

HB

373

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB 373
() Publish Date: _____

Identifier (file name): HB 373: HB373-DEED-SDR-02-29-08 Dept. Affected: Education & Early Development
Title An Act extending specified public school bond debt reimbursement. RDU School Debt Reimbursement
School Debt Reimbursement

Sponsor Finance Committee
Requester House HESS Component Number 153

Expenditures/Revenues (Thousands of _____)
Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	*	*	*	*	*	*	*

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

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
TOTAL							
Other Interagency Receipts							
TOTAL	*	*	*	*	*	*	*

Estimate of any current year (FY2008) cost. _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This Act extends the period for which reimbursement will be made for specified public school bond debt.

The Department of Education and Early Development is unable to calculate the cost of HB 373 at this time and is therefore, submitting an indeterminate fiscal note.

Prepared by: Eddy Jeans Phone 465-8679
Division: School Finance Date/Time: 2/29/08 3:00 PM
Approved by: Barbara Thompson, Interim Commissioner Date: 2/29/2008

ALASKA STATE LEGISLATURE HOUSE FINANCE COMMITTEE

3/5/08

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716 W. 4th Avenue
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State Capitol, Juneau, Alaska 99801-1182

Sponsor Statement HB 373

An Act extending specified public school bond debt reimbursement; and providing for an effective date.

House Bill 373 extends the sunset of the current school bond debt reimbursement program from November 30, 2008 to November 30, 2010.

Under the existing law, any municipality can ask their electorate to issue bonds to fund the construction of school capital projects. The projects are then submitted to the Department of Education and Early Development (DEED) for review. The projects that meet the State's approved space guidelines are reimbursed at a rate of 70% and those that do not meet the State's guidelines are reimbursed at a rate of 60%.

When the program was previously extended to November 30, 2008, \$222 million in school capital projects were approved by the State for reimbursement.

The State of Alaska's school bond debt reimbursement program is an important partnership between communities and the State, where each shares a portion of the cost of school construction.

3/5/08

Legislators:

On behalf of the Anchorage School District, I want to urge your support for HB 373, the extension of the current debt reimbursement legislation. This is a critical piece of legislation for those municipalities and communities who depend on bonding for school renovations, building renewal, and new schools where needed. Your strong support over the past decade and a half has truly benefited our community and our students and staff over the years. Providing facilities which support current learning standards and technology is essential for our 21st century learners. Our taxpayers depend on this debt reimbursement as a way to offset their property taxes as our assessed valuation continues to increase. Maintaining and upgrading our buildings is critical for our community.

Thank you very much for your consideration and support of HB 373.

Carol Comeau
ASD Superintendent

3/4/08

3/5/08

Co-Chairs Chenault & Meyer, and Members of the Finance committee:

I am writing to urge you to support HB 373 which extends the current debt reimbursement law for another two years. This bill is scheduled to come before your committee on Wednesday.

Anchorage and other school districts across Alaska depend on bonded debt for school construction and other capital renewal projects. Extending this program will allow the Anchorage School District to continue the renewal of our older schools. Having the state share in the cost of these projects through debt reimbursement facilitates equity across the state since those areas with a tax base generally do not qualify for direct capital grants.

If you have any questions, please feel free to contact me.

Jeff Friedman
Anchorage School Board Member
1534 D Street
Anchorage, AK 99501
907-742-4699 (home)
Friedman_Jeff@asdk12.org

3/4/08

2/5/08

State of Alaska
Department of Education and Early Development
Capital Improvement Projects
HB13 Debt Reimbursement Program - Effective 10/1/06 - 11/30/08

<i>District</i>	<i>Project Number</i>	<i>Project Title</i>	<i>Dept Approval</i>	<i>Req Amt</i>	<i>-Voter Amt</i>	<i>EED Approved Amt</i>	<i>Rate</i>	<i>EED Approved</i>	<i>Voter Approved</i>	<i>Comments</i>
		Ann. Storage								
		Roof Replacement-9 Schools	1/17/2008	\$950,000	\$0	\$950,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Traffic Safety-2 Schools	1/17/2008	\$600,000	\$0	\$600,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Building Renewal-7 Schools	1/17/2008	\$1,240,000	\$0	\$1,240,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Sand Lake Addition and Renewal	1/17/2008	\$17,500,000	\$0	\$17,500,000	60%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Mechanical Upgrades-5 Schools	1/17/2008	\$1,950,000	\$0	\$1,950,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Girdwood K 8 School Design	1/17/2008	\$300,000	\$0	\$300,000	60%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Emergency Communications Systems-3 Schools	1/17/2008	\$480,000	\$0	\$480,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

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		Electrical Upgrades-9 Schools	1/17/2008	\$1,475,000	\$0	\$1,475,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Code Hazmat-2 Schools	1/17/2008	\$465,000	\$0	\$465,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Chester Valley Addition and Renewal	1/17/2008	\$16,500,000	\$0	\$16,500,000	60%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Track Improvements-3 Schools	1/17/2008	\$2,250,000	\$0	\$2,250,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
DR-07-110		Clark Middle School Replacement	2/6/2007	\$65,000,000	\$65,000,000	\$65,000,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Anchorage projects voter approved April 3, 2007
DR-07-111		Districtwide Code/Hazardous Materials/ADA Projects	2/6/2007	\$1,265,000	\$1,265,000	\$1,265,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
DR-07-112		Districtwide Roof Replacement and Repairs	2/6/2007	\$1,950,000	\$1,950,000	\$1,950,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
DR-07-113		Districtwide Security System Upgrades	2/6/2007	\$890,000	\$890,000	\$890,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
DR-07-114		Emergency Communication Systems-2 High Schools	2/6/2007	\$650,000	\$650,000	\$650,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
DR-07-115		Districtwide Building Renewal Projects	2/6/2007	\$4,110,000	\$4,110,000	\$4,110,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

<i>District</i>	<i>Project Number</i>	<i>Project Title</i>	<i>Dept Approval</i>	<i>Req Amt</i>	<i>Voter Amt</i>	<i>EED Approved Amt</i>	<i>Rate</i>	<i>EED Approved</i>	<i>Voter Approved</i>	<i>Comments</i>
	DR-07-116	Districtwide Electrical Projects	2/6/2007	\$2,190,000	\$2,190,000	\$2,190,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-117	Districtwide Mechanical Projects	2/6/2007	\$5,845,000	\$5,845,000	\$5,845,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-118	Traffic Safety Upgrades, 3 Elementary Schools	2/6/2007	\$3,100,000	\$3,100,000	\$3,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Anchorage Totals:				\$128,710,000	\$85,000,000	\$128,710,000				
Dillingham City										
	DR-08-101	Dillingham Elementary/Middle/High School Addition/Upgrade	8/28/2007	\$1,257,551	\$1,257,551	\$1,257,551	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-101	Dillingham Elementary/Middle/High School Upgrade	8/28/2007	\$14,433,697	\$13,843,697	\$13,843,697	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	One project agreement
Dillingham City Totals:				\$15,691,248	\$15,101,248	\$15,101,248				
Fairbanks										
	DR-07-104	Barnette Elementary Renovation, Phase 2	11/17/2006	\$6,591,000	\$6,591,000	\$6,591,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-105	Ryan Middle School Renovation, Phase 1	11/17/2006	\$1,800,000	\$1,800,000	\$1,800,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
Fairbanks				\$8,391,000	\$8,391,000	\$8,391,000				
Totals:										
Juneau City Borough										
		Thunder Mountain High School Pool	6/26/2007	\$19,800,000	\$19,800,000	\$8,650,853	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-03-125	New Juneau High School, Amendment #2	3/30/2007	\$17,100,000	\$17,100,000	\$17,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amendment #2
	DR-06-111	Glacier Valley Elementary Renovation	9/14/2007	\$7,100,000	\$7,100,000	\$7,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amends DR-06-111
	DR-08-100	Harborview Elementary Renovation	9/14/2007	\$15,300,000	\$15,300,000	\$15,300,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Juneau City Borough				\$59,300,000	\$59,300,000	\$48,150,853				
Totals:										
Ketchikan										
		Schoenbar Middle School Repair/Remediation	8/18/2006	\$8,706,000	\$0	\$8,706,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Did not receive voter approval.
Ketchikan				\$8,706,000	\$0	\$8,706,000				
Totals:										
Kodiak Island										

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rato	EED Approved	Voter Approved	Comments
	DR-05-110	New Kodiak MS/HS Pool	1/22/2007	\$8,000,000	\$8,000,000	\$8,000,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amends previous amount for a total project of \$14,210,000
Kodiak Island Totals:				\$8,000,000	\$8,000,000	\$8,000,000				
Unalaska City										
		Unalaska Jr./Sr. High School Roof Replacement	8/24/2007	\$2,400,000	\$0	\$3,198,515	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Unalaska Jr./Sr. High School Carpet/Flooring Replacement	8/24/2007	\$600,000	\$0	\$766,704	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Unalaska Jr./Sr. High School Kitchen/Energy/Technology Upgrades	8/24/2007	\$1,000,000	\$0	\$1,182,714	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Unalaska City Totals:				\$4,000,000	\$0	\$5,147,933				
Grand Totals:				\$232,798,248	\$175,792,248	\$222,207,034				

Total of Projects Both Voter and EED Approved: \$164,643,101
 (This is a total of the EED Approved Amount.)

3/5/08



Kodiak Island Borough

Office of the Mayor

710 Mill Bay Road

Kodiak, Alaska 99615

Phone (907) 486-9310 Fax (907) 486-9391

March 3, 2008

Senator Gary Stevens
State Capitol, Room 103
Juneau, AK 99801

Dear Senator Stevens:

On behalf of the Kodiak Island Borough Assembly, I am writing to urge you to support House Bill No. 373, an act extending specified public school bond debt reimbursement; and providing for an effective date.

As you know, this bill would not only allow the Kodiak Island Borough to pay costs of any new school construction projects, but also gives opportunity to supplement funding for the bonds that were approved a few years back that have experienced higher construction costs due to inflation, higher costs of supplies, and labor.

Extending the sunset for school debt reimbursement until November 30, 2010, will give additional opportunity to survey the needed improvements necessary for the school district facilities.

Thank you for your support.

Sincerely,

OFFICE OF THE BOROUGH MAYOR

Jerome M. Selby
Borough Mayor

Cc: House Finance Committee
Governor Sarah Palin