subtotal University	19,470,000	
Municipality of Anchorage	Port of Anchorage Expansion		3,000,000
City of Unalaska	LSA Small Boat Harbor		5,000,000
City of Akutan	Small Boat Harbor		4,000,000
City of Chignik	Dock Project		1,000,000
City of False Pass	Small Boat Harbor		2,000,000
	Subtotal Docks & Harbors	15,000,000	
Kodiak Electric Association, Inc	Nyman Combined Cycle Cogeneration Plant		6,000,000
Cordova Electric Cooperative	Power Creek Hydropower Project		12,000,000
Copper Valley Electric Association, Inc. (Valdez)	Cogeneration Project		10,000,000
The Four Dam Pool Power Agency	Southeast Intertie (Swan Lake to Lake Tyee)		20,000,000
Metlakatla Light and Power	Utility Plant and Capital additions		3,000,000
	Subtotal Energy Projects	51,000,000	
	Total Bill		92,875,992

Amendment to CS HB 528 (FIN)

Offered by: Representative Hudson

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Add:

- (c) An appropriation under this section may be used for reimbursement of costs incurred for construction of the Juneau Readiness Center/ UAS Joint Facility for reimbursement of total project costs not to exceed \$5,470,000.**

Explanation:

The Southeast Regional National Guard Readiness Center must relocate, as their lease will expire in 2003. This project is the Army National Guard's number one priority on the Long Range Construction plan and is also UAS's number one priority. The University has provided the land and the site investigation, as well as the preliminary design work has been completed. The proposed joint facility will serve both as a Readiness Center for the Alaska Army National Guard/SE regional headquarters and as a recreational complex for UAS.

Specific Funding Detail

	Federal	State (UAS)	State (DMVA)
<u>Overall Construction Costs:</u>	<u>7,568,000</u>	<u>5,470,000</u>	<u>3,230,000</u>
SLA 98/CH 29 Approp	6,360,000	0	1,630,000
FY 03 DMVA Reapprop.			255,100
FY 03 Capital Budget Request	1,208,000		1,344,900 GF
FY 03 Bond Request		5,470,000	

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Cook
5/2/02

*Adopted
Amended
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CS FOR HOUSE BILL NO. 528(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

*Juneau
Readiness
Center*

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to programs of state reimbursement for debt payments for certain
2 capital projects; and providing for an effective date."

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

4 * Section 1. AS 14.11.100(o) is amended to read:

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

7 (1) may not exceed \$190,644,901 [\$180,064,912]; and

8 (2) after June 30, 1998, and until July 1, 2004, shall be allocated as
9 follows:

10 (A) \$77,897,000 to projects in a municipality with a public
11 school enrollment of 25,000 or more students in fiscal year 2000, as
12 determined under AS 14.17.500;

13 (B) \$14,571,000 to projects in a municipality with a public
14 school enrollment of at least 15,000 but less than 25,000 students in fiscal year

- 1 2000, as determined under AS 14.17.500;
- 2 (C) \$14,143,000 to projects in a municipality with a public
- 3 school enrollment of at least 10,000 but less than 15,000 students in fiscal year
- 4 2000, as determined under AS 14.17.500;
- 5 (D) \$7,429,000 to projects in a municipality with a public
- 6 school enrollment of at least 7,500 but less than 10,000 students in fiscal year
- 7 2000, as determined under AS 14.17.500;
- 8 (E) \$20,712,912 to projects in a municipality with a public
- 9 school enrollment of at least 5,000 but less than 7,500 students in fiscal year
- 10 2000, as determined under AS 14.17.500;
- 11 (F) \$2,660,000 to projects in a municipality with a public
- 12 school enrollment of at least 2,750 but less than 3,000 students in fiscal year
- 13 2000, as determined under AS 14.17.500;
- 14 (G) \$454,000 to projects in a municipality with a public school
- 15 enrollment of at least 2,400 but less than 2,750 students in fiscal year 2000, as
- 16 determined under AS 14.17.500;
- 17 (H) \$46,869,989 [~~\$36,290,000~~] to projects in a municipality
- 18 with a public school enrollment of at least 2,050 but less than 2,400 students in
- 19 fiscal year 2000, as determined under AS 14.17.500;
- 20 (I) \$329,000 to projects in a municipality with a public school
- 21 enrollment of at least 1,700 but less than 1,750 students in fiscal year 2000, as
- 22 determined under AS 14.17.500;
- 23 (J) \$286,000 to projects in a municipality with a public school
- 24 enrollment of at least 650 but less than 725 students in fiscal year 2000, as
- 25 determined under AS 14.17.500;
- 26 (K) \$519,000 to projects in a municipality with a public school
- 27 enrollment of at least 500 but less than 525 students in fiscal year 2000, as
- 28 determined under AS 14.17.500;
- 29 (L) \$2,224,000 to projects in a municipality with a public
- 30 school enrollment of at least 425 but less than 482 students in fiscal year 2000,
- 31 as determined under AS 14.17.500;

1 (M) \$2,550,000 to projects in a municipality with a public
2 school enrollment of at least 290 but less than 305 students in fiscal year 2000.
3 as determined under AS 14.17.500.

4 * Sec. 2. AS 14.40 is amended by adding a new section to read:

5 Sec. 14.40.257. Reimbursement for costs of capital projects. (a) Subject to
6 appropriations for the purpose, during each fiscal year, the legislature may appropriate
7 an amount to reimburse the University of Alaska for the cost paid by the university
8 during the immediately preceding fiscal year for the principal and interest on
9 outstanding debt for the project listed in (b) of this section.

10 (b) An appropriation under this section may be used only for reimbursement
11 of costs incurred for acquisition, construction, and renovation of the University Center
12 project in the Municipality of Anchorage and only for reimbursement of total project
13 costs not to exceed \$14,000,000.

14 * Sec. 3. AS 29.60.700 is amended to read:

15 Sec. 29.60.700. Reimbursement for costs of ports and harbors. (a) Subject
16 to appropriations for the purpose, during each fiscal year, the Department of
17 Transportation and Public Facilities shall allocate to each municipality an amount to
18 reimburse the costs paid by the municipality during the fiscal year two years earlier for
19 the [RETIREMENT OF] principal and interest on outstanding debt [GENERAL
20 OBLIGATION BONDS] for projects listed in (b) of this section. An allocation may
21 be made to a municipality only if

22 (1) the debt was incurred by the municipality [GENERAL
23 OBLIGATION BONDS WERE ISSUED AFTER JULY 1, 2000, AND] before July 1,
24 2007 [2003]; and

25 (2) the port or harbor facility financed with the debt [BOND] proceeds
26 is located in the municipality and the facility is owned and operated by the
27 municipality [;

28 (3) OWNERSHIP OF THE PORT OR HARBOR FACILITY
29 FINANCED WITH THE BOND PROCEEDS HAS BEEN TRANSFERRED FROM
30 THE STATE TO THE MUNICIPALITY BY A TRANSFER AGREEMENT UNDER
31 AS 35.10.120; AND

1 (4) THE STATE HAS COMPLETED A BILL OF SALE
2 TRANSFERRING THE PORT OR HARBOR FACILITY FROM THE STATE TO
3 THE MUNICIPALITY].

4 (b) The Department of Transportation and Public Facilities may make an
5 allocation to a municipality under (a) of this section only for reimbursement of costs
6 incurred for the following port and harbor facility construction and renovation projects
7 and only for reimbursement of total project costs incurred up to the following
8 amounts:

9 PROJECT

10	[KETCHIKAN	\$ 7,000,000
11	PETERSBURG	3,300,000
12	SITKA	4,038,900
13	KLAWOCK	860,000
14	SELDOVIA	2,500,000
15	WHITTIER	1,835,600]
16	Valdez	3,013,500
17	[CORDOVA	4,337,800]
18	Nome	1,000,000
19	<u>Anchorage (Port of Anchorage expansion)</u>	<u>3,000,000</u>
20	<u>Unalaska (LSA small boat harbor)</u>	<u>5,000,000</u>
21	<u>Aleutians East Lake and Peninsula Borough/Akutan (small boat harbor)</u>	<u>4,000,000</u>
22	<u>Lake and Peninsula Borough/Chignik (dock project)</u>	<u>1,000,000</u>
23	<u>Aleutians East Borough/False Pass (small boat harbor)</u>	<u>2,000,000</u>

24 * Sec. 4. AS 42.45 is amended by adding a new section to article 1 to read:

25 Sec. 42.45.065. Reimbursement for costs of power projects. (a) Subject to
26 appropriations for the purpose, during each fiscal year, the authority shall allocate to
27 each entity listed in (b) of this section an amount to reimburse the cost paid by the
28 entity during the immediately preceding fiscal year for the principal and interest on
29 outstanding debt for the project listed. An allocation may be made to an entity only if

30 (1) the debt was incurred before July 1, 2005; and

31 (2) the power project financed with the debt proceeds is owned and

1 operated by the entity.

2 (b) The authority may make an allocation to an entity under (a) of this section
3 only for reimbursement of costs incurred for construction and renovation of the
4 following power projects and only for reimbursement of total project costs incurred up
5 to the following amounts:

6 PROJECT

7	Kodiak Electric Association, Inc. (Nyman Combined	\$ 6,000,000
8	Cycle Cogeneration Plant)	
9	Cordova Electric Cooperative (Power Creek	12,000,000
10	Hydropower Project)	
11	Copper Valley Electric Association, Inc., Valdez	10,000,000
12	(Cogeneration Projects)	
13	The Four Dam Pool Power Agency (Southeast Intertie,	20,000,000
14	Swan Lake to Tyee Lake)	
15	Metlakatla Power and Light (utility plant and capital additions)	3,000,000

16 * Sec. 5. AS 14.11.100(k) is repealed.

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

19 TRANSITION. Notwithstanding AS 42.45.065(a), added in sec. 4 of this Act, the
20 allocation made during fiscal year 2003 to each listed entity shall be the amount to reimburse
21 the cost paid by the entity during fiscal years 1999, 2000, 2001, and 2002 for the principal and
22 interest on outstanding debt for the project listed.

23 * Sec. 7. This Act takes effect July 1, 2002.

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HOUSE BILL 528

Debt Reimbursement for Local Projects

House Bill 528 Provides state reimbursement to local entities for debt incurred for schools and projects that contribute to economic development.

HB 528 provides reimbursement for debt incurred by the Northwest Arctic Borough School District for the replacement of the Ambler school.

To assist in economic development of Alaska, HB 528 provides debt reimbursement for the state share of development of harbors in Unalaska, Akutan, Chignik and False Pass and expansion of the Port of Anchorage. It also provides debt reimbursement for the following energy projects: Nyman Combined Cycle Cogeneration Plant in Kodiak; the Power Creek Hydropower Project in Cordova; the Cogeneration Project in Valdez; and the Southeast Intertie (Swan Lake to Lake Tyee). This debt reimbursement will allow Cordova Electric Cooperative to end its draw on the power cost equalization program.

Reimbursement of the debt incurred for these projects will improve the economic development potential in each of the communities.