

**HB**

**11**

<TARGET><BILL>HB 11</BILL><SUBJECT>HB  
11</SUBJECT><COMM>HSTA28</COMM></TARGET>

# Alaska State Legislature

## House of Representatives

Member:

Judiciary  
Rules  
Legislative Council  
Military & Veterans Affairs



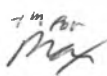
**Representative Max F. Gruenberg, Jr.**  
**House District 14**  
**Anchorage (Russian Jack, College Gate, Nunaka Valley)**  
**House Democratic Floor Leader**

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TO: Representative Bob Lynn, Chair  
House State Affairs Committee

FROM: Representative Max F. Gruenberg, Jr. 

DATE: January 24, 2013

RE: HB 11: Information on Matters in the Official Election Pamphlet

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Please consider this memorandum as a request for the House State Affairs Committee to schedule a hearing on House Bill 11. Accompanying this memo are the following documents:

- House Bill 11 (28-LS0041\A)
- Sponsor Statement
- Sectional Summary
- List of Expected Witnesses
- Legislative Research Services Reports on:
  - How other states present general obligation bond information to voters
  - The level of competition in Alaska State House and Senate races
- Potential example of new bond section in OEP
- Potential example of new bond notice to legislators
- Section the Alaska Public Debt Report detailing the types of public debt

Thank you for considering my request for a hearing on House Bill 11. Please contact my legislative aide, Ted Madsen, at 465-2840 with any questions.

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### **House Bill 11: Information on Matters in the Official Election Pamphlet Sponsor Statement**

This bill increases the amount of information available to the voter during primary, general and special elections through the Official Election Pamphlet (OEP). In addition, it increases the amount of information available to legislators during deliberations on general obligation bonds.

The current primary election OEP contains only information regarding ballot propositions and other information on voting procedures the lieutenant governor considers necessary. This bill would allow for the inclusion of maps of the house districts, sample ballots, absentee applications, information on bonding authorizations, and changes to a given precinct in addition to the information already in statute. Additionally, the bill would allow for candidate statements in the primary election OEP.

Currently there are no candidate statements provided in the OEP for a primary election. However, according to a Legislative Research Services report, roughly 40 percent of State House and Senate elections are effectively decided through the primary election process. This bill would allow candidates to submit photographs and statements for the primary election. Additionally, the candidates who win the primary would be allowed to submit a new statement for inclusion in the OEP for the general election. The candidates appearing in both the primary and the general OEPs would need to pay separately for each inclusion.

There is currently no requirement that the matters in the OEP be accessible online. This bill mandates that all information found in the OEP be made available on the Division of Elections' website no later than when the OEP is mailed to registered voters.

General obligation bonds have a great impact on the fiscal condition of the state. Section 8 of this bill would provide additional information to legislators about the current and proposed indebtedness of the state whenever a G.O. bond package is brought up before the legislature for referral to the voters. The voters would also receive the same information.

Passage of this bill would greatly increase the amount of information available to voters during elections and enhance the legislature's understanding of proposed G.O. bond packages.

# LEGAL SERVICES

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## MEMORANDUM

January 25, 2013

**SUBJECT:** Sectional summary of HB 11  
(Work Order No. 28-LS0041\A)

**TO:** Representative Max Gruenberg  
Attn: Ted Madsen

**FROM:** Alpheus Bullard *TKB*  
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and that the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

**Section 1.** Provides that the lieutenant governor must prepare, publish, and mail an election pamphlet to each household, identified from the official registration list, before each state primary, general, or special election (at present the lieutenant governor is required to prepare, publish, and mail at least one election pamphlet to each household identified from the Division of Election's voter registration list before a general election, or before a special election at which a ballot proposition is scheduled to appear on the ballot, but not before a primary election).

**Section 2.** Requires that the general election pamphlet include a notice, prepared by the state bonding committee, that contains information relating to the bonded indebtedness of the state and each bond issue that will be offered for ratification on the ballot.

**Section 3.** Requires certain information to be included in each primary or special election pamphlet.

**Section 4.** Permits a candidate in a primary or special election to file a photograph and statement advocating the person's candidacy for inclusion in the primary election pamphlet. A candidate whose photo and statement appeared in the primary election pamphlet may file a different photo and statement for inclusion in the general election pamphlet.

**Section 5.** Adds candidates who file a photo and statement to appear in a state primary or special election pamphlet, and candidates who participated in a primary election and who are filing a different photograph and statement for inclusion in the general election pamphlet, to the list of persons who must pay a fee to the lieutenant governor when filing material under AS 15.58.

**Section 6.** Provides that the lieutenant governor shall mail an election pamphlet to each household identified from the official registration list not less than 22 days before each primary or general election. The pamphlet for a special election must be mailed as soon as practicable before the election.

**Section 7.** Requires the Division of Elections to publish all information contained in an election pamphlet on the division's Internet website no later than the date the pamphlet is mailed to registered voters.

**Section 8.** Requires a legislative bill that authorizes the issuance of state general obligation bonds to be accompanied by a statement containing certain information relating to the state's bonded indebtedness and the proposed bonding before the bill can be referred to the rules committee of either body of the state legislature.

**Section 9.** Requires the Department of Revenue to publish its annual debt affordability analysis report on the department's Internet website.

**Section 10.** Clarifies that the annual income statement and balance sheet of the Alaska Permanent Fund prepared by the Board of Trustees of the Alaska Permanent Fund Corporation will appear in the general election pamphlet.

**Section 11.** Requires the state bond committee to prepare a notice relating to the state's bonded indebtedness and the proposed bonding before any election at which a bond is offered for ratification. In addition to publishing the notice in newspapers of general circulation, the bill requires the notice to be included on the state Internet website as soon as it is prepared by the state bond committee.

**Section 12.** Repeals AS 15.13.040(b). This section required the director of the Division of Elections to prepare, issue, and make available with each sample ballot (1) for a special election certain information about bond issues, and (2) when a ballot proposition is submitted to the voters at a special or primary election, certain information relating to that proposition. Under secs. 2 and 3 of the bill, this information is provided in the election pamphlet for both primary and special elections.

**Section 13.** Provides an effective date of January 1, 2013.



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## Memorandum

TO: Representative Max Gruenberg  
FROM: Susan Haymes, Legislative Analyst  
DATE: December 10, 2010  
RE: General Obligation Bond Election Materials in Other States  
*LRS Report 11.083*

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***You asked how other states present general obligation bond proposition information to voters in election materials.***

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Most states (and local governments) have authority to issue general obligation (GO) bonds, which are bonds used primarily to fund capital projects that are backed by the full faith and credit of the issuing state. This means the debt is the first obligation that the state must pay, and its repayment is guaranteed by the state's full taxing power. When a state issues a GO bond it agrees to pay the borrowed money back over a specified period of time, with interest. The principal and interest on all GO bonds are paid out of the state's general fund, rather than from a dedicated source of revenue. Many state constitutions provide certain restrictions on GO bonds such as an absolute limit on the amount or a limit on the amount of state debt that can be outstanding.<sup>1</sup> Moreover, the issuance of a GO bond generally requires legislative approval, and in at least 19 states a popular vote is required as well before the state can issue a GO bond.<sup>2</sup>

The states that require voter ratification generally provide that the bond measure must be described in the voters' pamphlet and must include the amount being borrowed, the projects that will be funded, and arguments for and against the proposal.<sup>3</sup> Five states—Idaho, Oregon, Rhode Island, Virginia, and Washington—require more detailed fiscal information to be provided to voters in election materials.<sup>4</sup> Of those, Oregon and Washington require the most detailed fiscal information.

Washington law requires that a fiscal impact statement be prepared for each bond measure and that the statement be printed in the voters' pamphlet and made available online.<sup>5</sup> Oregon lawmakers established a financial estimate committee that is charged with estimating the financial impact on state and local government revenues and expenditures if a bond measure is enacted. The following table describes the degree of financial information that is required, and how the information is provided to residents in the five selected states.<sup>6</sup>

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<sup>1</sup> The Washington State Constitution provides a formula that allows the state to issue GO bonds only if the total debt service will not exceed nine percent of the average of general state revenues for the preceding three fiscal years. Other states such as Texas and Ohio have a definite limit to the amount the state can borrow. Such states have successfully overruled the limit by amending their respective constitutions.

<sup>2</sup> Those states are Alaska, Arkansas, California, Florida, Idaho, Kansas, Kentucky, Maine, Michigan, Missouri, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Virginia, and Washington. The constitutions of Illinois and South Carolina require members of each house of the General Assembly (three-fifths and two-thirds, respectively) or a majority of the voters approve a GO bond before it can be issued. We used the National Conference of State Legislatures' (NCSL), "State Budget Requirements: Provision and Practice," 2004, which includes references to many state's debt provisions. From among the states that require a popular vote before issuing a GO bond, we selected five that require more detailed financial information for voters. If the NCSL report was silent on debt limits, we reviewed that state's constitution. The NCSL report can be accessed at <http://www.ncsl.org/default.aspx?tabid=12612>. Please note that while we believe our research to be thorough, there may be additional states with provisions similar to the selected states that we did not locate due to variations in wording and construction of statutes.

<sup>3</sup> In Alaska, under AS 15.58.020(a)(7), "a statement of the scope of each project" authorized in the bond measure must be included in the voters' pamphlet.

<sup>4</sup> Of the 15 states requiring a majority vote, including the five we selected, we did not find any that required the indebtedness resulting from passage of a GO bond measure be expressed as per capita or per household. The five selected states do require that the aggregate amount of indebtedness be provided to residents in election materials.

<sup>5</sup> Attachment A is a fiscal impact statement prepared for a Washington GO bond measure (Referendum 52) before the general election in November 2010, [www.wa.gov/osas/en/PreviousElections/2010/general/Pages/OVG\\_20101102.aspx#ososTop](http://www.wa.gov/osas/en/PreviousElections/2010/general/Pages/OVG_20101102.aspx#ososTop).

<sup>6</sup> We include copies of each of the statutes cited as Attachment B.

**Required Information for Voters on General Obligation (GO) Bond Measures in Election Materials**

State	Citations	Information Required	Information Format
Idaho	Idaho Code § 34-440 Idaho Code § 34-1812C	Existing indebtedness of state, interest rate, and total amount of bond (principal and interest) over life of the bond.	Statement printed on ballot, in the official notice of election, and in voters' pamphlet, which is mailed to every household before general election. Voters' pamphlet and ballot information are available online.
Oregon	ORS § 250.035 ORS § 250.037 ORS § 250.125 ORS § 250.127 ORS § 250.131 ORS § 254.085	Financial estimate committee prepares detailed financial analysis including impact on state and local governments if enacted, specifically aggregate amount of expenditures, reduction in revenues, and indebtedness required by any local government to meet provisions.	Estimate printed on ballot and voters' pamphlet. Voters must be notified if bond measure is to be payable from property taxes. Voters' pamphlet and ballot information are available online.
Rhode Island	R.I. Gen. Laws § 17-1-2 R.I. Gen. Laws § 17-5-1 R.I. Gen. Laws § 17-5-1.1 R.I. Gen. Laws § 17-5-3	Estimated total cost of project including financing, legal and other costs; terms of the bond; and detailed description and timetable of the project.	Required in voter pamphlet which is mailed to each residential unit before general or special referenda election. Voters' pamphlet available online.
Virginia	Va. Code Ann. § 24.2-105.1 Va. Code Ann. § 30-19.10	Fiscal impact statement describing the need for and uses of the bond proceeds, and estimated costs and expenditures if enacted.	Required to be posted on State Board of Elections web site and distributed to the general registrar of each county and city.
Washington	ARCW § 29A.04.321 ARCW § 29A.32.070 ARCW § 29A.72.025	Fiscal impact statement describing any projected increase or decrease in revenues, costs, expenditures or indebtedness state or local governments will experience if enacted and including statement and assumptions used in preparing statement.	Fiscal impact statements must be available online and included in the voters' pamphlet which is distributed to each household.

**Notes:** Among the states that require a popular vote, Washington and Oregon require the most detailed financial information be provided in election materials. All five states require the aggregate amount of indebtedness be provided in election materials.

**Sources:** The web sites of each state's Elections Division including, <http://www.sos.idaho.gov/elect/eleindex.htm>, <http://www.sos.state.or.us/elections/>, <http://sos.ri.gov/elections/>, <http://www.sos.wa.gov/elections/>, and <http://www.sos.idaho.gov/elect/eleindex.htm>. State statutes available through Lexis Nexis.

We hope this is helpful. If you have questions or need additional information, please let us know.



# LEGISLATIVE RESEARCH SERVICES

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## Memorandum

TO: Representative Max Gruenberg  
FROM: Chuck Burnham, Legislative Analyst  
DATE: December 23, 2010  
RE: Competition in Alaska Legislative Elections  
*LRS Report 11.082*

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*You asked us to examine vote returns for legislative elections to determine in which districts the race is effectively decided in the primary because one political party consistently dominates the general election. You were also interested to know the level of competition that exists in the primaries for those districts.*

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For the purposes of this report, we deem a legislative primary or general election to be uncompetitive if the winner garners at least 65 percent of the vote. We consider districts to be currently uncompetitive if the winner is from one political party and has gained at least 65 percent of votes over at least four of the last five elections cycles, or since the 2000 election.<sup>1</sup> Although these measures are, admittedly, somewhat arbitrary, we believe that deeming districts where one party has consistently enjoyed a nearly two-to-one vote advantage in recent elections to be uncompetitive is a conservative standard. That is, only the least competitive districts will meet this definition.<sup>2</sup>

Overall, our research indicates that legislative elections in Alaska are not typically very competitive affairs. Since 1992, at least 53 of the state's 60 legislative districts have seen elections in which the winner received greater than 65 percent of the vote. Although seven of those districts have had only one such uncompetitive election, 21 have experienced uncompetitive elections in at least 5 of the 10 election cycles since 1992. All told, of the roughly 500 district elections since 1992, at least 220, or 44 percent, were uncompetitive by our standard, including 130 of the 250 (52 percent) such elections since 2000. Of the 220 uncompetitive general elections we identified, the winner of 106 ran unopposed.

Using our strict definition of non-competitive districts, we conclude that recent general elections in 25 districts have been locks for either Democrats (7 House, 1 Senate) or Republicans (14 House, 3 Senate). In the elections that we reviewed, 2010 was the least competitive, with winners in 31 of 50 races receiving at least 65 percent of the vote. Table 1 summarizes results of uncompetitive legislative elections in Alaska since 1992 by party and district.

Given the recent partisan domination of general elections, it seems logical to assume that in legislative elections primaries are where the competition lies. Our research clearly indicates that this is not precisely true in Alaska. We analyzed primary results for the 220 winners of uncompetitive general elections since 1992 and found that in 189 races, or about 86 percent, the winning candidate received at least 65 percent of the vote. However, to say that each of these candidates "won" their respective primaries is a bit of a misnomer—in 153 of the 189 uncompetitive primaries, the winner ran unopposed. In 71 of the 220 uncompetitive races we identified, the ultimate winner faced no opponent in either the primary or the general election. Table 2 shows the districts, winners and their political party affiliation, the percent of votes earned in both the primary and general elections, and indicates where races were unopposed, for each uncompetitive legislative race in Alaska since 1992.<sup>3</sup>

We hope this is helpful. If you have questions or need additional information, please let us know.

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<sup>1</sup> It is important to note that we did not consider the impact of redistricting following the 2000 Census in this report. Those impacts, for certain districts, were likely substantial. As such, this report is best viewed in terms of the general and recent trend of the level of competition in Alaska legislative elections.

<sup>2</sup> This standard is a strict one, which we readily admit excludes several districts where the political affiliation of their legislators is unlikely to change in the near future. Nonetheless, we believe considering the likelihood of an outcome rather than actual electoral results introduces too great a level of subjectivity for our purposes.

<sup>3</sup> Please keep in mind that any number of factors influences elections that we did not consider in this report. The influence of incumbency, organizational support, campaign finances, and the like cannot be precisely identified for each race we examined, but were likely a factor, to varying degrees, in many.

**Table 1: Alaska General Legislative Elections Won with at Least 65 Percent of the Vote, 1992-2010**

Year	1992	1994	1996	1998	2000	2002	2004	2006	2008	2010	Grand Total
Democrats	8	7	4	10	4	6	6	9	11	13	78
Republicans	5	7	12	18	15	20	15	15	16	19	142
<b>Total</b>	<b>13</b>	<b>14</b>	<b>16</b>	<b>28</b>	<b>19</b>	<b>26</b>	<b>21</b>	<b>24</b>	<b>27</b>	<b>32</b>	<b>220</b>
<b>House Districts</b>											
1				R		R		R	R	R	5
2	D			D			R				3
3	D	D		D			D	D	D	D	7
4	R			R	R		R			R	5
5		D		D							2
6	D		R			R					3
8			R	R							2
10		R	R	R	R	R	R	R			7
11			R		R	R	R	R	R	R	7
12	R	R	R		R	R	R	R	R		8
13							R	R	R	R	4
14			R	R	R				R		4
15	D			D					R	R	4
16						R	R	R	R	R	5
17		R		R		R	R	R	R	R	6
18						R	R	R	R	R	5
20				R					D	D	3
22	R							D		D	3
23		R		R		D	D	D	D	D	7
24		R		R	R					D	4
25				R			D	D	D	D	5
26				R					D	D	3
27						R					1
28			R	R	R	R	R			R	6
30						R	R	R			3
31			R		R			R	R	R	5
32					R					R	2
33			R	R	R				R	R	5
34		R	R	R	R	R	R	R	R	R	9
35					R	R		R	R	R	5
36						R	R			R	3
37	D	D	D	D	D	D				D	7
38	D	D	D	D		D	D	D	D	D	9
39	D	D	D	D	D	D		D	D	D	8
40		D	D	D	D	D	D	D	D	D	9
<b>Senate Districts</b>											
A									R		1
B		D								D	2
C									D		1
D				R							1
E						R					1
F	R	R		R		R		R		R	6
G						R	R		R		3
H				D		R		R		R	4
I						R	R				2
J				R							1
L	R			R				D			3
M			R		R				D		3
N						R		R		R	3
O					R				R		2
Q			R		R		R				3
R										R	1
S	D	D	D	D	D			D		D	6
T				D			D		D		3

Notes: The political affiliation of the election winners and uncompetitive districts are shaded blue and/or marked "D" (Democrat) and shaded red and/or marked "R" (Republican). Source: Alaska Division of Elections, [http://www.elections.alaska.gov/er\\_return.php](http://www.elections.alaska.gov/er_return.php).

**Table 2: Uncompetitive Alaska Legislative Election Victories, 1992-2010**

District <sup>1</sup>	General Election Winner	Political Party	Percent of Votes <sup>2</sup>	Winner Percent of Votes in Primary	Competitive Primary?
<b>1992</b>					
F	D. Pearce	R	71.5	100.0	No
L	R. Phillips	R	97.2	79.3	No
S	A. Adams	D	99.0	100.0	No
2	B. Grussendorf	D	68.3	78.0	No
3	F. Ulmer	D	69.8	100.0	No
4	B. Hudson	R	68.7	100.0	No
6	C. Davidson	D	96.2	100.0	No
12	M. Hanley	R	73.6	81.3	No
15	K. Brown	D	74.5	84.3	No
22	R. Barnes	R	67.1	100.0	No
37	E. Maclean	D	99.1	68.2	No
38	R. Foster	D	99.2	46.8	Yes (3-way race)
39	L. Hoffman	D	96.6	56.3	Yes
<b>1994</b>					
B	J. Duncan	D	67.9	100.0	No
F	D. Pearce	R	74.6	100.0	No
3	K. Elton	D	65.4	100.0	No
5	J. Mackie	D	95.0	100.0	No
10	J. Green	R	97.1	100.0	No
12	M. Hanley	R	98.0	100.0	No
17	S. Parnell	R	70.3	100.0	No
23	E. Mulder	R	97.3	73.9	No
24	P. Kott	R	74.8	100.0	No
34	J. James	R	72.2	100.0	No
37	E. Maclean	D	72.9	N/A	Write-In D
38	R. Foster	D	98.6	59.2	No
39	I. Ivan	D	75.9	46.7	Yes (3-way race)
40	C. Moses	D	98.7	100.0	No
<b>1996</b>					
M	R. Halford	R	97.6	61.7	Yes
Q	M. Miller	R	78.4	100.0	No
S	A. Adams	D	99.3	100.0	No
6	A. Austerman	R	69.7	100.0	No
8	G. Davis	R	69.0	100.0	No
10	J. Green	R	75.7	100.0	No
11	N. Rokeberg	R	74.4	64.4	Yes
12	M. Hanley	R	69.6	100.0	No
14	T. Martin	R	68.9	100.0	No
28	B. Masek	R	69.6	75.1	No
31	P. Kelly	R	66.5	100.0	No
33	G. Therriault	R	68.8	100.0	No

**Table 2: Uncompetitive Alaska Legislative Election Victories, 1992-2010**

District <sup>1</sup>	General Election Winner	Political Party	Percent of Votes <sup>2</sup>	Winner Percent of Votes in Primary	Competitive Primary?
<b>1996 (continued)</b>					
34	J. James	R	78.2	100.0	No
37	R. Joule	D	98.3	65.5	No
38	R. Foster	D	98.2	38.8	Yes
40	C. Moses	D	97.2	100.0	No
<b>1998</b>					
D	J. Torgerson	R	96.5	100.0	No
F	D. Pearce	R	96.2	100.0	No
H	J. Ellis	D	65.2	100.0	No
J	D. Donley	R	80.1	100.0	No
L	R. Phillips	R	96.5	100.0	No
T	L. Hoffman	D	73.5	100.0	No
1	W. Williams	R	95.5	100.0	No
2	B. Grussendorf	D	96.6	100.0	No
3	B. Kerttula	D	82.0	61.2	Yes
4	B. Hudson	R	72.7	100.0	No
5	A. Kookesh	D	96.0	100.0	No
8	G. Davis	R	67.6	100.0	No
10	J. Green	R	96.8	100.0	No
14	L. Murkowski	R	96.5	65.6	No
15	E. Croft	D	69.3	100.0	No
17	J. Cowdery	R	96.3	69.5	No
20	B. Porter	R	96.1	100.0	No
23	E. Mulder	R	60.7	100.0	No
24	P. Kott	R	95.9	100.0	No
25	F. Dyson	R	95.6	100.0	No
26	V. Korhring	R	64.2	100.0	No
28	B. Masek	R	77.7	100.0	No
33	G. Therriault	R	77.0	100.0	No
34	J. James	R	77.3	100.0	No
37	R. Joule	D	98.2	100.0	No
38	R. Foster	D	95.9	52.8	Yes (3-way race)
39	M. Sattler	D	72.2	57.5	Yes
40	C. Moses	D	87.0	58.1	Yes
<b>2000</b>					
M	R. Halford	R	69.8	100.0	No
O	G. Wilken	R	65.1	100.0	No
Q	G. Therriault	R	77.0	100.0	No
S	D. Olson	D	97.3	41.7	Yes (3-way race)
4	B. Hudson	R	93.8	100.0	No
10	J. Green	R	76.8	100.0	No
11	N. Rokeberg	R	72.9	100.0	No

**Table 2: Uncompetitive Alaska Legislative Election Victories, 1992-2010**

District <sup>1</sup>	General Election Winner	Political Party	Percent of Votes <sup>2</sup>	Winner Percent of Votes in Primary	Competitive Primary?
<b>2000 (continued)</b>					
12	A. Halcro	R	95.8	66.4	No
14	L. Murkowski	R	96.4	100.0	No
24	P. Kott	R	73.0	73.8	No (3-way race)
28	B. Masek	R	79.2	100.0	No
31	J. Whitaker	R	69.9	100.0	No
32	J. Coghill	R	68.0	100.0	No
33	H. Fate	R	68.0	51.7	Yes (3-way race)
34	J. James	R	95.9	100.0	No
35	J. Harris	R	68.2	73.9	No
37	R. Joule	D	98.2	100.0	No
39	M. Kapsner	D	97.5	100.0	No
40	C. Moses	D	94.4	66.4	No
<b>2002</b>					
E	G. Wilken	R	69.8	100.0	No
F	G. Therriault	R	81.8	100.0	No
G	L. Green	R	76.4	100.0	No
H	S. Ogan	R	92.3	67.5	No
I	F. Dyson	R	76.3	100.0	No
N	B. Stevens	R	96.4	100.0	No
S	L. Hoffman	D	66.8	100.0	No
1	W. Williams	R	94.1	100.0	No
6	C. Morgan	R	97.0	100.0	No
10	J. Whitaker	R	94.5	100.0	No
11	J. Coghill	R	96.8	53.6	Yes
12	J. Harris	R	94.2	47.0	Yes (3-way race)
16	B. Stoltze	R	73.7	100.0	No
17	P. Kott	R	80.9	100.0	No
18	L. Murkowski	R	93.3	53.1	Yes
23	L. Gara	D	94.0	65.2	No
27	N. Rokeberg	R	96.1	76.6	No
28	L. McGuire	R	75.6	60.9	Yes (3-way race)
30	K. Meyer	R	96.4	100.0	No
34	C. Chenault	R	71.1	100.0	No
35	P. Seaton	R	94.4	56.9	Yes (3-way race)
36	G. Stevens	R	97.3	100.0	No
37	C. Moses	D	96.2	100.0	No
38	M. Kapsner	D	97.3	64.5	Yes
39	R. Foster	D	97.6	100.0	No
40	R. Joule	D	97.8	100.0	No

**Table 2: Uncompetitive Alaska Legislative Election Victories, 1992-2010**

District <sup>1</sup>	General Election Winner	Political Party	Percent of Votes <sup>2</sup>	Winner Percent of Votes in Primary	Competitive Primary?
<b>2004</b>					
G	L. Green	R	68.0	100.0	No
I	F. Dyson	R	97.0	100.0	No
Q	T. Wagoner	R	77.0	54.8	Yes (3-way race)
T	D. Olson	D	65.0	100.0	No
2	P. Wilson	R	66.2	100.0	No
3	B. Kerttula	D	71.1	100.0	No
4	B. Weyhrauch	R	65.0	100.0	No
10	J. Ramras	R	70.0	55.4	Yes
11	J. Coghill	R	96.9	100.0	No
12	J. Harris	R	95.7	100.0	No
13	C. Gatto	R	67.3	100.0	No
16	B. Stoltze	R	71.5	100.0	No
18	N. Dahlstrom	R	97.7	100.0	No
23	L. Gara	D	69.5	91.8	No
25	E. Croft	D	95.4	100.0	No
28	L. McGuire	R	68.9	100.0	No
30	K. Meyer	R	71.0	100.0	No
34	C. Chenault	R	72.1	100.0	No
36	G. LeDoux	R	78.8	50.6	Yes (3-way race)
38	M. Kapsner	D	97.8	100.0	No
40	R. Joule	D	97.8	100.0	No
<b>2006</b>					
F	G. Therriault	R	68.8	100.0	No
H	C. Huggins	R	68.8	68.6	No
L	J. Ellis	D	95.0	100.0	No
N	L. McGuire	R	65.9	57.0	Yes
S	L. Hoffman	D	68.0	100.0	No
1	K. Johansen	R	94.3	55.7	Yes
3	B. Kerttula	D	95.6	100.0	No
10	J. Ramras	R	92.1	76.3	No
11	J. Coghill	R	69.8	100.0	No
12	J. Harris	R	71.4	64.8	Yes
13	C. Gatto	R	73.0	100.0	No
16	B. Stoltze	R	71.2	100.0	No
17	A. Fairclough	R	71.0	53.4	Yes
18	N. Dahlstrom	R	96.0	62.3	Yes
22	S. Cissna	R	94.3	100.0	No
23	L. Gara	D	96.0	100.0	No
25	M. Doogan	D	70.3	83.1	No
30	K. Meyer	R	94.6	100.0	No
31	B. Lynn	R	95.7	100.0	No

**Table 2: Uncompetitive Alaska Legislative Election Victories, 1992-2010**

District <sup>1</sup>	General Election Winner	Political Party	Percent of Votes <sup>2</sup>	Winner Percent of Votes in Primary	Competitive Primary?
<b>2006 (continued)</b>					
34	C. Chenault	R	94.2	100.0	No
35	P. Seaton	R	68.4	100.0	No
38	M. Kapsner	D	97.4	100.0	No
39	R. Foster	D	97.0	100.0	No
40	R. Joule	D	97.8	100.0	No
<b>2008</b>					
A	B. Stedman	R	96.1	100.0	No
C	A. Kookesh	D	68.8	100.0	No
G	L. Menard	R	80.0	100.0	No
M	H. French	D	90.7	100.0	No
O	K. Meyer	R	68.9	100.0	No
T	D. Olson	D	97.8	100.0	No
1	K. Johansen	R	96.5	100.0	No
3	B. Kerttula	D	95.5	88.0	No
11	J. Coghill	R	81.2	100.0	No
12	J. Harris	R	72.2	100.0	No
13	C. Gatto	R	69.9	63.1	Yes
14	W. Keller	R	77.8	100.0	No
15	M. Neuman	R	76.3	64.7	Yes
16	B. Stoltze	R	75.2	71.6	No
17	A. Fairclough	R	80.0	100.0	No
18	N. Dahlstrom	R	97.3	100.0	No
20	M. Gruenberg	D	79.5	87.5	No
23	L. Gara	D	94.1	89.8	No
25	M. Doogan	D	70.0	100.0	No
26	L. Holmes	D	93.5	100.0	No
31	B. Lynn	R	71.0	100.0	No
33	K. Olson	R	67.2	100.0	No
34	C. Chenault	R	72.5	74.3	No
35	P. Seaton	R	66.7	100.0	No
38	B. Herron	D	96.1	54.6	Yes (3-way race)
39	R. Foster	D	97.4	68.6	No
40	R. Joule	D	98.2	100.0	No
<b>2010</b>					
B	D. Egan	D	97.0	100.0	No
F	J. Coghill	R	97.2	100.0	No
H	C. Huggins	R	96.5	100.0	No
N	L. McGuire	R	69.1	100.0	No
R	G. Stevens	R	96.9	100.0	No
S	L. Hoffman	D	97.3	100.0	No
1	K. Johansen	R	67.5	100.0	No

**Table 2: Uncompetitive Alaska Legislative Election Victories, 1992-2010**

District <sup>1</sup>	General Election Winner	Political Party	Percent of Votes <sup>2</sup>	Winner Percent of Votes in Primary	Competitive Primary?
<b>2010 (continued)</b>					
3	B. Kerttula	D	96.5	100.0	No
4	C. Munoz	R	97.0	100.0	No
11	T. Wilson	R	76.9	100.0	No
13	C. Gatto	R	96.4	56.2	Yes
15	M. Neuman	R	95.8	65.3	No
16	B. Stoltze	R	78.0	100.0	No
17	A. Fairclough	R	96.9	100.0	No
18	D. Saddler	R	68.9	35.5	Yes (3-way race)
20	M. Gruenberg	D	68.6	87.6	No
22	S. Cissna	D	92.6	100.0	No
23	L. Gara	D	94.4	100.0	No
24	B. Gardner	D	92.5	100.0	No
25	M. Doogan	D	65.0	91.6	
26	L. Holmes	D	71.1	100.0	No
28	C. Johnson	R	65.0	100.0	No
31	B. Lynn	R	67.5	60.1	Yes
32	M. Hawker	R	70.4	100.0	No
33	K. Olson	R	76.3	100.0	No
34	C. Chenault	R	80.7	100.0	No
35	P. Seaton	R	97.4	100.0	No
36	A. Austerman	R	68.0	100.0	No
37	B. Edgmon	D	97.1	100.0	No
38	B. Herron	D	97.8	100.0	No
39	N. Foster	D	95.9	57.8	Yes
40	R. Joule	D	97.6	100.0	No

	Number	% of Total
Uncompetitive general elections (out of 500 total)	220	44.0%
Uncontested general elections (out of 500 total)	106	21.2%
Uncompetitive primaries preceding uncompetitive general (out of 220 total)	189	85.9%
Uncontested primaries preceding uncompetitive general (out of 220 total)	153	69.5%

**Notes:** We define a competitive election, for the purposes of this report, as one in which the winner receives less than 65 percent of the vote.

1) Senate District are in grey-scale.

2) Highlighted cells for general and primary election vote percentages indicate an uncontested race. Uncontested vote totals in general elections do not tally 100 percent due to the impact of write-in votes.

**Source:** Alaska Division of Elections, [http://www.elections.alaska.gov/ei\\_return.php](http://www.elections.alaska.gov/ei_return.php).

# Bonding Proposition B

## State General Obligation Library, Education, and Educational Research Facilities Bonds

(Chapter 95, Session Laws of Alaska 2010)

"Providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of design and construction of library, education, and educational research facilities; and providing for an effective date."

### Ballot Language

Bonding Proposition B  
State General Obligation Library, Education, and Educational  
Research Facilities Bonds  
\$397,200,000

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$397,200,000 for the purpose of design and construction of library, education, and educational research facilities?

Bonds Yes

Bonds No

### Legislative Affairs Agency Summary

The voters are asked if the state should issue bonds. The bonds will be used for education projects. The bonds will also be used for library and research projects. The projects are listed. The bonds will not exceed \$397,200,000.

### Statement of Scope

This bond proposition, if approved, would authorize the state to issue general obligation bonds of the State in the amount of not more than \$397,200,000 for the purpose of paying the cost of design and construction of library, education, and educational research facilities projects as follows:

**Department of Education and Early Development.** The amount of \$38,500,000 is appropriated from the 2010 education project fund to be allocated among the following projects in the amounts listed, subject to reallocation as provided by law:

Project	Amount
Mount Edgecumbe High School aquatic facility	\$20,000,000
State Library, Archives, and Museum facility	\$18,500,000

### Research Facilities Bonds

The amount of \$128,500,000 is appropriated from the 2010 education project fund to be awarded as grants for design, construction, and major maintenance for the following public school projects, subject to reallocation as provided by law:

Project	REAA Location	Amount
Alakanuk K-12 school replacement	Lower Yukon	\$46,500,000
Kipnuk K-12 school renovation/addition	Lower Kuskokwim	\$49,900,000
Kwigillingok K-12 school renovation/addition	Lower Kuskokwim	\$32,100,000

**University of Alaska.** The amount of \$207,000,000 is appropriated from the 2010 education project fund for the following projects, subject to reallocation as provided by law:

Project	Location	Amount
Valley center for art and learning	Mat-Su campus	\$23,500,000
Community arena and athletic facility	UA-Anchorage	\$ 60,000,000
Life science classroom and laboratory facility	UA-Fairbanks	\$88,000,000
Student housing	Kenai campus	\$16,000,000
Career and technical education center	Kenai campus	\$14,500,000
Campus renovation and renewal	Prince William Sound Community College	\$5,000,000

**Department of Fish and Game.** The amount of \$20,000,000 is appropriated from the 2010 education project fund for the Near Island research facility.

**Department of Commerce, Community, and Economic Development.** The amount of \$3,200,000 is appropriated from the 2010 education project fund for payment as a grant to the City of Klawock for the Prince of Wales Island vocational education center.

#### **Notice on Current General Obligation Bonded Indebtedness**

The current general obligation bonded indebtedness of the State is \$475.8 million.

The effect of the proposed bonding on the state is to increase it by \$397.2 million

The average cost of the annual debt service on the current indebtedness is \$54 million.

The effect of the proposed bonding on the average cost of the annual debt service is to increase it by \$36 million.

The estimated annual debt service on the bond issue being offered for ratification is estimated at \$36 million.

The projected amount of general obligation debt that could be issued and paid for from the Alaska debt retirement fund is zero.

The bond issue being offered for ratification will not be repaid with amounts in the Alaska debt retirement fund.

#### **Alaska Public Debt Report**

The Alaska Public Debt report is a comprehensive overview of the public debt accumulated by the State of Alaska and its subsidiaries. The full report is available on the internet at:

<http://www.dor.alaska.gov/treasury/programs/programs/other/debt/index.aspx>

## **Notice to the Legislature Current General Obligation Bonded Indebtedness**

The current general obligation bonded indebtedness of the State is \$475.8 million.

The effect of the proposed bonding on the state is to increase it by \$397.2 million

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The effect of the proposed bonding on the average cost of the annual debt service is to increase it by \$36 million.

The estimated annual debt service on the bond issue being offered for ratification is estimated at \$36 million.

The projected amount of general obligation debt that could be issued and paid for from the Alaska debt retirement fund is zero.

The bond issue being offered for ratification will not be repaid with amounts in the Alaska debt retirement fund.

## I. Types of Alaska Public Debt

The State has liability or potential exposure for repayment of principal and interest nine categories. In descending order of the State's liability, the types of obligations are:

- State Debt
- State Supported Debt
- State Guaranteed Debt
- State Moral Obligation Debt
- State and University Revenue Debt
- State Agency Debt
- State Agency Collateralized or Insured Debt
- Municipal Debt
- Industrial Development Bonds

On the following pages, each type of State obligation is briefly discussed and defined. Table 1.1 summarizes Alaska's \$8.2 billion of public debt by type.

In Section II, Alaska issuers of public debt are described and statistical tables are provided for each issuer.

### A. State Debt

State Debt includes revenue anticipation notes (RAN's) and general obligation bonds (GOB's). The full faith, credit and resources of the State are pledged to the payment of principal and interest on this debt. If future State revenues are insufficient to make the required principal and interest payments to bondholders and note holders, the State is legally required by its contract with bondholders and note holders to raise taxes in order to meet these obligations.

#### 1. Revenue Anticipation Notes (RAN's)

Short-term State borrowing in anticipation of revenues is permitted under AS 43.08.010. RAN's may be issued and renewed from time to time, but all such notes, renewals and interest thereon shall be paid from revenues by the end of the fiscal year following the year in which the notes were issued. The full faith, credit, resources, and taxing power of the State are pledged to the payment of RAN's and interest thereon. To further secure such payment, and if necessary to effect advantageous borrowing to the State, collateral may also be pledged. There are no State RAN's issued or outstanding at June 30, 2012.

#### 2. General Obligation Bonds (GOB's)

The State Constitution provides that GOB's must be authorized by law and ratified by the voters. Generally, the Constitution permits authorization of GOB's only for capital improvements. The legal provisions regarding GOB's are contained in Section 8, Article IX of the Alaska Constitution and AS 37.15, the State Bonding Act. The amount and timing of a bond sale must be approved by the State Bond Committee. There is no statutory limit on the amount of State GOB's that may be authorized. \$198,840,000 in authorized GOB's remain unissued at June 30, 2012. On November 6, 2012 an additional \$453,499,200 of GOB's were approved by the voters for transportation projects. The State anticipates issuing the remaining FY 2011 authority and approximately 50% of the FY 2013 authority in FY 2013.

As of June 30, 2012 the State had issued GOB's 53 times since statehood, raising almost \$2.4 billion. In addition, the State assumed the outstanding debt of the Territory of Alaska as GOB's of the State. In 1959, the Territorial debt was \$2.9 million. As of June 30, 2012, the State had \$575.8 million in GOB's outstanding.

The interest cost on State bond issues is determined by several factors, the major factor being the general level of interest rates in the global economy. However, the credit rating assigned to an issuer and the related investor

assessment of credit risk are important factors. The State's credit ratings improved from Baa1/A in 1973 to Aaa/AAA/AA+ at June 30, 2012, and Aaa/AAA/AAA by January 8, 2013. The State's credit ratings was upgraded to Aaa by Moody's in FY 2011, to AAA by Standard & Poor's in FY 2012, and in the current fiscal year FY 2013 to AAA by Fitch Ratings. Significant factors behind the credit rating are the State's oil-based revenues, conservative budget practices, significant reserve positions, and slow steady economic growth.

### ***B. State Supported Debt***

State Supported Debt is debt for which the ultimate source of payment is, or may include, appropriations from the State's General Fund. The debt does not have the full faith and credit of the State pledged to it but, it may have the full faith and credit of another public issuer, as in the case of municipal school debt.

State Supported Debt is not considered debt under the Alaska Constitution because the State's payments on the debt obligations, even if they are the subject of a contractual commitment, are subject to annual legislative appropriation. As a result, voter approval of such debt is not required.

State Supported Debt includes lease-purchase financing obligations (structured as certificates of participation (COP's)), the share of municipal G.O. bonds issued for school construction which is reimbursable by the State, the portion of university or municipal G.O. bonds issued for certain capital projects which is reimbursable by the State, and Capital Leases the State has entered for the Atwood Office Building and Parking Garage with AHFC, the Anchorage Jail with the Municipality of Anchorage, and the Goose Creek Correctional Center with the Matanuska Susitna Borough.

Historically, State Supported Debt has been authorized by voter referendum as in the case of municipal school debt, by law as in the case of the University, by legislative resolution pursuant to AS 37.05.280 (now repealed) as in the case of ASHA, and by action of the State Bond Committee as in the case of some COP's.

In 1986, legislation increased legislative control over lease-financing. Chapter 106, SLA 1986, effective January 1, 1988, requires approval by law of any executive branch lease-financing agreements with annual lease payments exceeding \$1 million. Chapter 73, SLA 1992, effective September 14, 1992, adds the requirement of approval by law of leases with total lease payments exceeding \$10 million. Chapter 75, SLA 1994, effective June 7, 1994, generally requires prior legislative approval of all lease-purchase agreements, other than the refinancing of outstanding balances on existing lease purchase agreements and certain University of Alaska transactions.

At June 30, 2012, State Supported Debt was \$1,190.3 million as shown in Table 1.1.

### ***C. State Guaranteed Debt***

In the 1982 general election, voters approved an amendment to Article IX, Section 8 of the Alaska Constitution that permits the State to guarantee unconditionally as a general obligation of the State, the payment of principal and interest on revenue bonds issued by AHFC for the purpose of purchasing mortgage loans made for residences of qualifying veterans. This is the only purpose for which State Guaranteed Bonds may be issued. Because the bonds are general obligations of the State, they must be authorized by law, ratified by the voters, and approved by the State Bond Committee. In six elections from 1982 through 2010 voters approved propositions authorizing \$3.3 billion of State Guaranteed Bonds for veterans' mortgages.

These bonds are known to investors as "double-barreled" because there are two distinct forms of security behind the bonds. Their first lien is on the revenue stream generated by payments on the mortgage loans made from bond sale proceeds. Additional security to bondholders is provided by the general obligation pledge of the State to make the required debt service payments in the event that revenues are insufficient. In recognition of the creditworthiness of the veterans' bonds, they have been rated AAA; equivalent to State G.O. bonds.

The constitutional amendment permitting the State general obligation pledge on veterans' mortgage bonds was necessary only to gain tax-exempt status for the bonds. The Mortgage Subsidy Bond Tax Act passed by Congress in 1980 restricted the ability of states or public corporations to sell tax-exempt housing bonds above specified ceilings unless they were also general obligations of the issuing state and the proceeds were used for housing loans for veterans. After the 1980 legislation and before the 1982 constitutional amendment, AHFC had been issuing more expensive taxable bonds for veterans' as well as non-veterans' loans.

Because of the strong support behind the bonds, independent of the State's general obligation pledge, this debt is not counted by the rating agencies as general obligation debt. However, if problems in meeting debt service on veterans' bonds were to arise, the bonds would be treated as general obligation debt for credit rating purposes.

At June 30, 2012, State Guaranteed Debt was \$180.1 million, as shown on Table 1.1.

#### ***D. State Moral Obligation Debt***

This type of debt consists of bonds issued by State agencies which are secured, in part, by a reserve fund to which is attached a discretionary replenishment provision. Such a reserve fund is typically called a capital reserve fund. The discretionary replenishment provision typically reads:

The chairman of the authority (or corporation) shall annually, no later than January 1, certify in writing to the Governor and the Legislature the amount, if any, required to restore the capital reserve fund to the capital reserve fund requirement. The Legislature may appropriate to the authority (or corporation) the amount certified by the chairman of the authority (or corporation). Nothing in this section creates a debt or liability of the state.

A capital reserve fund is generally equal in size to the maximum amount of debt service required in any year. Alaska's discretionary replenishment provision means that if the reserve fund should fall below its required level, the State Legislature may, but is not legally required to, appropriate funds sufficient to restore the capital reserve fund to its required level. The most likely reason that such a reserve fund would fall short of the required level is if agency revenues were insufficient to meet a given debt service payment and the reserve fund had to be used to make the payment.

The authority to issue moral obligation bonds is contained in the enabling legislation of Alaska Aerospace Development Corporation, Alaska Housing Finance Corporation, Alaska Industrial Development and Export Authority, Alaska Student Loan Corporation, Alaska Municipal Bond Bank, Alaska Energy Authority & Knik Arm Bridge and Toll Authority. Such authority is not granted to the other State agencies.

At June 30, 2012, State Moral Obligation Debt was \$1,080.1 million, as shown in Table 1.1.

#### ***E. State Revenue and University Debt***

This type of debt Issued by the State on behalf of the Sportfish Program and the Alaska International Airport System or by the University is secured only by revenues derived from the issuing enterprise. Revenue Debt is not a general obligation of the State or the University and does not require voter approval. Such debt is authorized by law and issued by the University or by the State Bond Committee. This type of debt includes International Airports Revenue Bonds, Sport Fish Revenue Bonds, Clean Water and Drinking Water Fund Bonds, various University Revenue Bonds and Notes, and Toll Facilities Revenue Bonds. While the State hasn't issued any long term Clean Water or Drinking Water Fund Revenue Bonds, it does undertake an annual overnight borrowing to provide for operational goals of the Funds.

At June 30, 2012, State Revenue and University Debt was \$760.9 million, as shown on Table 1.1.

## ***F. State Agency Debt***

State Agency Debt is secured by revenues generated from the use of bond proceeds or the assets of the agency issuing the bonds. The debt is not a general obligation of the State nor does the State provide security for the debt in any other manner, i.e., by appropriations, guarantees, or moral obligation pledges. The State has, however, in the past appropriated funds to subsidize the interest rate to the underlying borrowers in the case of certain AHFC debt listed as State Agency Debt in Table 1.1.

Nevertheless, if default threatened on any such State Agency Debt, there is some possibility the State would provide relief. The ties between these agencies and the State -- such as their statutory origin and authority, subjection to the executive budget act and State contracting procedures, cabinet membership on boards, legislative approval of bond issuance, and, most fundamentally, achievement of their missions as a political goal of the State -- may mean that the State would consider providing support for such debt even though it has no legal requirement to do so. A default on any State Agency Debt may affect interest costs on unrelated State and State Agency and certain municipal debt.

The exception to any expectation of State response in the event of a default is the Tobacco Settlement Asset Backed Bonds issued by the Northern Tobacco Securitization Corporation. These bonds were deliberately structured without any implication of State support to divest the State of a portion of its position with the settlement. Investors in these bonds have received a commensurately higher yield than for other types of State Agency Debt.

At June 30, 2012, State Agency Debt was \$768.8 million, as shown on Table 1.1.

## ***G. State Agency Collateralized or Insured Debt***

As security for this type of debt, the State agency pledges mortgage loans or other securities which may be 100% insured or guaranteed by another party of superior credit standing. This upgrades the credit rating on the debt and lowers the interest cost. It also makes very remote any likelihood of the State having to consider assumption of responsibility for the debt. The details of such debt are explained in the section on AHFC.

At June 30, 2012, State Agency Collateralized or Insured Debt was \$2,419.2 million, as shown on Table 1.1.

## ***H. Municipal Debt***

Political subdivisions within the State of Alaska are termed "municipalities." The five categories of municipality are home rule city, general law city, home rule borough, general law borough, and unified municipality.

Alaska municipalities had 2.4 billion in general obligation bonds outstanding at June 30, 2012. Alaska municipalities' general obligation debt has remained relatively stable over the last five years, and remains below its peak of \$2.67 billion reached in 1986.

In addition to general obligation debt that is supported by local taxes, cities and boroughs may issue debt that is supported by the revenues generated by the project financed through the issuance of debt. At June 30, 2012, approximately \$714.3 million in municipal revenue bonds was outstanding. These revenue bonds accounted for 22.8% of all local debt outstanding in Alaska.

## ***I. Industrial Development Bonds (IDB's)***

The City of Valdez, Alaska issued approximately \$1.7 billion of Industrial Development Bonds (IDB's), from 1976 - 1986, to finance construction of the Trans Alaska Pipeline System. These bonds, repaid solely by revenues from major oil companies, are not obligations of the State of Alaska or the City of Valdez. These Industrial Development Bonds are not included in the amounts of Alaska public debt in this publication.

**TABLE 1.1**  
**State and State Agency Debt by Type at 6/30/12**  
 \$(millions)

	principal outstanding	interest to maturity	total debt service to maturity
<b>State Debt</b>			
State of Alaska General Obligation Bonds	<u>575.8</u>	<u>288.2</u>	<u>864.0</u>
<b>State Supported Debt</b>			
Lease-Purchase Financings	11.4	1.0	12.3
State Reimbursement of Municipal School Debt Service	872.6	286.7	1,159.3
State Reimbursement of capital projects	24.1	8.6	32.7
Capital Leases	<u>282.2</u>	<u>182.0</u>	<u>464.2</u>
<b>Total State Supported Debt</b>	<u>1,190.3</u>	<u>478.3</u>	<u>1,668.5</u>
<b>State Guaranteed Debt</b>			
Alaska Housing Finance Corporation State Guaranteed Bonds (Veterans' Mortgage Program)	<u>180.1</u>	<u>135.6</u>	<u>315.7</u>
<b>State Moral Obligation Debt</b>			
Alaska Municipal Bond Bank:			
1976, 2005, & 2010 General Resolution General Obligation Bonds	677.0	303.3	980.3
1998-2004 General Revenue Bonds	47.9	26.0	73.9
Alaska Energy Authority:			
Power Revenue Bonds #1 through #5	93.1	27.8	120.9
Alaska Student Loan Corporation			
Student Loan Revenue Bonds	218.9	33.9	252.8
Student Capital Project Revenue Bonds	<u>43.2</u>	<u>4.1</u>	<u>47.3</u>
<b>Total State Moral Obligation Debt</b>	<u>1,080.1</u>	<u>395.1</u>	<u>1,475.2</u>
<b>State Revenue Debt</b>			
Sportfish Revenue Bonds	45.5	18.3	63.7
International Airports Revenue Bonds	<u>561.1</u>	<u>292.4</u>	<u>853.5</u>
<b>University of Alaska Debt</b>			
University of Alaska Revenue Bonds	136.6	52.0	188.6
University Indebtedness to AK Housing Finance Corporation (5)	16.1	1.9	18.0
Installment Contracts	<u>1.7</u>	<u>0.1</u>	<u>1.8</u>
<b>Total University of Alaska Debt</b>	<u>154.4</u>	<u>54.0</u>	<u>208.4</u>
<b>Total State Revenue and University Debt</b>	<u>760.9</u>	<u>346.4</u>	<u>1,107.3</u>
<b>State Agency Debt</b>			
Alaska Housing Finance Corporation:			
Commercial Paper	68.7	N/A	68.7
Alaska Municipal Bond Bank Coastal Energy Loan Bonds	10.7	6.3	17.0
Alaska Railroad	162.4	38.6	201.0
Northern Tobacco Securitization Corporation			
2006 Tobacco Settlement Asset-Backed Bonds	368.6	504.1	872.7
Alaska Student Loan Corporation			
Loan with State of Alaska	67.5	2.4	69.9
Funding Note Purchase Greement	<u>90.9</u>	<u>0.9</u>	<u>91.8</u>
<b>Total State Agency Debt</b>	<u>768.8</u>	<u>552.3</u>	<u>1,321.1</u>
<b>State Agency Collateralized or Insured Debt</b>			
Alaska Housing Finance Corporation:			
Collateralized Home Mortgage Revenue Bonds & Mortgage Revenue Bonds:			
1998 Through 2011 (First Time Homebuyer Program)	1,164.8	739.7	1,904.5
General Mortgage Revenue Bonds 2002	110.3	86.1	196.4
Housing Development Bonds 2002 through 2004	225.8	181.0	406.8
General Housing Purpose Bonds 2005	274.5	201.1	475.6
Government Purpose Bonds 1997 & 2001	143.2	46.5	189.7
State Capital Project Bonds, 2002-2007	336.2	170.0	506.2
Alaska Industrial Development and Export Authority:			
Revolving Fund and Refunding Revolving Fund Bonds	88.5	34.0	122.5
Power Revenue Bonds, First Series (Snettisham Hydro Project)	<u>75.9</u>	<u>54.3</u>	<u>130.2</u>
<b>Total State Agency Collateralized or Insured Debt</b>	<u>2,419.2</u>	<u>1,512.7</u>	<u>3,931.9</u>
<b>Total State and State Agency Debt</b>	<u>6,975.2</u>		

**TABLE 1.1 (Continued)**  
**State and State Agency Debt by Type at 6/30/12**

<b>Municipal Debt</b>			
<i>School G.O. Debt</i>	1,292.9	N/A	N/A
<i>Other G.O. Debt</i>	1,131.4	N/A	N/A
Revenue Debt	<u>714.3</u>	N/A	N/A
<b>Total Municipal Debt</b>	<b>3,138.6</b>		
<b>Less: State Reimbursable Debt and Capital Leases *</b>	<b>-1,178.9</b>		
<b>Less: Alaska Municipal Bond Bank debt included in municipal debt *</b>	<b>-735.6</b>		
	<u>1,224.1</u>		
<b>Total Alaska Public Debt</b>	<b><u>\$ 8,199.3</u></b>		

NOTES

1. University debt owed to AHFC is double counted in detail, but eliminated from Total Alaska Public Debt

\* Reimbursable school G.O. debt is included in "state supported debt"

Capital Leases are included in State Agency Collateralized or Insured Debt

State Reimbursement of Capital Projects is included in University and Municipal Debt

Sources: Annual reports and financial statements of AHFC, AMBBA, AIDEA, AEA, U of A, AKRR, and directly from agencies.

## II. Issuers of Alaska Public Debt

In Section I, the nine types of Alaska public debt are described. In this section, the issuers of Alaska public debt are described. Issuers include the State, State Agencies and University, and Municipalities.

At June 30, 2012, total public debt of Alaska issuers stood at \$8.85 billion, as follows:

	<u>\$ (millions)</u>
State of Alaska Revenue and GO Debt	1,182.3
State Supported Debt	1,190.3
State Agencies and University Debt	4,602.6
Municipalities Debt	3,138.6
Less duplicate reporting *	(1,914.5)
<b>Total Alaska Public Debt</b>	<b><u>\$ 8,199.3</u></b>

\* \$735.6 million of Alaska Municipal Bond Bank debt issued to purchase municipal debt, \$896.7 million State reimbursable debt, and \$282.2 million in capital leases.

### A. State of Alaska

State debt includes general obligation bonds, International Airport System revenue bonds, sport fish revenue bonds, toll facility revenue bonds, and revenue anticipation notes.

#### 1. General Obligation Debt

Tables 2.1-2.5 below summarize the State's general obligation debt issued and outstanding.

## Miles Brookes

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**From:** Aurora Hauke  
**Sent:** Thursday, January 24, 2013 2:30 PM  
**To:** Rep. Andrew Josephson; Rep. Beth Kerttula; Rep. Chris Tuck; Rep. David Guttenberg; Rep. Geran Tarr; Rep. Harriet Drummond; Rep. Jonathan Kreiss-Tomkins; Rep. Les Gara; Rep. Max Gruenberg; Rep. Scott Kawasaki  
**Cc:** Aurora Hauke; Catherine Reardon; Elizabeth Bolling; George Ascott; Hannah McCarty; Holly Smith; Jessie Peterson; Joseph Caissie; Kaycie Thompson; Ken Alper; Kristin Kranendonk; Mark Gnad; Meghan Cavanaugh; Meredith Cameron; Mike Coumbe; Miles Brookes; Mindy O'Neill; Monica Southworth; Nancy Barnes; Peter Stein; Riley Leonard; Ron Clarke; Rose Foley; Rudolph Ascott; Ted Madsen; Toby Smith; Tully McLoughlin  
**Subject:** License Plates

Hello everyone,

We've been asked to check to make sure you're ok with your license plate number, which is based on seniority, then alphabetical.

Our caucus has the following plates:

House 2 Gruenberg  
House 3 Kerttula  
House 6 Gara  
House 7 Guttenberg  
House 17 Kawasaki  
House 23 Tuck  
House 32 Drummond  
House 36 Josephson  
House 37 Kreiss-Tomkins  
House 40 Tarr

Please let me know by Friday at 4:30 if you're not ok with your plate number or if you have any questions.

Thank you,

*Aurora Hauke*

Chief of Staff  
Representative Beth Kerttula  
State Capitol, Room 404  
Juneau, Alaska 99801-1187  
(907) 465-4766 phone  
(907) 465-4748 fax  
[aurora.hauke@akleg.gov](mailto:aurora.hauke@akleg.gov)  
[Subscribe to Rep. Kerttula's email newsletter](#)

# Alaska State Legislature

## House of Representatives

*Member:*

Judiciary  
Rules  
Legislative Council  
Military & Veterans Affairs



### Representative Max F. Gruenberg, Jr.

House District 14

Anchorage (Russian Jack, College Gate, Nunaka Valley)

House Democratic Floor Leader

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*Fax:* (907) 465-3766

*Email:*  
Rep.Max.Gruenberg@legis.state.ak.us

### House Bill 11: Information on Matters in the Official Election Pamphlet List of Expected Witnesses

- Gail Fenumiai, Director, Division of Elections
- Deven Mitchell, Debt Manager, Department of Revenue