

HB

234

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 234(FIN)
 (H) Publish Date: 4/27/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title: Bonds to Fund Public Facilities BRU: Revenue Operations
 Component: Treasury
 Sponsor: House Finance Committee
 Requester: House Finance Committee Component Number: 121

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 (Marketing & Selling Bonds)						
Contractual (Trustee/Paying Agent)	50.0					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Debt Service						
TOTAL OPERATING	50.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts (FHWA)						
1003 GF Match						
1004 GF	50.0					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Project Fund Investment Earnings						
TOTAL	50.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Deven Mitchell, State Debt Manager Phone 465-3750
 Division: Treasury Division Date/Time 04/27/2001, 3 p.m.
 Approved by: Larry Persily, Deputy Commissioner Date 04/27/2001
 Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office

Department of Revenue Fiscal Note and Bill Analysis
CS HB 234 (FINANCE) – April 27, 2001

BOND ISSUE

This legislation authorizes the Department of Revenue to sell 60% of the state's portion of the Master Tobacco Settlement Agreement to the Northern Tobacco Securitization Corporation (a subsidiary of the Alaska Housing Finance Corporation) in exchange for the bond proceeds NTSC is able to generate (less the costs of issuing the bonds and funding the debt service reserve).

Proceeds to the state from the sale to the NTSC of 40% of the state's share of the tobacco settlement will provide funding of at least \$127,529,127 for capital projects after funding a debt service reserve and costs of issuance. This portion of the sale will be a tax-exempt issuance, with an anticipated term of approximately 22 years but with the ability to extend the term to a maximum of over 30 years if revenues are lower than forecast. To the extent that there are residual settlement revenues following the repayment of these bonds, those revenues will revert to the state upon final payment of the bonds.

Proceeds of the remaining 20% of the tobacco settlement will provide funding of at least \$63,635,075 to fund a smoking education and cessation account at the NTSC, with funds from that account available for annual appropriation by the legislature. This portion of the sale will be a taxable issuance with an anticipated term of approximately 20 years, with the ability to extend the term to a maximum of over 30 years. To the extent there are residual settlement revenues following the repayment of these bonds, those revenues will revert to the state upon final payment of the bonds.

FISCAL NOTE COSTS

The \$50,000 in contractual expenses will cover legal and financial services for negotiating the sale of the settlement proceeds.

HB 234 CIP List

DEED CIPs FY02 SCHOOL CONSTRUCTION GRANT FUND				
DEED Rank	School District	Project Name	State Share	Aggregate Amount
1	SW Reg	Tcgiak School Replacement	\$29,182,163	\$29,182,163
2	Bering St	Golovin School Phase III	\$9,888,192	\$39,070,355
Total School Construction CIPs			\$39,070,355	
DEED CIPs FY02 SCHOOL MAJOR MAINTENANCE GRANT FUND				
DEED Rank	School District	Project Name	State Share	Aggregate Amount
1	Petersburg City	Facia/Soffit Repair/Replacement Recovery Of Funds	\$116,236	\$39,186,591
2	Yukon-Koyukuk	Nulato Structural Repairs	\$314,387	\$39,500,978
3	Bering Strait	Shishmaref School Roof Replace/Renovate, Phase III	\$8,342,525	\$47,843,503
4	Iditarod Area	Blackwell School Heating Renovation/Site Repair	\$173,754	\$48,017,257
5	Sitka City Borough	Blatchley Exterior Renovation/Repair	\$346,500	\$48,363,757
6	Chatham	Angoon Elementary School Major Maintenance	\$2,066,257	\$50,430,014
7	Skagway City	Skagway Major Maintenance	\$35,598	\$50,465,612
8	Yupit	Akiak School Repairs	\$177,571	\$50,643,183
9	Pribilof Island	St. George School Remodel	\$4,513,164	\$55,156,347
10	Galena	Project Education Food Service Renovation	\$261,806	\$55,418,153
11	Southwest Region	Clark's Point School Generator Building	\$35,989	\$55,454,142
12	Ketchikan	Schoenbar Renovation	\$4,891,992	\$60,346,134
13	Southwest Region	Koliganek School Improvement	\$451,993	\$60,798,127
14	Juneau City Borough	Juneau Douglas High School Renovation/ADA Upgrade	\$7,000,000	\$67,798,127
Total School Maintenance CIPs			\$28,727,772	
UNIVERSITY OF ALASKA CIPs FY02				
	Campus	Project Name		Aggregate Amount
	UAF	Museum Expansion	\$ 8,000,000	\$ 75,798,127
	UAA	Facilities acquisition/renovation - Anchorage	\$13,000,000	\$ 88,798,127
	UAS	Robertson/Hamilton TechEd Complex - Ketchikan	\$ 1,500,000	\$ 90,298,127
	UAS	Egan Classroom	\$ 2,000,000	\$ 92,298,127
Total University CIPs			\$ 24,500,000	
PORTS & HARBOR FACILITIES/PROJECTS				
	Community	Facility/Project Name		Aggregate Amount
	Whittier	Whittier Small Boat Harbor	\$2,449,000	\$ 94,747,127
	Valdez	Valdez Small Boat Harbor	\$3,212,000	\$ 97,959,127
	Seldovia	Seldovia Small Boat Harbor	\$2,628,000	\$ 100,587,127
	Petersburg	North Harbor, Middle Harbor, South Harbor	\$3,729,000	\$ 104,316,127
	Ketchikan	Thomas Basin, Ryus Float, Bar Harbor South, Bar Harbor North, Hole-in-the-Wall Harbor, Knudsen Cove Harbor	\$7,876,000	\$ 112,192,127
	Sitka	Thomsen Harbor, Crescent Harbor, Sealing Cove Harbor	\$4,469,000	\$ 116,661,127
	Cordova	Cordova Harbor	\$4,876,000	\$ 121,537,127
	Wrangell	Standard Harbor, Reliance Harbor, Inner Harbor Fish & Game Dock, Shoemaker Harbor	\$3,492,000	\$ 125,029,127
	Nome	Nome Harbor and Dock	\$2,000,000	\$ 127,029,127
	Adak	Adak Boat Harbor	\$500,000	\$ 127,529,127
Total Ports/Harbor			\$35,231,000	

HB234 CIP List

DEED CIPs FY02 SCHOOL CONSTRUCTION GRANT FUND							
DEED Rank	School District	Project Name	Amount Requested	Eligible Amount	Participating Share	State Share	Aggregate Amount
1	SW Reg	Toglak School Replacement	\$34,716,822	\$29,777,717	\$595,554	\$29,182,163	\$29,182,163
2	Bt Ct	Golovin School Phase III	\$10,100,968	\$10,089,992	\$201,800	\$9,888,192	\$39,070,355

DEED CIPs FY02 SCHOOL MAJOR MAINTENANCE GRANT FUND							
DEED Rank	School District	Project Name	Amount Requested	Eligible Amount	Participating Share	State Share	Aggregate Amount
1	Petersburg City	Fascia/Soffit Repair/Replacement Recovery Of Funds	\$166,051	\$166,051	\$49,815	\$116,236	\$39,186,591
2	Yukon-Koyukuk	Nulato Structural Repairs	\$400,600	\$320,803	\$6,416	\$314,387	\$39,500,978
3	Bering Strait	Shishmaref School Roof Replacement & Renovation, Phase III	\$7,792,864	\$8,512,781	\$170,256	\$8,342,525	\$47,843,503
4	Iditarod Area	Blackwell School Heating Renovation/Site Repair	\$177,300	\$177,300	\$3,546	\$173,754	\$48,017,257
5	Sitka City Borough	Blatchley Exterior Renovation/Repair	\$495,000	\$495,000	\$148,500	\$346,500	\$48,363,757
6	Chatham	Angeon Elementary School Major Maintenance	\$2,985,826	\$2,108,425	\$42,168	\$2,066,257	\$50,430,014
7	Skagway City	Skagway Major Maintenance	\$54,766	\$54,766	\$19,168	\$35,598	\$50,465,612
8	Yupit	Akiak School Repairs	\$181,195	\$181,195	\$3,624	\$177,571	\$50,643,183
9	Pribilof Island	St. George School Remodel	\$4,605,269	\$4,605,269	\$92,105	\$4,513,164	\$55,156,347
10	Galena	Project Education Food Service Renovation	\$296,090	\$275,585	\$13,779	\$261,806	\$55,419,153
11	Southwest Region	Clark's Point School Generator Building	\$36,723	\$36,723	\$734	\$35,989	\$55,454,142
12	Ketchikan	Schoenbar Renovation	\$8,196,031	\$6,988,560	\$2,096,568	\$4,891,992	\$60,346,134
13	Southwest Region	Kolliganek School Improvement	\$461,217	\$461,217	\$9,224	\$451,993	\$60,798,127
14	Juneau City Borough	Juneau Douglas High School Renovation/ADA Upgrade	\$12,995,912	\$12,995,912	\$3,898,774	\$7,000,000	\$67,798,127
						\$28,727,772	

UNIVERSITY OF ALASKA CIPs FY02							
	Campus	Project Name	Amount Requested				Aggregate Amount
	UAF	Museum Expansion - Fairbanks	\$ 8,000,000				\$ 75,798,127
	UAA	Facilities acquisition/renovation - Anchorage	\$13,000,000				\$ 86,798,127
	UAS	Robertson/Hamilton TechEd Complex - Ketchikan	\$ 1,500,000				\$ 90,298,127
	UAS	Egan Classroom - Juneau	\$2,000,000			\$ 24,500,000	\$ 92,298,127

PORTS & HARBOR FACILITIES/PROJECTS							
	Community	Facility/Project Name	Amount Requested				Aggregate Amount
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	Valdez	Valdez Small Boat Harbor	\$3,212,000				\$ 97,959,127
	Seldovia	Seldovia Small Boat Harbor	\$2,628,000				\$ 100,587,127
	Petersburg	North Harbor, Middle Harbor, South Harbor	\$3,729,000				\$ 104,316,127
	Ketchikan	Thomas Basin, Ryus Float, Bar Harbor South, Bar Harbor North, Hole-in-the-Wall Harbor, Knudson Cove Harbor	\$7,876,000				\$ 112,192,127
	Sitka	Thomsen Harbor, Crescent Harbor, Sealing Cove Harbor	\$4,469,000				\$ 116,661,127
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	Nome	Nome Harbor and Dock	\$2,000,000				\$ 127,029,127
	Adak	Adak Boat Harbor	\$500,000			\$35,231,000	\$ 127,529,127

Department of Revenue Fiscal Note and Bill Analysis
CS HB 234 (FINANCE) – April 27, 2001

BOND ISSUE

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Proceeds of the remaining 20% of the tobacco settlement will provide funding of at least \$63,635,075 to fund a smoking education and cessation account at the NTSC, with funds from that account available for annual appropriation by the legislature. This portion of the sale will be a taxable issuance with an anticipated term of approximately 20 years, with the ability to extend the term to a maximum of over 30 years. To the extent there are residual settlement revenues following the repayment of these bonds, those revenues will revert to the state upon final payment of the bonds.

FISCAL NOTE COSTS

The \$50,000 in contractual expenses will cover legal and financial services for negotiating the sale of the settlement proceeds.

HALL CONSULTING
 PO BOX 770246
 EAGLE RIVER, AK 99577
 907-688-3667 PHONE
 907-688-2852 FAX
 MALLIE@COMPUSERVE.COM

Sen. Green

TRANSMITTAL SHEET

FROM:

Joelle Hall

DATE:

05/03/01

TOTAL NO. OF PAGES INCLUDING COVER:

PHONE NUMBER:

SENDER'S REFERENCE NUMBER:

RE:

YOUR REFERENCE NUMBER:

Tobacco Funds in HB 234

- URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE

I am writing today to urge your support for the tobacco money included in HB 234. Some larger share of the tobacco money than what is spent now should be spent on tobacco prevention and cessation. This 20% proposal, although not all the problem deserves is much better than the 1.4 in the budget now. Please support the tobacco provision of this bill... Thousands of Alaskan children are counting on you!

Joelle Hall

Joelle Hall
 PO Box 770246
 Eagle River, AK 99577
 688-3667

SENATOR LYDA GREEN

CONSTITUENT & PHONE MESSAGE CONTACT FORMName: Margaret Lanier Date: 5/3/01Phone: 743-6109 VR: 13-277 NAddress: 1439 P Street #2 Anchorage, AK 99501

Message: HB 234: Tobacco Settlement Money. She would like to see 20% of tobacco settlement monies go toward tobacco prevention.

Check if No Response Needed - Message Only. Message Taken by: srh

Lyda's Response/Staff Instructions:

SENATOR LYDA GREEN

CONSTITUENT & PHONE MESSAGE CONTACT FORM

Name: Tim Jester Date: 5/3/01

Phone: _____ VR: 21-395 G

Address: 1513 Kinnikinnick Street #2 Anchorage, AK 99508

Message: HB 234: Tobacco Settlement Money. Tim supports 20-30% of tobacco settlement monies going toward tobacco prevention.

Check if No Response Needed - Message Only. Message Taken by: srh

Lyda's Response/Staff Instructions: _____

Providence Alaska
Medical Center

Heart Center
"Premier Heart Care in Alaska"

3200 Providence Drive
P.O. Box 196604
Anchorage, Alaska
99519-6604

Tel 907.261.3065
Fax 907.261.3683



Dear Sir or Madam:

I am writing in reference to Bill number HB 234. I want to urge legislators to maintain the 20% for tobacco prevention and control. I feel this is an important investment in Alaska's future.

I have spent the majority of my professional career trying to ameliorate the ravaging effects of tobacco abuse. Please support the increase in funding. Thank you for your efforts.

Patrick Lara
Clinical Manager, Cardiology and Disease Management
Providence Alaska Medical Center
Anchorage Alaska 99508
907-261-5815



Hope. Progress. Answers.

May 3, 2001

Senator Lyda Green
State Capitol
Juneau, AK 99801-1182

Senator:

On behalf of the Alaska Office of the American Cancer Society, and as director of our Prevention Programs which endorse the ATCA Tobacco Control Plan for our State, I encourage you to keep the 20% for tobacco prevention and control in HB 234.

Our Statewide volunteers have come forward supporting legislated funding for changing the health devastation that use of tobacco products has brought to their family, friends and neighbors. The health care expenses of the future can be reduced by your retention of tobacco control dollars in HB 234.

Thank you.

Sincerely,

Jill Gates
Community Cancer Control Manager
Prevention/Advocacy

FOR CANCER INFORMATION OR TO MAKE A MEMORIAL DONATION, CALL 1-800-ACS-2345
2120 FIRST AVE. N., P.O. BOX 19140, SEATTLE, WA 98109-1140
206-283-1152 • 1-800-729-1151 • FAX 206-285-3468 • <http://www.cancer.org>

Jeeni Jurvig
12810 Huffman Circle
Anchorage, Alaska 99516

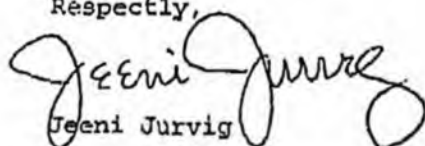
May 3, 2001

Re: HB 234

Dear Senator Green,

I strongly encourage you to maintain the 20% funding level for tobacco prevention and control. These funds will be an important investment in Alaska's future. This is an opportunity to fund tobacco at some level before the revenue stream is gone and is essential to the health of Alaskans. Your constituents are invested in this issue and need your help to promote funding.

Respectfully,


Jeeni Jurvig



NATIVE VILLAGE OF EKLUTNA
CONFIDENTIAL
FAX TRANSMITTAL

DATE: 5/1/01

TO: AK Senate FROM: Debra Ann

TITLE: NATIVE VILLAGE OF EKLUTNA
26339 EKLUTNA VILLAGE RD,
CHUGIAK, ALASKA 99567
FAX#: _____ TELEPHONE (907) 688-6020
FAX (907) 688-6021

TOTAL PAGES: 2 (INCLUDES TRANSMITTAL SHEET)

REFERENCE TO: _____

MESSAGE: _____

Confidentiality Notice

This transmission is intended only for the individual(s) to whom it is addressed, and may contain information that is privileged and confidential. If the reader of this message is not the intended recipient, you are hereby notified that disclosure, distribution or copying of this information is strictly prohibited. If you have received this transmission in error, you may not read the information contained within. Please notify the sender of the error immediately at the listed phone number, fax number, and/or address. Thank You.



May 3, 2001

NATIVE VILLAGE OF EKLUTNA

Senator Lyda Green
State Capitol
Juneau, AK 99501-2133

Dear Senator Green,

I am aware that a hearing is scheduled today regarding House Bill 324. It is my understanding that this bill includes 20% of the tobacco settlement money to be designated for tobacco prevention and control.

The burden of tobacco addiction and associated disease takes a heavy toll on all Alaskans. We all know people who use tobacco, and sadly most of us know of individuals who have become chronically ill, or died from tobacco related diseases.

The tobacco settlement funds provide the potential for adequate resource allocation for the prevention the of tobacco use. In addition funds can support efforts to assist those addicted to nicotine to quit this potentially debilitating, life threatening habit.

I am very thankful for your consideration.

Sincerely,

Deborah J. Till, ANP, MS
Health Director



Ketchikan General Hospital
Recovery Center

Tel (907) 247-4330

Fax (907) 247-4293

1,907 247 4293
Ketchikan, AK 99901

Fax Transmittal

Attention:

Sen. Green

Fax Number

Company

Telephone Number

Number of pages

2

Original Sent Via Mail

Yes No

From:

Date:

Confidential

The information contained in the fax message is intended only for the personal and confidential use of the designated recipient(s) named above. This message may be counselor-client communication, and as such is privileged and confidential. If the reader of this message is not the intended recipient, you are hereby notified that you have received this document in error, and that any review, dissemination, distribution, or copying of this message is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message by mail.

Medical Record Information

This notice accompanies a disclosure of information concerning a client in alcohol/drug abuse treatment, made to you with the consent of such client. This information has been disclosed to you from records protected by Federal confidentiality rules, (42 CFR Part 2). The Federal rules prohibit you from making any further disclosure of this information unless further disclosure is expressly permitted by the written consent of the person to whom it pertains or as otherwise permitted by the written consent of the person to whom it pertains or as otherwise permitted by 42 CFR Part 2. A general authorization for the release of medical or other information is NOT sufficient for this purpose. The Federal rules restrict any use of the information to criminally investigate or prosecute any alcohol or drug abuse patient.

Comments:



PeaceHealth

Ketchikan
General Hospital

5-3-01

Dear Senator,

I work for Ketchikan General Hospital, and have just started a Tobacco Cessation Clinic to help people to quit smoking. The support for and interest in this program has been overwhelming. I urge you to maintain the 20% for tobacco prevention and control. The Center for Disease Control recommends a minimum of 8.1 million per year for these programs. Please do your part to keep Alaskans alive and healthy!

Thank you for your consideration,

Rebecca Kleinschmidt

3100 Tongass Ave.
Ketchikan, AK 99901-5791

Tel. (907) 225-5171



Alaska Dental Society, Inc.

9170 Jewel Lake Road, Suite 203
Anchorage, Alaska 99502-5390
(907) 563-3009 • FAX: 563-3009

FAX MESSAGE

DATE: Thursday, May 3, 2001

SENT TO: Senate HESS Committee Members

FROM: Martha A. Reinbold, Executive Director

FAX NUMBER: Sen. Lyda Green 465-3805 - Sen. Bettye Davis 465-3756 - Sen. Loren Lemar 465-3810 - Sen. Jerry Ward 465-3766 - Rep. Gary Wilken 465-4714

TOTAL PAGES:

Dear Committee Members: The Alaska Dental Society would like to urge passage out of Senate HESS of HB 234 - An Act relating to the tobacco use education and cessation fund...etc.

Tobacco use is a dental problem also and with 41% of high school boys and 39% of high school girls (in AK) actively using tobacco in all forms - the issue is chronic, multi-cultural and deadly. At our just completed annual session, Dr. Arden Christen attended to present a program on smoking cessation. He is a nationally known (dentist) speaker on this issue and maintains a private practice in Indiana strictly limited to smoking cessation. His premise was that the success of any tobacco dependence treatment strategy cannot be divorced from the health care system in which it is embedded. Consistently effective tobacco interventions require coordinated activities on every level - from health care to insurance coverage, to counseling, to educational programs, to pharmacological interventions, etc. With these thoughts in mind, the members of our organization passed the following resolution on Saturday, April 28th. I believe it was previously faxed to all legislators.

Whereas the State of Alaska collects 49 million dollars in tobacco tax each year and;

Whereas the State of Alaska, in addition, collects 25 million dollars a year from the lawsuit against tobacco companies based upon its health care costs, including oral health care, to our state and our people;

Whereas the State of Alaska has at least the same responsibility to promote quality preventive health care as indeed the tobacco companies have liability for ill health care costs.

Be it resolved by the membership of the Alaska Dental Society that the Alaska Legislature and Governor provide at least the 8.1 million dollars minimum suggested by the Centers for Disease Control for the purpose of tobacco prevention programs in the State of Alaska.

Signed: Thomas G. Hipsher, DDS, President, Alaska Dental Society
Richard C. Gregorin, DDS, President - Elect, Alaska Dental Society
Martha A. Reinhold, Executive Director, Alaska Dental Society

KGH RECOVERY CENTER
ALASKANS FOR DRUG FREE YOUTH
126 Washington Street
Ketchikan, AK 99901
(907) 247-4330/2273
(907) 247-4293 FAX

Fax

To: Sen. Lyda Green	From: Patti Green—Prevention Educator
Fax: 907-465-3805	Pages: 1
Phone:	Date: 05/03/01
Re: Bill number: HB 234	CC:

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

● **Comments:**

PLEASE MANINTAIN THE 20% FOR TOBACCO PREVENTION AND CONTROL.

TOBACCO IS THE NUMBER ONE HEALTH RISK TO ALASKANS. TAKE THIS OPPORTUNITY TO INVEST IN THE FUTURE OF ALASKANS BY SAVING LIVES AND GIVING HOPE TO OUR FUTURE GENERATIONS.

OUR CONSTITUENTS—KETCHIKAN GENERAL HOSPITAL AND KETCHIKAN GATEWAY BOROUGH HAVE PASSED RESOLUTIONS IN SUPPORT OF THIS.



PeaceHealth

**Ketchikan
General Hospital**

May 3, 2001

Sen. Lyda Green,

There is a House Bill - #234- that has 20% of tobacco settlement money for tobacco prevention programs currently in the bill. I would like to urge you to maintain the moneies allocated in this bill toward the tobacco prevention and control. Alaska's future is being laid now and we need to take this opportunity fund programs before the revenue is unavailable. Please take a look at this Bill and make certain it makes it through with the 20% of tobacco settlement intact. Thank You.

Sincerely,

A handwritten signature in cursive script that reads "William S. Hardy" followed by a small circular mark.

William S. Hardy, Program Coordinator
KGH Recovery Center

3100 Tongass Ave.
Ketchikan, AK 99901-5791

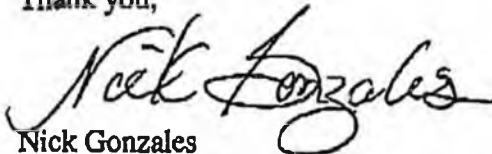
Tel (907) 225-5171

Sen. Loren Leman
Sen. Jerry Ward
Sen. Gary Wilken
Sen. Betty Davis
Sen. Lyda Green

To the Members of Senate Health, Education and Social Services Committee:

Regarding HB 234, I would like to ask you to support the idea of funding \$8.1 million dollars for tobacco prevention and cessation. Please put this on the table and allow it to be voted on. This is an important investment towards Alaska's future. **OUR CHILDREN** need to hear from you today that this is important enough for all of us to take a bold step.

Thank you,



Nick Gonzales
817 Price Street
Anchorage, AK 99508

Kodiak Area Native Association



3449 E. Rezanof Drive
Kodiak, AK 99615
Phone (907) 486-9800

May 3, 2001

Senator Loren Leman
Senator Jerry Ward
Senator Gary Wilken
Senator Betty Davis
Senator Lyda Green
Senate Health, Education, and Social Services Committee
Washington, D.C. 20515

RE: House Bill 234

Dear Senators:

On behalf of the Kodiak Area Native Association Board of Directors, I urge you to maintain the 20 percent of tobacco settlement money for tobacco prevention and control. This is an important investment in Alaska's future, and our organization represents constituents who care about these issues.

Thank you for your consideration.

Sincerely,

KODIAK AREA NATIVE ASSOCIATION

Carroll Mortenson acting President

for Rita L. Stevens
President/Chief Executive Officer

RLS:bb

HB 239

HB 239

Alaska House of Representatives

Richard Foster
P.O. Box 1630
Nome, AK 99762
907-443-5036
Fax 907-2162



During Session
State Capitol Rm. 410
Juneau, AK 99801-1182
907-465-3789
Fax 907-465-3242

Majority Whip

To: Senator Lyda Green, Chair
Health & Social Services Committee
From: Rep. Richard Foster *RF*
Re: Scheduling HB 239 *RF*
Date: April 30, 2001

I respectfully request that the Senate Health & Social Services Committee schedule HB 239 "An Act establishing a pilot program for a regional learning center."

Attached are the sponsor's statement and the fiscal note. There are also letters of support from the Nome Common Council, and a letter outlining the anticipated scope of the program from Dr. John Davis, Superintendent of the Bering Strait School District.

Thank you for your consideration.

Alaska House of Representatives

Richard Foster
P.O. Box 1630
Nome, AK 99762
907-443-5036
Fax 907-2162



During Session
State Capitol Rm. 410
Juneau, AK 99801-1182
907-465-3789
Fax 907-465-3242

Majority Whip

HB 239

"An Act establishing a pilot program for a regional learning center"

Sponsor's Statement

The Twenty-first Alaska Legislature through the Legislative Budget and Audit Committee (LB&A) hearings found indications of broad support for regional learning centers. Several communities have expressed interest in creating regional boarding programs focused on the special interests of their region.

The LB&A meeting in Nome helped create a renewed interest in the possibility of a regional boarding school that would teach vocational skills and other job related and living skills that are not available in the high schools of small isolated communities.

The Bering Strait School District and the Nome City School District have been exploring the feasibility of a cooperative program that would utilize the existing Nome Beltz School complex to develop and operate a pilot regional learning program.

The Bering Strait School District and the Nome Common Council have both taken actions to support the creation of a pilot program and to seek federal funding to help cover program planning and initial operation costs.

A conceptional overview of the program is contained in the March 20, 2001 letter from, Dr. John Davis, Superintendent of the Bering Strait School District. The April 26, 2001 letter from Mary Knodel, Nome Common Council Member also helps to define and support the concept.

Alaska House of Representatives

Richard Foster
P.O. Box 1630
Nome, AK 99762
907-443-5036
Fax 907-2162



During Session
State Capitol Rm. 410
Juneau, AK 99801-1182
907-465-3789
Fax 907-465-3242

Majority Whip

The initial program being discussed is not a traditional yearlong boarding program. Courses would be taught in short concentrated blocks, some as short as one or two weeks in length. Students, as part of their *urban survival skill* training would be responsible for meal planning, shopping and preparing their breakfast and evening meals in a cooperative home-style kitchen. It is anticipated that about 200 juniors and seniors from small rural high schools would participate in the program each year. Some students might be brought in for more than one program during the course of the school year.

The discipline problems that have been associated with past boarding programs should be minimal since students will have to compete to be in the program and can be sent home at any time. It is anticipated that classes will be scheduled for at least six days a week. Classes such as driver training and water safety can easily be taught on weekends.

Work-Study opportunities would allow students to become familiar with a variety of occupations that are available in a regional hub such as Nome. They could work with a full range of retail and transportation businesses, State and Federal agencies, State and City police departments, broadcasting, Hospital and Health Care programs, programs operated by the area nonprofit native corporation and the University of Alaska regional center.

Students from Nome would also benefit from the learning center. Nome students have many of the opportunities already enumerated, but by pooling the resources of the two school districts; additional programs that neither district could afford independently can be cooperatively developed. If the pilot program is successful, the possibilities are almost limitless.

The districts have expressed a willingness to report their progress to the Department of Education and to the Legislature during the Pilot Program and have consented to contract for a third-party evaluation before the program sunsets. If the concept is successful it could serve as a model for other interested school districts.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 239
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
 Title: An Act establishing a pilot program for a BRU: K-12 Support
regional learning center. Component: Boarding Home Grants
 Sponsor: Rep. Foster
 Requester: House Special Committee on Education Component Number: 148

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						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	75.0	311.0	311.0	311.0	0.0	0.0
Miscellaneous						
TOTAL OPERATING	75.0	311.0	311.0	311.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	75.0	311.0	311.0	311.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	75.0	311.0	311.0	311.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation would require the department to develop a pilot program for a regional learning center within the Bering Strait School District. The department would establish a contract with a school district to operate the pilot regional learning center. The contract would require the school district to provide the department with periodic reports as to the progress of the pilot project including an assessment of student performance as it relates to the implementation of the project. Estimated cost include a planning grant of \$75,000 in FY02. Operational grants for FY03 through FY05 will be \$311,000 annually. See attached analysis.

Prepared by: Eddy Jeans, School Finance Manager
 Division: Education Support Services
 Approved by: Bruce Johnson, Deputy Commissioner of Education
 Agency: Education & Early Development

Phone 465-8679
 Date/Time 4/24/01 12:00 AM
 Date 4/25/01

For distribution information, call the Governor's Legislative Office

Fiscal Analysis of HB 239

1) Provides for 2 full time house parents.	\$120,000
2) 1 Program Coordinator	75,000
3) Transportation for students 20 student X 40 units X \$300	60,000
4) Food	<u>56,000</u>
20students X <u>40</u> units X 7 days X \$10	\$311,000

4 weeks
X
10 units

DISTRICT OFFICE

BERING STRAIT SCHOOL DISTRICT

P.O. BOX 225
UNALAKLEET, ALASKA 99684-0225
(907) 624-3611

20 March, 2001

The Honorable Richard Foster
The House of Representatives
Alaska State Capitol
Juneau AK 99801-1182

BREVIG MISSION

COUNCIL

Dear Representative Foster:

DIOMEDE

ELIM

GAMBELL

GOLOVIN

KOYUK

SAINT MICHAEL

SAVOONGA

SHAKTOOLIK

SHISHMAREF

STEBBINS

TELLER

UNALAKLEET

WALES

WHITE MOUNTAIN

Over the past two months, the Bering Strait School District and the Nome City School District have begun discussions about working together to better serve the students in the region. This letter is to serve as an introduction to our discussions.

The school districts have been talking about developing a regional learning center located in Nome. The learning center would use the available space at the Nome Beltz High School. It would be necessary to refurbish and rehabilitate the student housing and the vocational education facilities.

The two school districts will be seeking support to provide program development for a demonstration project, support to operate the program and funding to remodel living quarters and classroom space.

The primary goal of the center is to support and supplement the local high school programs by expanding the career awareness and skills of students. Eventually, we envision a program that would support the educational program for high school age students and young people looking to complete their high school program or begin training for a career.

The Bering Strait region has several career opportunities that now require significant importation of qualified staff from out of the region and even out of the state. These areas are education, health care, transportation (aviation) and government services (law enforcement). We believe that the development of a program to help introduce students to career opportunities will enhance the region's ability to fill these jobs with local students.

The second aspect of this program is the development of the residential component. Our goal will be to develop a program that will prepare young people to learn the needed skills to live and work independently. In addition, the program will help students earn the basic skills required of a person entering the work force or apprentice program. Currently most apprentice programs require a high school diploma and achievement of the age 18.

The center would expand the opportunity for the public school system, social service agencies (Kawerak), economic develop organizations (NSEDG) and the

DISTRICT OFFICE

BERING STRAIT SCHOOL DISTRICT

P.O. BOX 225
UNALAKLEET, ALASKA 99684-0225
(907) 624-3611

community college to coordinate and maximize services now being provided in the region.

I hope this gives you an overview of our early discussions. Your support and recommendations about how we might generate the required support would be appreciated.

Should you or your staff have any question, please let me know.

BREVIG MISSION

COUNCIL

DIOMEDE

ELIM

GAMBELL

GOLOVIN

KOYUK

SAINT MICHAEL

SAVOONGA

SHAKTOOLIK

SHISHMAREF

STEBBINS

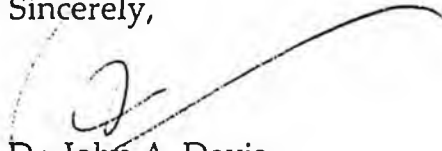
TELLER

UNALAKLEET

WALES

WHITE MOUNTAIN

Sincerely,



Dr. John A. Davis
Superintendent

cc: C. Weyiouanna, Pres., B&SD Board
S. Swope, Supt., Nome CSD
Nome City Council



CITY OF NOME

Celebrating 100 Years of Gold Rush History

Incorporated April 9, 1901

April 26, 2001

The Honorable Richard Foster
State House of Representatives
State Capital, Room 410
Juneau, AK 99801-1182

Dear Representative Foster,

We are writing in response to a letter dated April 23, 2001, from Ms. Loretta Bullard concerning House Bill 239. It is often hard to realize that we are all working for the same goal; the betterment of life in rural Alaska. We would like to clarify and spell out the original intentions of the development of a **Regional Learning Center** located in Nome.

A large group of concerned citizens and parents met with the Legislative Budget and Audit Committee when they were in Nome. The opinion expressed by the citizens and parents was that improved education in rural Alaska is crucial to the development of our children. The group expressed the need to explore any alternative educational opportunities.

The Bering Straits School District in a progressive move directed their administration to meet with representatives of Nome Public Schools. Dr. John Davis, the Superintendent of Schools for Bering Straits met with the Nome School District and representatives of the City of Nome. At this meeting a unanimous decision was voiced that the development of a Regional Learning Center in Nome would be beneficial to all citizens of the Bering Straits Region for the following reasons:

1. Enhance vocational education career awareness and other specialized classes for grades 10-12 and young adults ages 17-20 years (grades 13-14).
2. Support and supplement local high school programs by expanding vocational skills and career awareness of students.
3. Support young people who are looking to complete high school or begin training for a career or profession.

4. Introduce and train students for career opportunities that will enhance the Region's ability to fill jobs, which are currently being filled by qualified staff who are imported from outside the Region or the state.
5. Create an emphasis on the areas of career preparation for education (teaching and administration), health care (health aides, nurses, Physician Assistants, Doctors), transportation (aviation including pilots and aircraft mechanics), skilled craft persons (office workers, water plant operators, sewage treatment plant operators, carpenters, electricians, small engine repairmen) and governmental services (law enforcement, including VPSO's city policemen, State Troopers). These are areas that the members of the Bering Straits School Board have identified and the Nome School District agrees with.
6. Develop a program that will help students learn the basic skills needed to live and work independently in a larger setting other than the village. This type of development is essential to further career enhancement.
7. Allow Regional agencies a forum to coordinate and maximize services now being provided in the region.

It has always been the intent of this group to implement this project on a small scale and work forward. The initial programs being discussed are driver education and swimming lessons.

The idea of a traditional "Regional Board School" was discussed only to indicate that it did not work and would not be the direction to take. It was the intent to use the apartment facility at Nome-Beltz to house the students and house parents for short durations of three to nine weeks. This arrangement will provide instruction on the necessary living skills to make the transition easier for village students to move on to further career development.

The use of the large trade shops at the Nome-Beltz High School would help introduce all students to different types of trades. It also intends to offer students who are interested in a specific subject that is not or cannot be taught in their current high school, the opportunity to receive the specific instruction.

House Bill 239 is needed to assist in sending the State portion of school funding with the students as they attend school in the Bering Straits School District or in the Nome Public Schools. In addition, it will assist in the establishment of funding for transportation and housing needs of the students. This is a fiscal hurdle that neither Bering Straits School District or the Nome Public School can absorb financially.

Even though the partners in the Bering Straits Region and the Legislature may not voice the need in the same manner, we are all envisioning the same program.

Honorable Richard Foster

April 26, 2001

We find it very encouraging that the Bering Straits School District School Board initiated these discussions. The parents and citizens of this region want and deserve improvement to the educational system.

We thank you for your support and continued efforts in helping to improve rural Alaska and especially appreciate your efforts to improve the educational opportunities of this region.

Respectfully,
CITY OF NOME



Mary Knödel
Nome Common Council Member

Cc: Senator Donny Olson
Mayor & Nome Common Council
John Davis, Superintendent, Bering Strait School District
Gloria Karmun, President, Nome Public School Board
Mike Babb, Director, Northwest Campus
Eugene Asicksik, President, Norton Sound Economic Development Corporation
Tim Towarak, Bering Strait Native Corporation
Loretta Bullard, President, Kawerak, Inc.
IRA & Traditional Councils



CITY OF NOME

Celebrating 100 Years of Gold Rush History

Incorporated April 9, 1901

March 15, 2001

The Honorable Richard Foster
Alaska State Legislature
State Capital, Room 410
Juneau, Alaska 99801-1182

Dear Representative Foster:

On behalf of the City of Nome, Alaska, I wish to state our strong support for a Regional Learning Center in Nome.

A Regional Learning Center would be a new type of residential educational institution that will provide both college preparatory, college level, and vocational training to students in grades 11 through 14. The Learning Center will expose junior and senior high school students to college level expectations and allow those who desire a university education a longer transition from rural villages to education in urban Alaska.

Our regional education leaders who are closely acquainted with the career educational needs of our students are highly excited about the proposal and opportunity to improve and enhance the quality of education at the secondary and post-secondary levels. Being fully aware that a great majority of Nome students do not progress on to college (due to the high costs of tuition, boarding and travel to Anchorage, Juneau or Fairbanks and the impracticalities of leaving in their families for great lengths of time), educators see the program offerings at the Nome-Beltz complex as attractive options for individuals to acquire career skills and become qualified, credible members of the Alaskan job force.

Nome already has an institutional advantage on which we can build at our Nome-Beltz school complex and a University of Alaska-Fairbanks campus site. Siting such a program in Nome makes sense due to the size of the population in our region, the transportation hub and municipal infrastructure resources in place, as well as the fact the City provides tax-generated fiscal support to education programs.

The City of Nome has prepared a concept document which provides information on renovation costs, student projections, curriculum and conceptual operations budget to convert and utilize the William E. Beltz facility as a regional learning/vocational education center.

We are working closely with the Bering Straits School District to develop a Regional Learning Center pilot project for the benefit of all students in our region. We stand by prepared to assemble additional information at your request.

Sincerely,
CITY OF NOME

Leo B. Rasmussen
Mayor

Lisa Fitzpatrick
2022 Iliamna Ave.
Anch., AK 99517
vr: 13-201/N

Subject: CS HB 234 - Tobacco Education and Cessation Fund

Date: Fri, 04 May 2001 10:04:00 -0800

From: lisa fitzpatrick <lmf@alaska.net>

To: Senator_Randy_Phillips@legis.state.ak.us,
Senator_Ellis <Senator_Johnny_Ellis@legis.state.ak.us>,
Senator Alan Austerman <Senator_Alان_Austerman@legis.state.ak.us>,
Senator Bettye Davis <Senator_Bettye_Davis@legis.state.ak.us>,
Senator Dave Donley <Senator_Dave_Donley@legis.state.ak.us>,
Senator Donny Olson <Senator_Donny_Olson@legis.state.ak.us>,
Senator Drue Pearce <Senator_Drue_Pearce@legis.state.ak.us>,
Senator Elton <Senator_Kim_Elton@legis.state.ak.us>,
Senator Gary Wilken <Senator_Gary_Wilken@legis.state.ak.us>,
Senator Gene Therriault <Senator_Gene_Therriault@legis.state.ak.us>,
Senator Georgianna Lincoln <Senator_Georgianna_Lincoln@legis.state.ak.us>,
Senator Halford <Senator_Rick_Halford@legis.state.ak.us>,
Senator Jerry Ward <Senator_Jerry_Ward@legis.state.ak.us>,
Senator John Cowdery <Senator_John_Cowdery@legis.state.ak.us>,
Senator Lemman <Senator_Loren_Lemman@legis.state.ak.us>,
Senator Lyda Green <Senator_Lyda_Green@legis.state.ak.us>,
Senator Lyman Hoffman <Senator_Lyman_Hoffman@legis.state.ak.us>,
Senator Pete Kelly <Senator_Pete_Kelly@legis.state.ak.us>,
Senator Taylor <Senator_Robin_Taylor@legis.state.ak.us>,
Senator Torgerson <Senator_John_Torgerson@legis.state.ak.us>

Members of the Senate - I urge the Senate Finance Committee and, thereafter, the members of the Senate body to pass the pending legislation containing the amendment regarding the Tobacco Education and Cessation Fund. This amendment is an important step toward preventing Alaska's children from becoming addicted to tobacco and will ultimately benefit all Alaskans.

Thank you.

SENATE COMMITTEE REPORT

DATE: 4/30/01

FURTHER: Finance

DATE TURNED IN TO OFFICE: 05/04/01

Health, Education and Social Services Committee considered CS FOR HOUSE BILL NO. 234(FIN) am
BONDS TO FUND PUBLIC FACILITIES

and recommends:

- be replaced with SCS CS HB 234 (HES)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

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

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Revenue	4/27/01	x		1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Greg D. Stunaw</i>				<input checked="" type="checkbox"/>
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>		<input checked="" type="checkbox"/>		
CHAIR: <i>[Signature]</i>			<input checked="" type="checkbox"/>	

22-LS0863\R
Cook
5/2/01

SENATE CS FOR CS FOR HOUSE BILL NO. 234(HES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the tobacco use education and cessation fund and to smoking
2 education and cessation programs; relating to funding the tobacco use education and
3 cessation fund; relating to financing of construction and major maintenance of public
4 school facilities, facilities for the University of Alaska, and facilities for ports and
5 harbors; authorizing the commissioner of revenue to sell the right to receive a portion of
6 the anticipated revenue from a tobacco litigation settlement to the Northern Tobacco
7 Securitization Corporation; relating to the deposit of certain anticipated revenue from a
8 tobacco litigation settlement; authorizing the issuance of bonds by the Northern
9 Tobacco Securitization Corporation with proceeds to finance public school construction
10 and major maintenance, facilities for the University of Alaska, and facilities for ports
11 and harbors; and providing for an effective date."

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

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

3 FINDINGS; INTENT. (a) Except for the harbors and docks in Nome and Adak, the
4 facilities described in sec. 4(c)(3) of this Act are currently owned by the state and are in need
5 of substantial investment in capital maintenance and upgrades. The City of Nome is in need
6 of additional money for a capital project at the Nome harbor and dock. The Adak harbor and
7 dock facilities are currently in federal ownership but will pass to Adak interests in the fall of
8 2001.

9 (b) The legislature intends to provide for the required investment, and intends transfer
10 of ultimate ownership of and responsibility for the state-owned harbor facilities to local
11 municipalities.

12 (c) The legislature intends to provide public investment in the Adak harbor and dock
13 facilities under this Act if the ownership of the harbor and dock facilities is ultimately vested
14 in the City of Adak.

15 * **Sec. 2.** AS 37.05 is amended by adding a new section to read:

16 **Sec. 37.05.580. Tobacco use education and cessation fund.** (a) There is
17 created as a special account in the general fund the tobacco use education and
18 cessation fund consisting of appropriations made to the tobacco use education and
19 cessation fund. The purpose of the tobacco use education and cessation fund is to
20 provide a source to finance the comprehensive smoking education, tobacco use
21 prevention, and tobacco control program authorized by AS 44.29.020(a)(15).

22 (b) The legislature may make appropriations from the tobacco use education
23 and cessation fund for the comprehensive smoking education, tobacco use prevention,
24 and tobacco control program established under AS 44.29.020(a)(15).

25 (c) Nothing in this section creates a dedicated fund.

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

28 **SALE OF RIGHT TO RECEIVE ANTICIPATED SPECIAL REVENUE.** (a) The
29 commissioner of revenue is authorized to sell to the Northern Tobacco Securitization
30 Corporation, a subsidiary corporation of the Alaska Housing Finance Corporation created
31 under AS 18.56.086, the right to receive 40 percent annually of the revenue derived from the

1 settlement of State of Alaska v. Philip Morris, Incorporated, et al, No. 1JU-97-915 CI (Alaska
2 Super. 1997). The sale of the right to receive revenue under this subsection is in addition to
3 the sale of the right to receive revenue under sec. 9, ch. 130, SLA 2000.

4 (b) The proceeds to the state of the sale of the right to receive revenue under (a) of
5 this section are anticipated to be at least \$127,529,127.

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

8 BOND AUTHORIZATION AND PROVISIONS. (a) The Northern Tobacco
9 Securitization Corporation is authorized to issue revenue bonds in principal amounts
10 sufficient to acquire the right to receive revenue described in sec. 3 of this Act from the
11 commissioner of revenue at a price agreed upon by the Northern Tobacco Securitization
12 Corporation and the commissioner of revenue. The bonds may be special, limited obligations
13 of the Northern Tobacco Securitization Corporation secured solely by the right to receive
14 revenue sold to the Northern Tobacco Securitization Corporation under sec. 3 of this Act, and
15 the Northern Tobacco Securitization Corporation may include in agreements with the
16 bondholders a pledge of the right to receive that revenue and the promise of the state to honor
17 that pledge. A pledge made under this section is subject to the provisions of AS 18.56.120,
18 and bonds issued under this section are subject to the provisions of AS 18.56.170, in each case
19 as though "corporation" in those statutes were to mean the Northern Tobacco Securitization
20 Corporation.

21 (b) Subject to agreements with bondholders and appropriation, the Northern Tobacco
22 Securitization Corporation shall make the proceeds of the bonds issued under (a) of this
23 section available to the

24 (1) Department of Education and Early Development to pay for expenditures
25 described in (c)(1) of this section, including reimbursement to the Department of Education
26 and Early Development for the expenditures;

27 (2) University of Alaska to pay for expenditures described in (c)(2) of this
28 section, including reimbursement to the University of Alaska for the expenditures; and

29 (3) Department of Transportation and Public Facilities to pay for expenditures
30 described in (c)(3) of this section, including reimbursement to the Department of
31 Transportation and Public Facilities for the expenditures.

1 (c) The proceeds of bonds issued under (a) of this section shall be used by the
 2 (1) Department of Education and Early Development to pay for construction,
 3 renovation, and improvement of public schools as follows:

4	PROJECT	
5	Southwest Region - Togiak School Replacement	\$29,182,163
6	Bering Strait - Golovin School Phase III	9,888,192
7	Petersburg City - Fascia/Soffit Repair and Replacement	116,236
8	Yukon-Koyukuk - Nulato Structural Repairs	314,387
9	Bering Strait - Shishmaref School Roof Replacement/ 10 Renovate, Phase III	8,342,525
11	Iditarod Area - Blackwell School Heating Renovation/ 12 Site Repair	173,754
13	Sitka City Borough - Blatchley Exterior Renovation/Repair	346,500
14	Chatham - Angoon Elementary School Major Maintenance	2,066,257
15	Skagway City - Skagway Major Maintenance	35,598
16	Yupiit - Akiak School Repairs	177,571
17	Pribilof Island - St. George School Remodel	4,513,164
18	Galena - Project Education Food Service Renovation	261,806
19	Southwest Region - Clarks Point School Generator Building	35,989
20	Ketchikan - Schoenbar Renovation	4,891,992
21	Southwest Region - Koliganek School Improvement	451,993
22	Juneau City Borough - Juneau-Douglas High School 23 Renovation/ADA Upgrade	9,097,138
24	Southwest Region - Ekwok, Koliganek, Togiak Schools 25 Heating System Upgrade	122,256
26	Hoonah City - Hoonah Swimming Pool Sprinkler System	220,476
27	Galena - High School Remodel	167,846
28	Kenai Peninsula - McNeil Canyon Replace Septic System	171,500
29	Kake City - Kake High School Renovation Phase II	175,065
30	Chatham - Angoon High School Major Maintenance	1,730,507
31	North Slope Borough - Tikigaq School Renovation	3,675,502

1	Tanana City - Tanana Kitchen Renovation	438,539
2	Wrangell City - Wrangell Elementary Schools Renovation	1,129,238
3	Lower Yukon - Emmonak Mechanical System Upgrade	574,885
4	Lower Yukon - Alakanuk Mechanical System Upgrade	899,740
5	Iditarod Area - Takotna Community School Water Project	192,374
6	Anchorage - Service High School Phase I Renovation	750,934

7		
8	TOTAL	\$80,144,127

9 (2) University of Alaska to pay for construction and renovation of university
10 facilities as follows:

11	PROJECT	
12	University of Alaska - Southeast	
13	Egan Classroom	\$ 2,000,000
14	Robertson/Hamilton Technical Education Complex Remodel	1,500,000
15	Matanuska-Susitna Ortner Warehouse Replacement	654,000
16	University of Alaska - Fairbanks	
17	Museum Expansion	8,000,000
18		
19	TOTAL	\$ 12,154,000

20 (3) Department of Transportation and Public Facilities to pay for construction
21 and renovation of port and harbor facilities as follows:

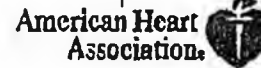
22	PROJECT	
23	Whittier - Whittier Small Boat Harbor	\$ 2,449,000
24	Valdez - Valdez Small Boat Harbor	3,212,000
25	Seldovia - Seldovia Small Boat Harbor	2,628,000
26	Petersburg - North Harbor, Middle Harbor, South Harbor	3,729,000
27	Ketchikan - Thomas Basin, Ryus Float, Bar Harbor South.	7,876,000
28	Bar Harbor North. Hole-in-the-Wall Harbor, Knudson	
29	Cove Harbor	
30	Sitka - Thomsen Harbor, Crescent Harbor, Sealing	4,469,000
31	Cove Harbor	

1	Cordova - Cordova Harbor	4,876,000
2	Wrangell - Standard Harbor, Reliance Harbor, Inner	3,492,000
3	Harbor Fish and Game Dock, Shoemaker Harbor	
4	Nome - Nome Harbor and Dock	2,000,000
5	Adak - Adak Boat Harbor	500,000
6		
7	TOTAL	\$ 35,231,000

8 (d) In this section, "Northern Tobacco Securitization Corporation" means the
 9 subsidiary corporation of the Alaska Housing Finance Corporation created under
 10 AS 18.56.086.

11 * Sec. 5. Section 1(b), ch. 130, SLA 2000, is repealed.

12 * Sec. 6. This Act takes effect July 1, 2001.



Alaskans for Tobacco-Free Kids

May 3, 2001

Dear Senate HESS Committee Members:

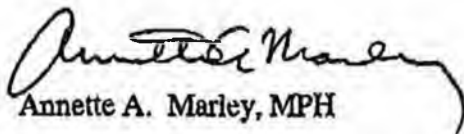
On behalf of Alaskans for Tobacco-Free Kids, I urge you to consider the importance of passing HB 234 in its integrity with its amendment providing that 20% of the Tobacco Settlement be spent on tobacco prevention and cessation efforts.

A comprehensive, sustained tobacco prevention program will save thousands of Alaska's kids from a life of tobacco addiction, disease, and early death. HB 234 is a positive step toward achieving this goal.

Alaskans want a fully-funded tobacco prevention program. Eighty-four percent of Alaska voters favor spending a minimum of \$8.1 million of Alaska's Tobacco Settlement to prevent kids from starting to smoke and to help smokers quit. Sixty-eight percent of voters believe it is more important to use the Tobacco Settlement for tobacco prevention than for construction projects or as general revenue to pay for overall government costs.

At the HESS committee hearing today, we hope you will take the opportunity to leave Alaska's kids the legacy of health by using at least 20% of the Tobacco Settlement funds for preventing tobacco disease and death.

Sincerely,



Annette A. Marley, MPH

Saving lives using Alaska's Tobacco Settlement

Alaskans for Tobacco-Free Kids • c/o American Cancer Society • 1057 W. Fireweed Lane, Suite 204 • Anchorage, Alaska 99503
phone: 907-277-8696 • Outside Anchorage: 800-478-9355 • fax: 907-263-2073 • www.oktobaccofreekids.org

FAX



Sitka Prevention & Treatment Services, Inc.

P. O. Box 1034

Sitka, AK 99835

Phone: (907) 747-3500

Fax: (907) 747-3003

Date: 5/3/01
To: Senator (Green)
Fax#: 907-465-3805
From: S.P.A.T.S.
Number of Pages: 1

We at Sitka Prevention and Treatment Services feel that tobacco prevention is an issue that is crucial to the future of our Alaskan youth. We urge legislators to maintain the 20% for tobacco prevention and control as stated in Bill # HB 234. Please consider the needs of all of your constituents when voting on this Bill.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SCS CS HB234 (HESS)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title: Bonds to Fund Public Facilities BRU: AHFC
 Component: Operations
 Sponsor: House Finance
 Requester: Senate Health, Education & Social Services Component Number: 110

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						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	127,529.1	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	9,727.0	9,855.8	8,672.9	8,769.1	8,884.9	9,001.1
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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						
Tobacco Settlement Funds	85.0	85.0	85.0	85.0	85.0	85.0
TOTAL	85.0	85.0	85.0	85.0	85.0	85.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Northern Tobacco Securitization Corporation (NTSC) is a subsidiary of AHFC. NTSC is authorized by this legislation to purchase 40% of the state's share of the Master Tobacco Settlement Agreement for amounts that will be used to finance schools, harbors and university projects. The purchase will be made through an agreement with the Commissioner of Revenue.

The change in state revenues reflects 40% of the tobacco settlement funds that will no longer belong to the State of Alaska after being sold to the NTSC under this legislation. The change in revenues is as projected by WEFA.

In order to achieve the amount of capital expenditures authorized in this bill, it is necessary for the NTSC to purchase the 40% of the state's share of the tobacco settlement in Fiscal Year 2002.

The capital expenditures shown in this fiscal note are for tax-exempt public construction projects from the proceeds generated by the sale authorized in this legislation. Appropriation authority is required under AS 37.07 (Executive Budget Act) for those expenditures by state agencies and the University of Alaska

Prepared by: John Bitney, Legislative Liaison Phone 330-8445
 Division: Alaska Housing Finance Corporation Date/Time May 4, 2001 10:00AM
 Approved by: Larry Persily, Deputy Commissioner Date 05/04/2001
 Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office