

ALASKA LEGISLATURE

1948

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

The 80th Flying Training Wing conducts the ENJJPT Program sponsored by the North Atlantic Treaty Organization (NATO). The program, begun in 1981 and now training 250 students annually, provides fighter-oriented pilot training for 13 NATO countries.

There are numerous tenant organizations in both direct and indirect support of the base missions.

2). Capacity Utilization The base comprises 6,158 acres. The airfield consists of four runways of varying length from 13,000 feet to 6,000 feet, and ramp space that supports approximately 220 T-37 and T-38 aircraft with additional capability, as well as support of a joint use arrangement with the City of Wichita Falls. The installation has received training programs from the now closed Lowry, Colorado, and Chanute, Illinois, AFBs and received \$167.9 million in BRAC realignment construction, in addition to \$34 million for the ENJJPT and \$49.9 million in regular military construction. Although much of the installation housing is old, there are 196 housing units for officers and 1,062 units for enlisted personnel, and the city is ready to propose to the Air Force an off-base, privatized housing project.

During the BRAC 95 analysis, the Air Force determined that, given the projected student load, Sheppard AFB could accommodate up to six administrative-type units of twenty-five persons each, with no construction. At that time, the base had 162 undeveloped acres. With recent development, there remains limited capacity for new or realigned missions. Since the basic aircraft and unit assignments at Sheppard AFB have not changed since the BRAC 95 analysis was completed, this assessment of capacity remains accurate.

3). Outlook The general outlook for Sheppard AFB is excellent. There were no changes to the base's force structure or manpower in the February 1998 Air Force Public Announcement. Sheppard AFB has received realignment missions from all rounds of BRAC and from all Services; there appears to be continuing discussion to realign other training missions. All Service medical training is on the rise. The ENJJPT program continues with full support from the NATO nations involved. There is little current likelihood of the ENJJPT program being eliminated or substantially reduced because it is the most cost-effective training solution available. Current European NATO members do not have adequate airspace or installation capability to conduct this training.

However, the community should remain vigilant for expansion opportunities and be prepared to make a strong case. One impediment to mission expansion at Sheppard AFB requires attention and resolution. The residential community of Carriage Lane has filed a lawsuit contesting zoning regulations connected with the new, third runway for the base. The complaint is that the zoning rules prevent beneficial use of the residential community's land.

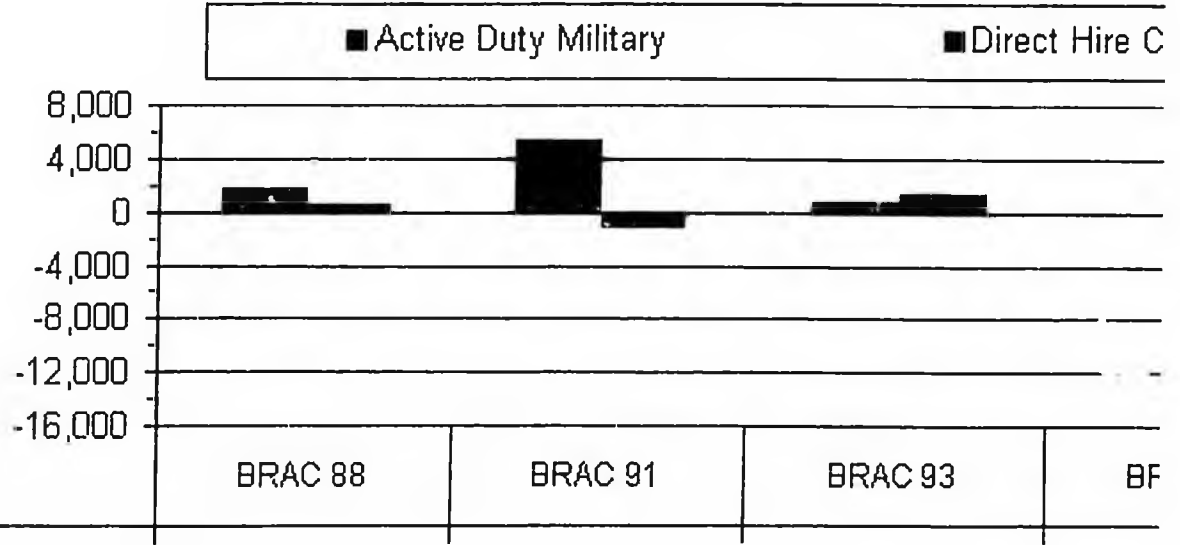


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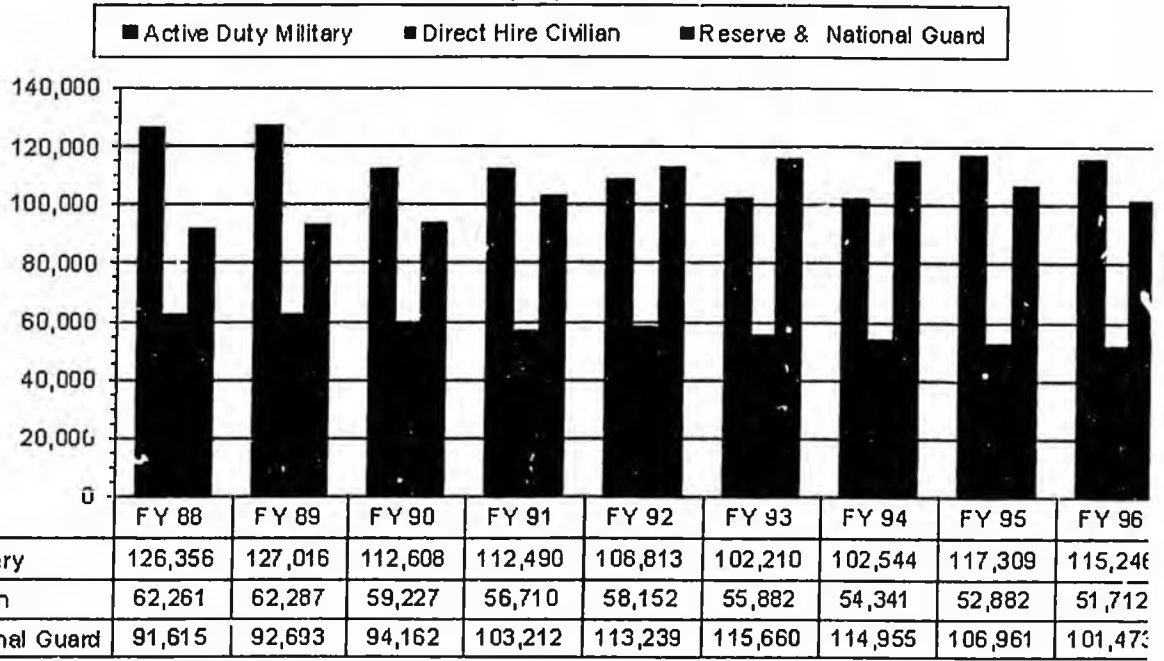
APPENDIX 2

Figure 1
BRAC-Estimated Impact on Department of Defense
Assigned to Texas
(BRAC 1988, 1991, 1993 & 1995)



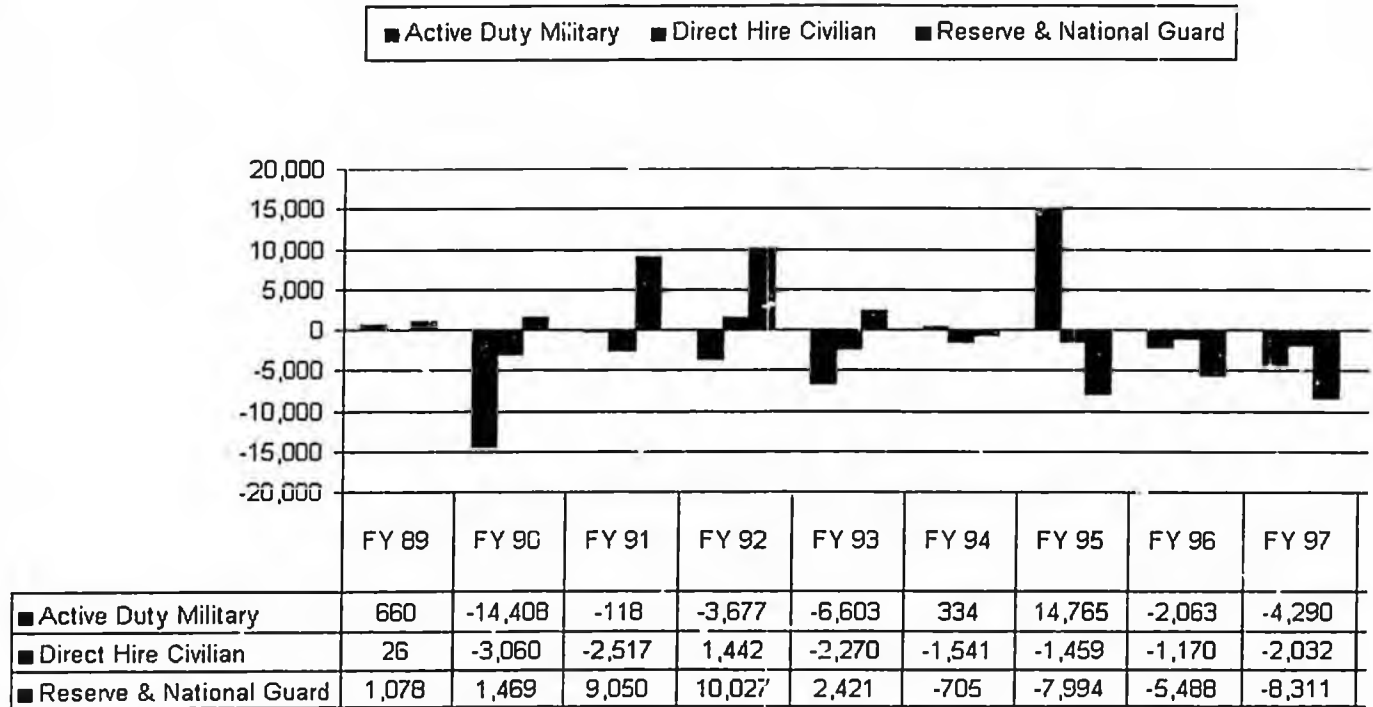
Source: DOD Directorate of Information, Operations, and Reports

Figure 2
DOD Personnel Assigned to Texas
Fiscal Years (FY) 1988 thru 1997*



* As of September 30th of each year.

Figure 3
Changes to Department of Defense Personnel Assigned to Texas
 Fiscal Years (FY) 1988 thru 1997*
 Baseline FY 1988



* As of September 30th of each year.

Source: DOD Directorate of Information, Operations, and Reports

Figure 4
Total Value of Prime Contracts Over \$25,000
 Fiscal Years (FY) 1995 thru 1997

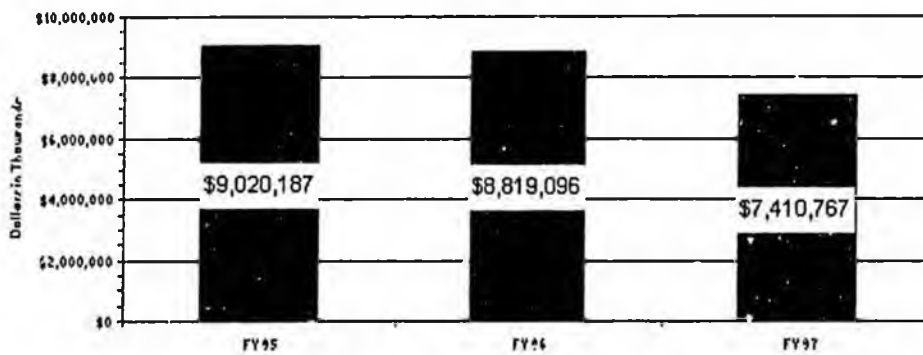
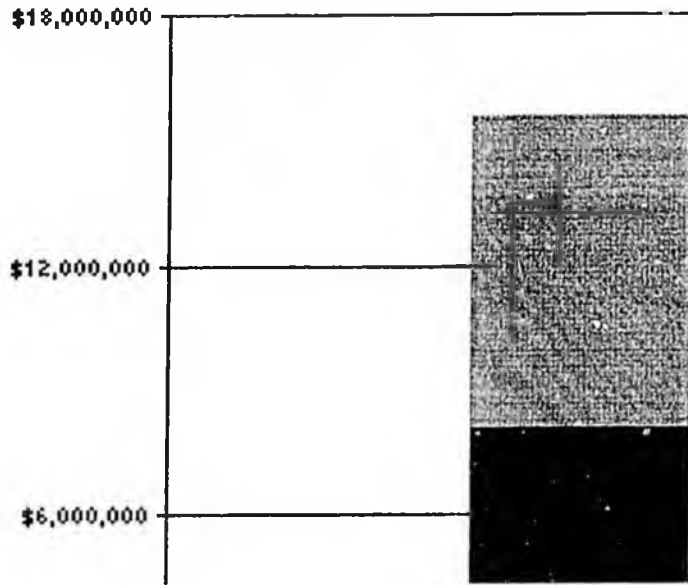


Figure 5



Net Value of Department of Defense Procurement Awards
in Texas by County
(Dollars in Thousands)

	Total	Army	Navy	Air Force	Defense Logistics Agency	Civil Functions
Angelina	794	137	454	48	0	95
Aransas	1,448	37	1,043	0	31	335
Archer	44	44	0	0	0	0
Austin	269,308	269,048	0	0	261	0
Bastrop	17,676	26	65	430	17,155	0
Bee	231	0	231	0	0	0
Bell	266,447	261,698	413	1,559	151	1,452
Bexar	661,840	197,157	20,432	352,631	75,792	6,473
Borden	27	0	0	27	0	0
Bosque	32	0	0	0	0	32
Bowie	52,391	33,852	1,564	96	15,381	1,499
Brazoria	30,175	43	0	11,007	65	19,060
Brazos	5,349	2,061	1,247	1,805	189	0
Brown	2,645	0	0	0	2,645	0
Burleson	508	233	0	0	0	275
Burnet	374	0	0	374	0	0
Caldwell	188	0	42	146	0	0
Calhoun	2,292	0	0	0	0	2,292
Callahan	189	0	0	0	189	0
Cameron	7,950	20	0	0	0	7,930
Carson	737	692	0	0	0	46
Chambers	6,400	0	0	0	0	6,400
Childress	41	41	0	0	0	0
Coleman	42	42	0	0	0	0
Collin	542,051	171,400	202,476	120,644	7,296	222
Colorado	44	44	0	0	0	0
Cornal	12,455	160	137	85	11,379	662
Comanche	495	404	0	0	0	90
Cooke	408	0	0	0	408	0
Correll	5,228	5,228	0	0	0	0
Dallas	1,044,251	700,107	88,733	189,024	38,853	1,076
Delta	120	120	0	0	0	0
Denton	343,691	219,816	116,124	2,185	338	1,849
Duval	42	0	0	0	42	0
El Paso	272,871	166,045	12,233	2,798	77,467	12,917
Ellis	214	149	28	0	0	37
Erath	46	46	0	0	0	0
Falls	39	39	0	0	0	0
Fannin	39	0	0	39	0	0
Fayette	230	230	0	0	0	0
Floyd	71	71	0	0	0	0
Foard	234	0	0	0	0	234
Fort Bend	1,405	407	93	181	649	37
Galveston	60,568	155	3,000	99	48,678	8,636
Gillespie	701	38	122	67	473	0
Gray	1,536	1,536	0	0	0	0
Grayson	3,090	0	2,857	0	105	128
Gregg	573	312	0	29	232	0
Grimes	231	71	30	75	0	0
Guadalupe	253	0	0	0	253	0
Hamilton	49	49	0	0	0	0
Harris	472,409	94,165	10,913	35,103	312,231	14,374
Harrison	8,061	8,031	0	0	0	30
Hays	765	547	0	218	0	0
Hemphill	3,922	0	0	0	0	3,922

Hidalgo	920	105	42	0	661	111
Hill	438	307	0	0	0	131
Houston	137	0	0	0	38	41
Howard	22,044	3,204	0	162	17,455	1,223
Hunt	191,013	3,186	37,638	150,189	0	0
Jasper	2,881	351	0	0	0	2,531
Jefferson	10,077	115	97	0	2,555	7,311
Jim Wells	306	209	0	97	0	0
Johnson	70	28	29	96	0	99
Jones	136,701	20,294	0	20,144	95,444	0
Kendall	4,330	1,237	0	64	3,029	0
Kerr	2,197	1,585	0	110	503	0
Kleberg	248,674	12,506	91,863	11,167	129,683	472
Knox	100	0	0	0	0	100
Lamar	211	60	0	0	0	151
Liberty	47	47	0	0	0	0
Limestone	840	840	0	0	0	0
Live Oak	12,961	0	0	41	12,920	0
Lubbock	36,701	10,981	33	12,038	8,165	35
Marion	2,586	0	0	0	0	2,527
Mason	67	0	0	67	0	0
Matagorda	4,258	0	96	0	0	4,162
McLennan	182,618	1,368	62,906	114,127	3,416	194
Medina	290	0	0	290	0	0
Midland	33	0	33	0	0	0
Milam	487	252	0	0	0	0
Mills	98	98	0	0	0	0
Montgomery	6,371	3,362	488	2,024	497	0
Moore	4,175	0	0	0	4,175	0
Navarro	256	162	0	0	0	95
Nueces	2,534	0	2,534	0	0	0
Orange	8,640	7,273	0	0	0	1,367
Palo Pinto	1,199	146	777	136	75	66
Panola	75	75	0	0	0	0
Parker	1,587	96	0	1,315	176	0
Potter	1,612	172	0	316	195	286
Presidio	65	65	0	0	0	0
Red River	40	0	0	0	40	0
Rockwall	99	99	0	0	0	0
San Patricio	47,445	0	47,483	0	38	0
San Saba	220	220	0	0	0	0
Scurry	215	215	0	0	0	0
Shelby	55	55	0	0	0	0
Smith	32,041	0	0	39	32,002	0
Starr	66	0	0	66	0	0
Stephens	898	0	0	898	0	0

Wood	108	108	0	0	0	0
Texas	7,410,769	2,414,346	1,372,694	2,433,947	956,454	124,345

Source: Department of Defense; figures for Department of Defense's FY 1997.
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HB

77

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/12/99

FURTHER: S 3/17/99

DATE TURNED IN TO OFFICE: 3/17/99

Finance Committee considered CS FOR HOUSE BILL NO. 77(FIN)

"An Act relating to the Joint Armed Services Committee, a permanent interim committee of the Alaska State Legislature; and providing for an effective date."

and recommends:

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

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

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Roller</i>	✓				
<i>Ed Adams</i>	X	<i>Linda Green (do pass if amended)</i>			X
<i>John Wiley</i>	✓				
<i>Loren J. Jensen</i>	✓				
Co-Chair <i>John Jensen</i>	✓	Co-Chair:			
Co-Chair <i>Alan Parrell</i>	✓	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

LAA	3/3/99	Ø	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No: 2

Bill Version: CSHB 77 (FIN)

(H) Publish Date: 3/5/99

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

Title: "An Act relating to the Joint Armed Services Committee"
 Sponsor: Representative Murkowski
 Requestor: _____

Dept. Affected: Legislative Affairs Agency
 BRU: Legislative Council
 Components: Council & Subcommittees
 Serial #: _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
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	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Otr						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-Time	0	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Note: Funding for the Joint Armed Services Committee in the amount of \$18.0 is included in the Legislature's FY 2000 request; therefore, new funds are not needed.

See attached sheet for additional details.

Prepared by: House Finance Committee  Date: 03/03/99
Representative Eidon Mulder Phone: 465-2647
Representative Gene Theriault Phone: 465-2647

HB 77 establishes the Joint Armed Services Committee as a permanent interim committee of the Alaska State Legislature. Membership will include 5 members of the Senate, 5 members of the House and 5 members of the public.

The \$18.0 in the council & subcommittees component will fund the travel costs of two meetings (one in Anchorage and one in Fairbanks) totaling \$14.6. The travel and per diem amount is based on the assumption that 9 members will be receiving travel and per diem benefits for the Anchorage meeting and 12 members for the Fairbanks meeting. The FY 2000 request also includes needed contractual items in the amount of \$3.4.

Travel and per diem

(Each trip consists of one nights lodging and two full days of meetings)

Anchorage meeting per diem (includes one nights lodging) = (9 individuals x \$213/day)	\$1.9
Anchorage meeting per diem = (9 individuals x \$62/day)	\$0.6
Anchorage meeting travel costs = (\$350 x 9)	\$3.2
Anchorage travel and per diem total	<u>\$5.7</u>

Fairbanks meeting per diem (includes one nights lodging) = (12 individuals x \$181/day)	\$2.2
Fairbanks meeting per diem = (12 individuals x \$60/day)	\$0.7
Fairbanks meeting travel costs = (\$500 x 12)	\$6.0
Fairbanks travel and per diem total	<u>\$8.9</u>

Travel and per diem total	14.6
----------------------------------	-------------

Contractual

Phones = (\$100/month)	\$1.2
Advertising	\$1.6
Postage = (\$50/month)	\$0.6
Contractual Total	<u>\$3.4</u>

Total expenses	<u>\$18.0</u>
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ALASKA STATE LEGISLATURE

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MILITARY AND VETERANS AFFAIRS

Member:

JUDICIARY

COMMUNITY AND REGIONAL AFFAIRS

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Session:

ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-3783
FAX: (907) 465-2293
TOLL FREE: (877) 469-3783

Interim:

716 WEST 4TH AVENUE
ANCHORAGE, AK 99501-2133
PHONE: (907) 269-0174
FAX: (907) 269-0177

HOUSE BILL 77 JOINT ARMED SERVICES COMMITTEE SPONSOR'S STATEMENT

Alaska is being considered as the site, for the deployment of a National Missile Ballistic Defense System. The Pentagon and the Secretary of Defense recently stated that another round of Base Realignment and Closures are forthcoming. Because of these challenges, I have introduced House Bill 77.

House Bill 77 would replace the existing Joint Committee on Military Bases in Alaska established in ch. 31, SLA 1998 with the Joint Armed Services Committee. The Joint Armed Services Committee would have an existence longer than called for in the Uniform Rules, Rules 21(b) & (c). Creating the joint committee for longer than the duration of the current 21st Legislature would require a change in statute. It cannot be done with a concurrent resolution, hence this bill. The committee would be activated on July 1, 1999 and the Legislative Council would provide administrative and other services to the committee.

This committee would provide a unified front by House, Senate, Military and Civilian members to monitor timely military topics relative to Alaska.

Alaska is in the crux of two swaying forces with regard to its military – the potential creation of new sites for a National Ballistic Missile Defense System and possible consolidation of existing military operations. These events require considerable and constant attention. With the military accounting for approximately \$1.7 billion of Alaska's economy, it is imperative that we take a leading role to monitor the economic impact of future military related events. The Joint Armed Services Committee will provide that focus.

Alaska State Legislature

HOUSE MAJORITY NEWS

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Jerry Ritter
Press Secretary
(907) 465-3804

FOR IMMEDIATE RELEASE: February 3, 1999

CONTACT: Representative Lisa Murkowski
(907) 465-3783

Joint Armed Services Committee Proposed **New Committee Would Address Variety of Military Topics**

(JUNEAU) -- Representative Lisa Murkowski (R-Anchorage) Wednesday introduced House Bill 77, which would create a new Joint Armed Services Committee for Alaska. This proposed committee would replace the Joint Committee on Military Bases in July of 1999.

"This committee will represent a unified front by Alaskans to work on important and timely military topics relative to Alaska," Murkowski said. "Alaska must be proactive with regard to the National Ballistic Missile Defense System proposal, ensuring that Alaska, along with the entire nation, is protected."

The committee will consist of five members of the House, five members of the Senate, one member from the active duty military, one from the Coast Guard, and three civilians.

The Joint Committee will also address any new proposals by the Base Realignment and Closure Commission (BRAC). Alaska lost two bases in 1995 when the BRAC Commission decided to close the Naval Air Facility on Adak and to realign the Army's functions at Fort Greely in Delta Junction.

"We understand that the Defense Department may be pushing for more closures in the future," Murkowski said. "We will work hard to maintain our military forces in Alaska. A continued military presence is vital to Alaska, both strategically and in its overall economic contributions to our communities."

###

Anchorage Daily News

Friday, February 26, 1999

Prime agenda

By Times editorial staff

A freshman member of the state House, Lisa Murkowski, has come up with a proposal that some of the older Juneau hands should have thought of a long time ago.

The Anchorage Republican has introduced legislation to create what she calls the Joint Armed Services Committee for Alaska. Under her proposal, the committee would be composed of 15 members - five selected from the state House, five from the state Senate, one member from the active military, one Coast Guard representative and three civilians.

Said Murkowski: "Alaska must be proactive with regard to the National Ballistic Missile Defense System proposal, ensuring that Alaska, along with the entire nation, is protected."

One of the biggest concerns is what might come from new meetings of the Base Realignment and Closure Commission. Earlier work by the commission led to the closure of the Adak Naval Air Facility and Fort Greely in Delta Junction.

"We will work hard to maintain our military forces in Alaska," Murkowski said. "A continued military presence is vital to Alaska, both strategically and in its overall economic contributions to our communities."

A further assignment for the committee, should it be established, would be to work for expansion of military training sites in Alaska. This state is without equal in providing the armed forces with the space they need to hone combat skills.

This bill needs quick and favorable action.

SENATE FINANCE COMMITTEE

SIGN-IN

SB 55-JOINT ARMED SERVICES COMMITTEE
HB 77-JOINT ARMED SERVICES COMMITTEE

NAME: Chris Nelson Subject/Bill No: SB 55 / HB 77
Co./Dept./Title: Staff - Joint Committee on Military Cases Phone: 3865
Address: 220 Goldstein Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

HB

84

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: March 5, 1999

FURTHER REFERRALS:

Date of Committee Action: 4/13/99

The FINANCE Committee considered:

HB 84

HOUSE BILL NO. 84

INTERNATIONAL AIRPORTS REVENUE BONDS

"An Act relating to international airports revenue bonds; and providing for an effective date."

recommends it be replaced with the following committee substitute _____ the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) _____ fiscal note(s) gov 2/10/99

zero fiscal note(s) _____ zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Gene Therriault</i> Therriault			X	
<i>Gene Mulder</i> Mulder	X			
<i>Corey Bunde</i> Bunde				✓
<i>Vivian Kehring</i> Kehring	X			
<i>John Austerma</i> Austerma			X	
<i>John M. Davies</i> DAVIES	X			
<i>Ben Grussendorf</i> Grussendorf			X	
<i>Frank Davis</i> Davis	X			
<i>William Williams</i> Williams			X	
<i>John Foster</i> Foster			X	

CHAIR'S SIGNATURE _____

Gene Mulder
 Mulder

STATE OF ALASKA
1998 LEGISLATIVE SESSION

FISCAL NOTE

Bill Version: HB 84
(H) Publish Date: 2/10/99

Revision Date: _____ Dept. Affected: Revenue
 Title: Anchorage International Airport BRU: Revenue Operations
 Component: Treasury
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES					
TRAVEL					
CONTRACTUAL					
SUPPLIES					
EQUIPMENT					
LAND & STRUCTURES					
GRANTS, CLAIMS					
Debt Service	0.0	0.0	1,598.3	2,188.6	2,189.8
TOTAL OPERATING	0.0	0.0	1,598.3	2,188.6	2,189.8
CAPITAL EXPENDITURES					
CHANGE IN REVENUES ()					

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts					
1003 GF Match					
1004 GF					
1001 CBRF					
International Airports Revenue Fund	0.0	0.0	1,598.3	2,188.6	2,189.8
Other					
TOTAL	0.0	0.0	1,598.3	2,188.6	2,189.8

Estimate of any current year cost \$ 0.0

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)

The bill authorizes the State Bond Committee to issue an additional \$25.0 million of revenue bonds to complete the Anchorage International Airport Terminal Redevelopment Project. The debt service on these bonds will be funded from the International Airports Revenue Fund. Assuming an interest rate of 7% when the bonds are sold, two years of capitalized interest, and a 25 year term, estimated annual debt service is approximately \$2.2 million.

These funds are being requested for cash flow purposes. The Airport has secured a federal grant called a 'Letter Of Intent' (LOI) for \$25.0 million which will be appropriated by Congress over a 10-year period. However, the Terminal Redevelopment Project anticipates cash flow needs from calendar year 1999 through 2001 for these funds.

See attached debt service analysis for low, mid, and high rates. The mid rate was used in this fiscal note.

Prepared by: Deven Mitchell, Acting State Debt Manager Phone: 465-3750
 Division: Treasury Division Date: January 13, 1999
 Approved by Commissioner: Wilson L. Condon *Paul L. Condon* Date: January 13, 1999
 Agency: Revenue

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Schedule 1
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Sources & Uses of Funds; Summary of Key Dates, Assumptions & Results

Sources & Uses of Funds

	Non-AMT	AMT	Total
Sources of Funds			
Par Amount of Bonds:	-	25,000,000.00	25,000,000.00
Plus Premium / Less Discount:	-	236,682.30	236,682.30
Interest Earnings on Existing Notes:	-	-	-
Accrued Interest:	-	-	-
Total Sources of Funds:	-	25,236,682.30	25,236,682.30
Uses of Funds			
Deposit to Construction Fund:	-	21,535,076.59	21,535,076.59
Deposit to Cap. Int. Fund:	-	2,855,775.00	2,855,775.00
DSRF:	-	-	-
Surety Bond:	-	49,325.31	49,325.31
Costs of Issuance:	-	500,000.00	500,000.00
Insurance:	-	146,505.39	146,505.39
Underwriters' Discount:	-	150,000.00	150,000.00
Accrued Interest:	-	-	-
Rounding:	-	-	-
Total Uses of Funds:	-	25,236,682.30	25,236,682.30

Key Results

	Non-AMT	AMT	Combined
Arbitrage Yield:	N/A	5.698761%	5.698761%
All-in Tie:	N/A	5.958927%	5.958927%
Average Life (Years):	N/A	16.62	16.62
Average Coupon:	N/A	5.738%	5.738%
Average Dollar Price:	N/A	100.947	100.947

Key Dates

Dated Date:	6/1/99
Delivery Date:	6/1/99
First Interest Date:	10/1/99
Underwriters' Discount (\$/1000):	6.000
Underwriters' Discount (%):	0.600%
Costs of Issuance (\$):	\$ 500,000
Costs of Issuance (%):	2.000%
Insurance:	Yes
Insurance Premium:	0.300%
Surety Bond Cost (% of DSRF):	2.500%
Use Surety Bond:	Yes
DSRF Earnings Rate:	0.000%
DSRF Negative (Positive) Arbitrage:	-
First Construction Draw Date:	6/1/99
Funds Needed for Completion:	9,928,520
Percent Spent In	
Year 1:	40.000%
Year 2:	40.000%
Year 3:	20.000%
Year 4:	0.000%
Construction Fund Earnings Rate:	0.000%
Negative (Positive) Arbitrage:	1,412,816
Average Life of Construction Fund:	1.21
Capitalize Interest Through:	6/1/01
Cap. Int. Fund Earnings Rate:	0.000%
Net Total Cap. Int. Fund Deposit:	2,855,775
Negative (Positive) Arbitrage:	192,157
Average Life of Cap. Int. Fund:	1.25

2 of 7

Schedule 1
 State of Alaska
 International Airport Revenue Bonds - Completion Bonds
 Series 1979
 Proposed Five Money Debt Service - AMT

Coupon	Yield	Pkcs	Prin. Inv.	Interest	Gross Semi-Annual Debt Service	Gross Bond Yield	Accrued Interest	Outstanding Interest	Benefit From Date Paid	Employed From Debt	Total Annual Debt Service	Net Bond Yield
06/01/79	5.50%	4.40%	102.47	413,943	413,943	413,943	.	413,943	.	.	.	.
10/01/79	5.50%	4.350%	102.900	713,944	713,944	1,427,888	.	713,944	.	.	.	.
04/01/80	5.50%	4.300%	103.294	713,944	713,944	1,427,888	.	713,944	.	.	.	.
10/01/80	5.50%	4.250%	103.67	713,944	713,944	1,427,888	.	713,944	.	.	.	.
04/01/81	5.50%	4.200%	104.024	709,131	709,131	1,398,263	.	217,941	.	.	.	.
10/01/81	5.50%	4.150%	104.354	694,008	694,008	1,370,013	.	.	.	.	.	.
04/01/82	5.50%	4.100%	104.659	677,919	677,919	1,370,838	.	.	.	.	.	.
10/01/82	5.50%	4.050%	104.940	661,004	661,004	1,372,013	.	.	.	.	.	.
04/01/83	5.50%	4.000%	105.201	643,131	643,131	1,371,283	.	.	.	.	.	.
10/01/83	5.50%	3.950%	105.431	624,294	624,294	1,368,588	.	.	.	.	.	.
04/01/84	5.50%	3.900%	105.711	604,494	604,494	1,364,984	.	.	.	.	.	.
10/01/84	5.50%	3.850%	106.024	583,594	583,594	1,372,184	.	.	.	.	.	.
04/01/85	5.50%	3.800%	106.357	560,450	560,450	1,378,630	.	.	.	.	.	.
10/01/85	5.50%	3.750%	106.657	536,013	536,013	1,372,023	.	.	.	.	.	.
04/01/86	5.50%	3.700%	106.924	510,134	510,134	1,370,273	.	.	.	.	.	.
10/01/86	5.50%	3.650%	107.113	482,823	482,823	1,370,617	.	.	.	.	.	.
04/01/87	5.50%	3.600%	107.217	453,303	453,303	1,371,608	.	.	.	.	.	.
10/01/87	5.50%	3.550%	107.246	422,019	422,019	1,369,078	.	.	.	.	.	.
04/01/88	5.50%	3.500%	107.170	388,972	388,972	1,372,944	.	.	.	.	.	.
10/01/88	5.50%	3.450%	107.024	353,869	353,869	1,372,738	.	.	.	.	.	.
04/01/89	5.50%	3.400%	106.816	318,291	318,291	1,371,381	.	.	.	.	.	.
10/01/89	5.50%	3.350%	106.534	280,744	280,744	1,371,488	.	.	.	.	.	.
04/01/90	5.50%	3.300%	106.178	240,208	240,208	1,370,413	.	.	.	.	.	.
10/01/90	5.50%	3.250%	105.678	197,289	197,289	1,369,738	.	.	.	.	.	.
04/01/91	5.50%	3.200%	105.051	152,044	152,044	1,372,369	.	.	.	.	.	.
10/01/91	5.50%	3.150%	104.219	104,219	104,219	1,372,044	.	.	.	.	.	.
04/01/92	5.50%	3.100%	103.178	53,619	53,619	1,369,434	.	.	.	.	.	.
10/01/92	5.50%	3.050%	101.924	.	.	1,372,238	.	.	.	.	.	.
04/01/93	5.50%	3.000%	100.451	.	.	.	.	.	.	.	.	.
10/01/93	5.50%	2.950%	98.678	.	.	.	.	.	.	.	.	.
04/01/94	5.50%	2.900%	96.178	.	.	.	.	.	.	.	.	.
10/01/94	5.50%	2.850%	92.823	.	.	.	.	.	.	.	.	.
04/01/95	5.50%	2.800%	88.578	.	.	.	.	.	.	.	.	.
10/01/95	5.50%	2.750%	83.451	.	.	.	.	.	.	.	.	.
04/01/96	5.50%	2.700%	77.451	.	.	.	.	.	.	.	.	.
10/01/96	5.50%	2.650%	70.678	.	.	.	.	.	.	.	.	.
04/01/97	5.50%	2.600%	63.178	.	.	.	.	.	.	.	.	.
10/01/97	5.50%	2.550%	55.023	.	.	.	.	.	.	.	.	.
04/01/98	5.50%	2.500%	46.223	.	.	.	.	.	.	.	.	.
10/01/98	5.50%	2.450%	36.878	.	.	.	.	.	.	.	.	.
04/01/99	5.50%	2.400%	27.023	.	.	.	.	.	.	.	.	.
10/01/99	5.50%	2.350%	16.778	.	.	.	.	.	.	.	.	.
04/01/00	5.50%	2.300%	6.178	.	.	.	.	.	.	.	.	.
10/01/00	5.50%	2.250%	0.178	.	.	.	.	.	.	.	.	.
04/01/01	5.50%	2.200%	0.178	.	.	.	.	.	.	.	.	.
25,000,000				21,033,131	44,033,131	44,033,131	.	2,833,775	.	.	43,979,356	43,979,356

3 of 7

Schedule I
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Sources & Uses of Funds; Summary of Key Dates, Assumptions & Results

Sources & Uses of Funds

	Non-AMT	AMT	Total
Sources of Funds			
Par Amount of Bonds:	-	25,000,000.00	25,000,000.00
Plus Premium / Less Discount:	-	-	-
Interest Earnings on Existing Notes:	-	-	-
Accrued Interest:	-	-	-
Total Sources of Funds:	-	25,000,000.00	25,000,000.00
Uses of Funds			
Deposit to Construction Fund:	-	20,630,002.95	20,630,002.95
Deposit to Cap. Int. Fund:	-	3,500,000.00	3,500,000.00
DSRF:	-	-	-
Surety Bond:	-	55,182.50	55,182.50
Costs of Issuance:	-	500,000.00	500,000.00
Insurance:	-	164,814.55	164,814.55
Underwriters' Discount:	-	150,000.00	150,000.00
Accrued Interest:	-	-	-
Rounding:	-	-	-
Total Uses of Funds:	-	25,000,000.00	25,000,000.00

Key Results

	Non-AMT	AMT	Combined
Arbitrage Yield:	N/A	7.071804%	7.071804%
All-In Tic:	N/A	7.356673%	7.356673%
Average Life (Years):	N/A	17.11	17.11
Average Coupon:	N/A	7.000%	7.000%
Average Dollar Price:	N/A	100.000	100.000

Key Dates

Dated Date:	6/1/99
Delivery Date:	6/1/99
First Interest Date:	10/1/99
Underwriters' Discount (\$/1000):	6.000
Underwriters' Discount (%):	0.600%
Costs of Issuance (\$):	\$ 500,000
Costs of Issuance (%):	2.000%
Insurance:	Yes
Insurance Premium:	0.300%
Surety Bond Cost (% of DSRF):	2.300%
Use Surety Bond:	Yes
DSRF Earnings Rate:	0.000%
DSRF Negative (Positive) Arbitrage:	-
First Construction Draw Date:	6/1/99
Funds Needed for Completion:	9,928,520
Percent Spent In	
Year 1:	40.000%
Year 2:	40.000%
Year 3:	20.000%
Year 4:	0.000%
Construction Fund Earnings Rate:	0.000%
Negative (Positive) Arbitrage:	1,660,373
Average Life of Construction Fund:	1.21
Capitalize Interest Through:	6/1/01
Cap. Int. Fund Earnings Rate:	0.000%
Net Total Cap. Int. Fund Deposit:	3,500,000
Negative (Positive) Arbitrage:	288,364
Average Life of Cap. Int. Fund:	1.25

4 of 7

TONY KNOWLES
GOVERNOR



HB 84
P O Box 110001
Juneau Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 8, 1999

The Honorable Brian Porter
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker ^{Brian} Porter:

In the 1998 legislative session, I offered bond authorization bills (SB 277 and HB 382) to provide the financing needed for the Anchorage International Airport terminal redevelopment project. This project is the cornerstone of the larger Gateway Alaska initiative to improve the airport and connecting highway transportation infrastructure that makes Anchorage International Airport one of Alaska's most important economic engines. The Legislature approved the proposal, but lowered the bond authorization by approximately \$25 million in anticipation of receiving Federal Aviation Administration (FAA) grant money toward the project in that amount.

Late last year, the FAA approved the Anchorage International Airport's application for grant funds. However, the money will actually be disbursed over a 10-year period, as appropriated annually by Congress. This long-term pass-through of federal funds will disrupt the timely cash flow needed for construction of the project.

Consistent with the Legislature's directive to secure federal funds for the project, today I transmit a bill to authorize the sale of \$25 million in additional revenue bonds for the Anchorage International Airport terminal redevelopment project. This \$25 million will provide the necessary cash flow until federal funds are received and will allow us to complete the project according to schedule.

The airport terminal project is already underway, with the support of air carriers. In order to ensure timely project development pending receipt of federal money, I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Knowles".
Tony Knowles
Governor

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

3132 CHANNEL DRIVE
JUNEAU, ALASKA 99801-7898

TEXT: (907) 465-3652
FAX: (907) 586-8365
PHONE: (907) 465-3900

March 30, 1999

The Honorable Gene Therriault
Alaska House of Representatives
State Capitol, Room 511
Juneau, Alaska 99811-1182

Dear Representative Therriault:

As a follow-up to joint House Finance Committee meeting on March 10, 1999, I wish to respond to several questions raised relative to the AIA Terminal Redevelopment Project and Passenger Facility Charges (PFCs).

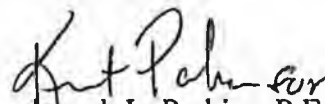
The first question pertained to the 1% for the Arts Program and specifically what architectural components of a project qualify as art. Enclosed is a copy of a letter from Ms. Shannon Planchon, Public Arts Administrator, which addresses this questions and provides several examples. In short, if the feature is designed by an artist and is an integral and permanent feature of the building, it qualifies as art.

The second question was what kind of projects are eligible for funding with PFC monies. For a project to be eligible, Federal Aviation Administration (FAA) regulations require that it must meet one of three criteria. Specifically, the project must preserve or enhance safety, security, or capacity; reduce/mitigate noise impacts; or enhance competition among carriers. Further, the work must be for planning or development of a type that would be eligible for FAA's Airport Improvement Program, the primary federal funding source for Alaskan airports. However, certain terminal work, including gates and related areas for movement of passengers and baggage are eligible, even though such projects do not generally qualify for AIP monies. Nonetheless, a project funded by PFC revenues may not be the subject of a long-term, exclusive-use lease. As such, while public space in a terminal building (hallways, preferential-use gates, moving sidewalks, etc.) would be eligible, exclusive-use airline office space or gate lounge areas would not. Specifically excluded from the eligible list are all concessions and automobile parking facilities.

Enclosed is a copy of the FAA circular that provides additional information regarding the use of PFCs.

I trust this information adequately addressed the questions raised. Please give me a call if you desire any additional information.

Sincerely,


Joseph L. Perkins, P.E.
Commissioner

Enclosures

cc: Kurt Parkan
Dave Eberle



March 26, 1999

David R. Eberle, Director
Construction and Operations
Department of Transportation
P.O. Box 196900
Anchorage, AK 99519-6900

RE: Percent for Art Information Request

Dear David Eberle,

The purpose of AS35.27, Art Works in Public Buildings and Facilities (1% for Art) is outlined clearly in the opening language. "The state recognizes its responsibility to foster culture and the arts and the necessity for the viable development of its artists and craftsmen."

The definition of art is broad, "including, but not limited to sculptures, paintings, murals or objects relating to Native art".

The 1% for Art regulation requires consultation with the Alaska State Council on the Arts for selection of the artist. AS44.27 states the council is charged with stimulating and encouraging throughout the state the study and presentation of the visual and fine arts. The council is directed to encourage the use of state cultural resources in these art works.

The question often arises in the art selection process if items that are already included in the design can fulfill the art purchase requirement. The answer is an ambiguous yes. An artist can design certain elements of a building that are standard to a building. For example, all buildings have glass. An artist can design stained glass for the space. Or, additional examples of successful integration of design, function and art include an artist design of a terrazzo floor, or functional benches crafted by an artisan. Key to the success of this type of integration, and in keeping with the statute is the artist doing the work.

In the examples above, the budget for the 1% for Art is not to be used to supplant the already budgeted amounts for flooring or windows.

Please call if you have any other questions.

Sincerely,

Shannon Planchon
Public Arts Administrator

Alaska State Council on the Arts

411 West 4th Avenue, Suite 1E, Anchorage, Alaska 99501-2343 • (907) 269-6610 • Fax: (907) 269-6601
Toll Free: 1-888-ARTS GCI (278-7424) • e-mail: Info@aksca.org

#2

**AIA Terminal Redevelopment Project
Uses of Funds**



Category	Budget	1999 Series Bonds	Phase II Bonds	FHWA
Concourse "C" Replacement	95,790,241.00	\$95,790,241.00		
Terminal Renovation	42,717,052.00	\$42,717,052.00		
Roads and Parking	30,792,707.00	\$4,492,707.00		\$26,300,000.00
Airside Improvements	36,000,000.00	\$11,475,000.00	\$24,525,000.00	
Finance Costs	24,700,000.00	* \$24,700,000.00		
Total Project	230,000,000.00	\$179,175,000.00	\$24,525,000.00	\$26,300,000.00

* Note: Includes estimated finance cost Phase II Bonds

ANCHORAGE/FAIRBANKS AIRLINES AIRPORT AFFAIRS COMMITTEE

March 16, 1999

The Hon. Jerry Ward, Chair
Senate Transportation Committee
Alaska State Legislature
State Capitol, Room 423
Juneau, AK 99801
FAX (907)465-3766

The Hon. Beverly Masek, Chair
House Transportation Committee
Alaska State Legislature
State Capitol, Room 432
Juneau, AK 99801
FAX (907) 465-4822

Dear Chairmen Ward and Masek

On behalf of the some 25 airlines signatory to the Airport Lease and Operating Agreements at Anchorage and Fairbanks International Airports, I would like to offer a perspective on the Anchorage Terminal Expansion for your committees as you conduct oversight of this important project.

From the very start, this project has been well-coordinated with the airlines. There have been numerous meetings, both with individual carriers and with our committee to review planning, design, financing, and construction details. Airline representatives have been involved in each phase of the effort to date, and the meetings will continue through the end of the project.

The primary interface has been with the Airline Technical Committee; a subcommittee of the Airlines Airport Affairs Committee (AAAC). This Technical Committee is comprised of airline facilities and operations managers who have provided input of all facets of terminal design and function. The frequent Technical Committee meetings are well-documented.

The full AAAC has also met with DOTPF staff and consultants on a regular basis throughout the process. An airline finance expert was a member of the team that successfully sold the \$179 million in airport revenue bonds at a very attractive interest rate.

As in any joint effort, we have not always agreed with DOTPF on everything or even among ourselves. However, for the most part, a spirit of cooperation and partnership has existed which we are certain will result in a final terminal expansion that will serve Anchorage and the entire state very well.

At this stage in the project, it is not uncommon for there to be additions and deletions of scope and costs, changes in plans, rethinking of certain elements and timing. Anyone who has ever built or remodeled a house or been involved in some construction project is aware that circumstances, conditions and requirements often change during the course of the work. The fact remains that the end product will be a fully functional terminal at a cost within the overall financial parameters established for the project, and consistent with industry standards.

On a personal note, having been involved in major airport terminal projects for almost 30 years as an airline representative, I am impressed and pleased with the professional, thorough and coordinated manner in which the Anchorage project is being developed. Other airport operators and governing bodies in the country could use this effort as an example worthy of emulation.

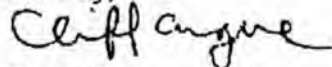
Senate and House Transportation Committee Chairmen
March 16, 1999
Page 2

We welcome and appreciate the Legislature's continued oversight of this major undertaking. At the same time, we request your early favorable action on the bills to authorize an additional \$25 million in airport revenue bonds to bridge the financing under the FAA's Letter of Intent (LOI). The LOI is a promise by the FAA to pay DOTPF \$25 million in Airport Improvement Program Grants over the next ten years, but the bonds are needed now to keep the project on schedule and meet the construction cash flow requirements.

Finally, we invite you or any member of the Legislature who has questions or concerns to contact me or other members of AAAC as the project proceeds.

Thank you for this opportunity to offer these comments.

Sincerely,



Clifford T. Argue, Chair
Anchorage/Fairbanks Airlines Airport Affairs Committee

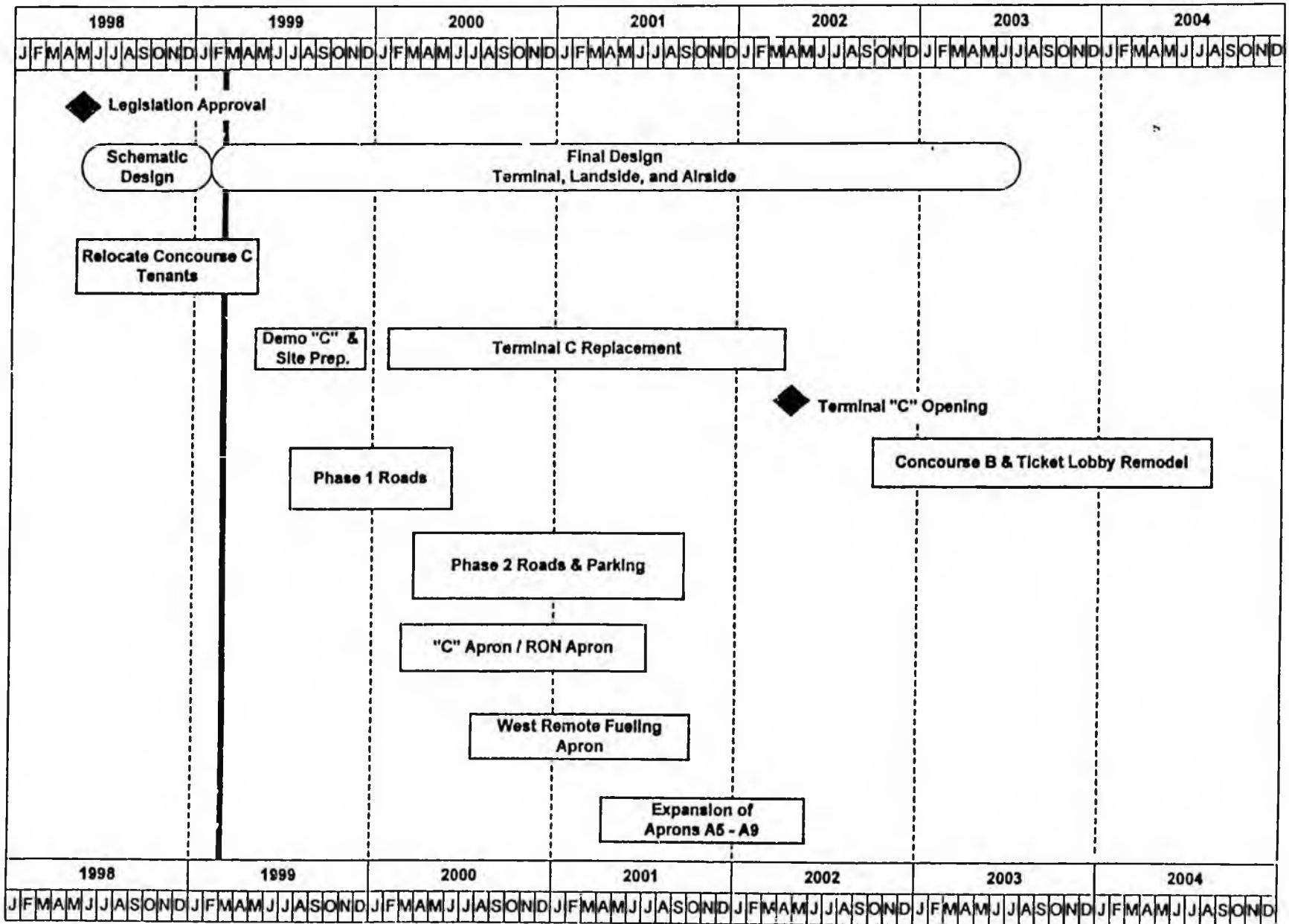
Alaska Airlines
P.O. Box 68900
Seattle, WA 98168

(206) 433-3184

cc: ANC/FAI AAAC

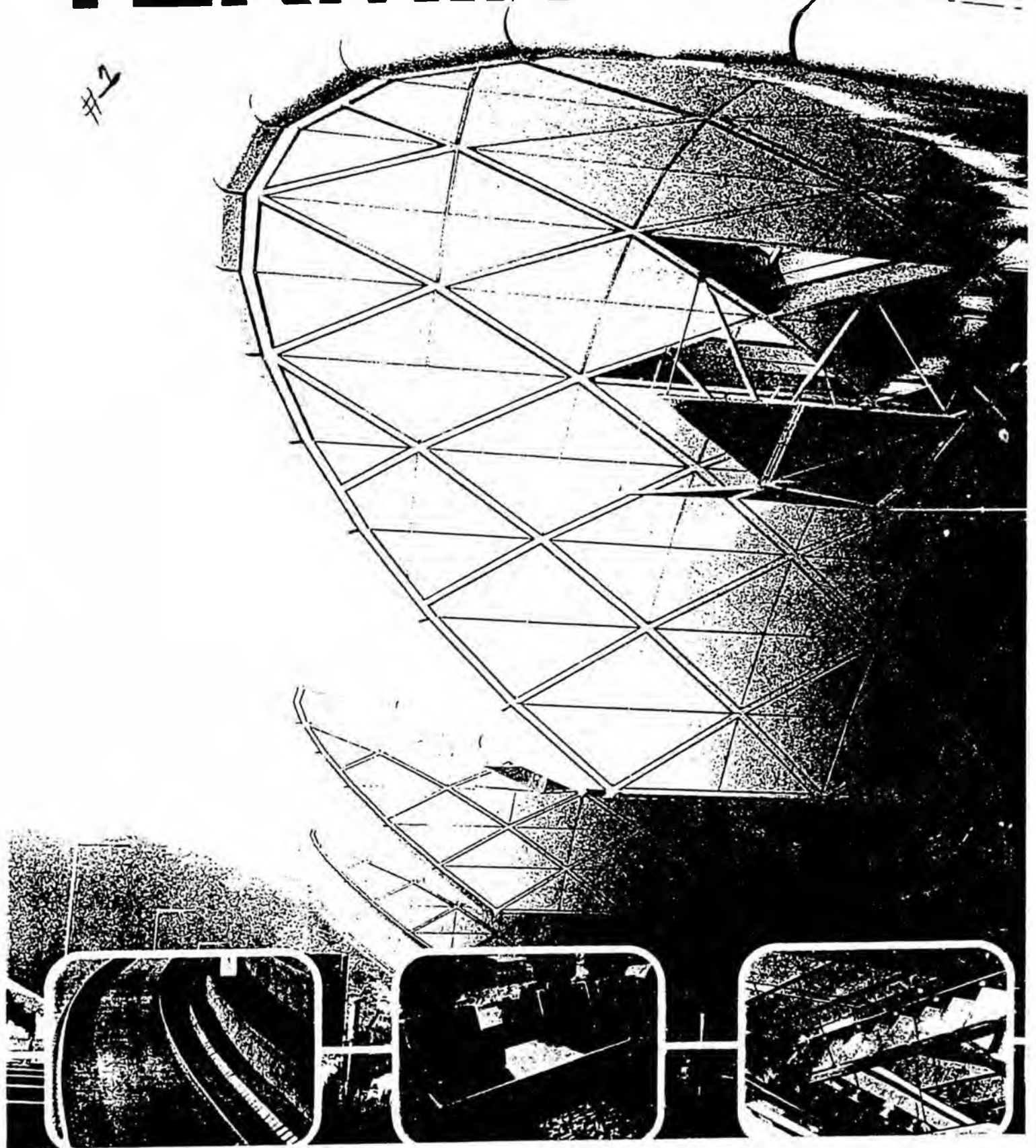
#3

Anchorage International Airport Terminal Redevelopment Project Summary Project Schedule



PASSENGER TERMINAL *World*

#2



Northern exposure



Anchorage International Airport is woefully inadequate for its annual five million passengers, especially considering the huge seasonal variation in throughput. Redevelopment is urgently required

■ *Leif Selkregg, RISE International, USA*

Each year millions of visitors from around the world come to Alaska to experience its vast wilderness and beauty. From May through September, the state's population of 600,000 triples as cruise ship passengers, eco-tourists, friends and relatives of Alaskan families arrive. This seasonal peak is called the 'Denali effect', named after the continent's highest mountain located in the interior of Alaska. For the majority of visitors, Anchorage International Airport (AIA) is the first and last impression of Alaska.

The existing 4,700 acre airport has three major full-instrumentation runways over 10,000ft. The airport serves 23 domestic and 38 international air carriers. The

majority of the terminal facility was built in the 1950s and 1960s after the airport was established, by Congress, in 1948. Operational and code deficiencies, coupled with increasing passenger demand, have resulted in overcrowding and delays. The terminal provides only a fraction of what is needed for passenger services. Baggage claim is only 43 per cent and ticket lobbies only 40 per cent of what is required today to serve the five million plus passengers moving through the airport annually.

In recognition of the increasing demand of passenger travel and the outdated existing facilities, the Alaska Department of Transportation and Public Facilities (DOT&PF), under the direction of Commissioner Joseph

Perkins, initiated the 'Gateway Alaska' program to include a US\$230 million redevelopment of AIA. Currently in schematic design, construction of the new centerpiece domestic terminal will begin in the first quarter of 1999 and be open to the public by the peak season of 2002.

At the heart of the terminal redevelopment project is airport director Mort Plumb, who has carefully assembled a multidisciplinary team of world class consultants and top Alaskan DOT&PF management to plan and deliver the project. The project team has secured the necessary approval from airlines, federal agencies and the Alaska Legislature to fund the project fully and allow it to proceed on a schedule that will minimize dis-



an outsourced team of experienced airport construction program management professionals from RISE Alaska, LLC.

Public-private partnerships

The high profile of the project and the unique relationship the airlines have with the airport and the State, has meant the key to the success of this public-private partnership is a carefully structured approach. Airlines, tenants, airport staff, the general public and other stakeholders have been actively engaged and invited to review and comment throughout concept development and design. This involvement is a signature priority of the project.

Under the leadership of Gary Blankenship (L&B), the initial investigation of conceptual terminal alternatives looked at standard configurations such as basic pier, satellite, linear and transporter terminal concepts. Each alternative was developed using consistent criteria, for example aircraft apron depth, wingtip spacing, aircraft mix, concourse and terminal dimensioning and FAA airside dimension criteria. Fourteen concepts were developed, evaluated and narrowed to a shortlist of four. The refinement process for the four short-listed concepts included new plans drawn at larger scale reflecting interior arrangements, massing perspectives, sections, detailed phasing plans, etc. All drawings were done in sketch form to preserve maximum flexibility. These hand-drawn sketches still hang in the AIA Project Room as a resource and historical record of the project's progress.

Terminal components

Following the identification of a recommended concept, the airlines and the project team worked to negotiate and define the short- and long-term aircraft parking

layouts. This critical agreement among the signatory airlines provided the basis for the plans and sections to be redrawn on a larger scale and functionally delineated by computer aided design.

The terminal concept, which is now in design, calls for an upgrade and redevelopment of existing facilities as well as an expansion northward of terminal and aircraft gates toward the existing international terminal. A pedestrian connection between the domestic terminal and the international terminal will fully integrate the AIA terminal complex for the first time. Of the current Anchorage passenger total, 15 per cent is international traffic. The intention of the terminal project is to create a seamless blend of redeveloped, existing and new facilities to accommodate the very diverse mix of airlines, aircraft, passengers and

combination of freight in the front and seats in the rear, creating a large volume of ground-loading activity at AIA. Waste heat from on-site power generation will be recycled through automatic underground pavement systems to melt snow and ice.

An expanded and upgraded main terminal and concourse with state-of-the-art baggage and passenger processing, concessions and a dramatic central hall will accommodate the six million plus passengers forecast for 2005. The current area of 435,000ft² will be nearly doubled to 717,000ft².

Special accommodation for tour and cruise ship check-in and operations will be designed into the new facility. Many touring passengers arrive by ship to Seward (150 miles away by road), and continue on to regional flights, land tours by bus or train, or stay to visit in Anchorage. Cruise ship

AIA has emerged as one of the fastest growing cargo airports in the USA and currently leads the country in landing weight

exotic baggage – e.g. folding kayaks, fish lockers, caribou antlers and fishing poles unique to Alaska. The main components of the program are outlined below.

The expanded airside envelope will initially accommodate 23 jet gates, with the potential for an additional eight gates on a future pier. With the addition of seven new propeller positions, the airport will have 20 ground-loading stations for the regional carriers that are uniquely important to the statewide operations. Alaskans fly seven times more often than residents in the lower 48 states. Many small interior communities are only accessed by air. Aircraft carry a

operations increased by 60 per cent between 1993 and 1997 as a result of aggressive investment in ship building and the fact that Alaska is a high-yield cruise market. These large tour groups present logistical challenges to the AIA facility design and streamlining AIA operations.

An expanded and improved landside envelope will incorporate new approach roads, parking, expanded dual-level curbsides and a potential elevated extension of the Alaska Railroad Corporation (ARRC) track to a new US\$28 million rail depot linked by pedestrian tunnel to the terminal. The current ARRC line comes

within 500ft of the airport terminal. In May 1998, the ARRC commissioned the AIA terminal design team to prepare a concept plan for the rail station, which is now in schematic design. The intention is to parallel the design and construction schedule already underway for the AIA terminal project, so that the rail station could open by peak season in 2002. The rail station could be a key element in the solution of tour group logistics, as ARRC owns and operates the coxks used by the cruise ships in Seward and Whittier. The rail station will also support the development of south-central Alaskan passenger and intermodal commuter services.

Architecture and northern nights

At winter solstice Anchorage has just over five hours of daylight, and snow covers the ground from October into April. With the facelift and seismic upgrade planned for AIA, there will be new cantilevered canopies lighting the access roadway and providing protected radiant-heated alcoves for curbside check-in. Arriving passengers will enjoy dramatic views of the Chugach Mountains filtered through the window wall overlaid by freeform art glass. The redeveloped and expanded terminal will place maximum emphasis on the interior environment, where passengers spend most of their time. The design will stress 'intuitive wayfinding' to reduce dependence on signs.

The central theme developed by the design team is the dramatic juxtaposition of sensitively designed technology in the natural landscape. Throughout the terminal there is a combination of modern airport technology, rock outcrops, glacial ice glass walls, stream bed flooring and ethereal lighting – evocative of the subtle northern sunlight and aurora. Passengers arriving from the parking garage or train are treated to a geologic experience as they enter the terminal. From the tunnel level, escalators rise over a stone bedrock wall to a glacial moraine at the baggage claim level. Continuing up over the face of the glacier, passengers walk on a fissured glacial surface fed by meandering stream beds leading through security to the retail hall and concourses. Far from literal representations of the environment, the terminal interiors will enhance anticipation and evoke memories of the Alaskan experience through carefully crafted abstractions.

The main feature of the new terminal on the non-secured side is a large, open area dividing the main ticket lobbies and providing vertical transition to baggage claim and pedestrian tunnels below. This unique

architectural space will visually connect the primary functional areas of the main terminal and provide access to the main security checkpoint. A magnificent central hall will be situated just beyond security. This space is designed for shopping and eating, as a point of orientation providing easy access to the main concourses, aircraft gates and an observation deck. Each concourse will provide its own thematic environment for passenger holdrooms, concessions and support facilities. This reflects the special characteristics of the regional, national and international airline tenants. The lower level of the terminal will house expanded and improved baggage claim, make-up and operations facilities, as well as holdrooms for the regional airlines.

Alaskan aviation

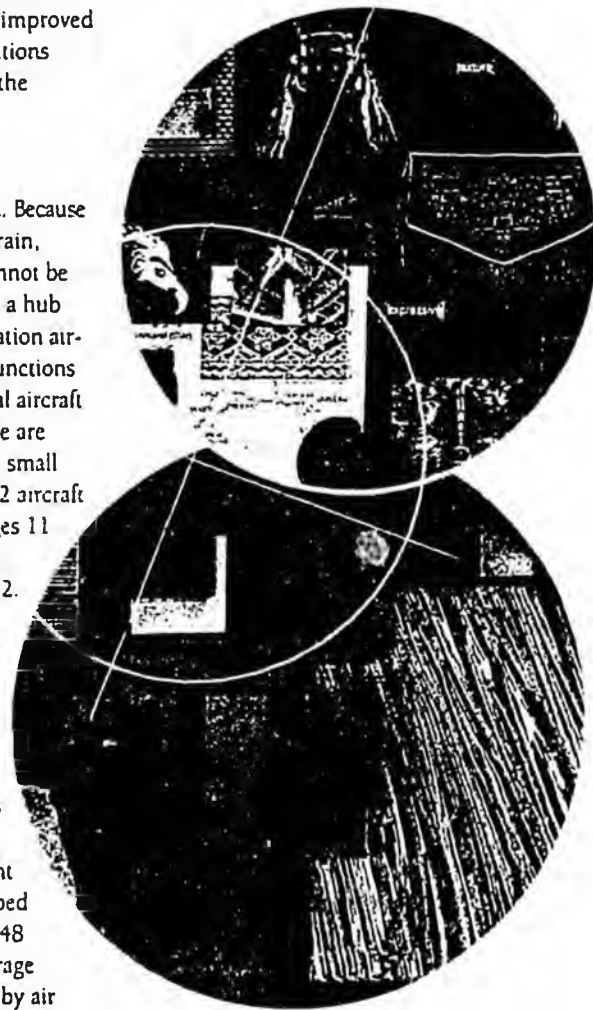
The aviation history of Alaska is rich. Because of its vast land mass and severe terrain, hundreds of small communities cannot be reached by road. As a result, AIA is a hub with the world's largest general aviation airport and busiest seaplane base. It functions as a year-round lifeline with seasonal aircraft conversion from floats to skis. There are over 1,100 floatplanes and wheeled small planes in Anchorage. Alaska has 162 aircraft per 10,000 people. The USA averages 11 planes per 10,000 people, with Montana, the next highest state, at 32.

In more recent times AIA has emerged as one of the fastest growing cargo airports in the USA and currently leads the country in landing weight. Anchorage averages 500 cargo landings per week, with an annual landing weight of over 13 billion pounds in 1997. On a per capita basis, 48 times as much freight and 520 times as much mail is shipped out by air compared with the lower 48 states. The global location of Anchorage means that the airport is nine hours by air from 95 per cent of the industrialized world. Anchorage is at the air crossroads of the world, equidistant between Seoul, Tokyo, London and New York City. This global advantage and transfer opportunity has attracted 30 all-cargo carriers operating more than 500 flights a week through Anchorage.

Major private sector investments in facilities at the airport by FedEx and UPS demonstrate long-term business commitments. Private enterprises have committed over US\$162 million in development over the last three years. Land development for cargo in the last 10 years has been three times the rate of the past 30 years.

With over 7,000 airport employees and a direct annual payroll of US\$228 million, the airport is a driving force in the local and state economy.

Building on the current and projected economic strengths of the airport, including a detailed financial model projecting rates and charges, George King of Hudson AIPF, LLC has developed and executed a Plan of Finance for the terminal expansion project. The project exists in a complex arena of public-private partnerships between the State of Alaska (via the Governor, the



Legislature, the Department of Transportation and the Department of Revenue), the airlines (via the Technical Affairs and Airline Affairs committees), the federal government (via the FAA and the Alaskan delegation in Washington, DC), and many private sector operators of concessions, rental cars and other aviation-related activities. The leadership of the Alaska International Airport System (AIAS) and the program manager for the project jointly decided – at the inception of the project – that the process and the substance of the project plan and the finance plan would insist on full disclosure of carefully

reviewed data and process. This approach was known as the 'good information' standard and this commitment built a high level of trust and confidence among State and airline stakeholders. As a result, the airlines approved the project in November 1997 in the Airline Affairs committee vote, and the 1998 Legislature approved the project by an overwhelming majority of the House and Senate.

The sources of capital funding for the project reflect the broad and diverse support of the project constituencies described previously. The airlines contributed their agreement to pay rates and charges under an operating agreement sufficient to pay for the project. The Governor and the Legislature contributed their authorization of tax-exempt bonds to finance the project over a period of 25 years. The State Department of Transportation contributed an allocation of highway funding to the landside roadway network supporting the terminal project. The federal government contributed discretionary grant funding under the FAA's Letter of Intent program. Working together, the State Department of Transportation, State Department of Revenue and their private sector advisors structured a cash flow plan that matched

sources and uses of funds on a time line consistent with the design and construction of the project. The program manager, in the detailed tracking and control of sources and uses of funds demonstrates accountability and compliance with legal and legislative mandates, while ensuring cash flow in the proper timing and amounts to maintain the project schedule and budget.



Financing a complex design and construction project with multiple sources of funds is a challenging exercise in capital markets strategy and financial structuring. However, the bottom line for the approval or disapproval of many stakeholders is the viability of the finance plan. AIAS and the program manager recognized this fact in the earliest planning stages and incorporated high-quality financial planning, structuring and implementation into the overall process

for delivering the terminal redevelopment project on time and on budget. At the same time, the quality and success of the planning, design and construction activities have been critical in gaining the confidence of the capital markets in supporting the funding of the project. The mutual support of the program management and plan of finance teams soon led to the full integration of the plan of finance activities within the leadership and framework of the program management approach.

At US\$230 million, the airport redevelopment is the single largest facility project in the state. It is complex because of the public-private partnership of the airlines and the DOT, and from the perspective of designing and constructing a major project in the sub-arctic region of the globe. Since Alaska's statehood in 1959, a community of leaders and construction industry experts has emerged and successfully taken on many challenges, including the construction of the Trans-Alaska pipeline and the state-wide military defense infrastructure. Alaska has developed the management expertise to plan and guide large public-private construction programs as well as the technical expertise to design and construct projects in the circumpolar environment. ■

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TONY KNOWLES
GOVERNOR



HB 84
P O Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 8, 1999

The Honorable Brian Porter
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker ^{Brian} Porter:

In the 1998 legislative session, I offered bond authorization bills (SB 277 and HB 382) to provide the financing needed for the Anchorage International Airport terminal redevelopment project. This project is the cornerstone of the larger Gateway Alaska initiative to improve the airport and connecting highway transportation infrastructure that makes Anchorage International Airport one of Alaska's most important economic engines. The Legislature approved the proposal, but lowered the bond authorization by approximately \$25 million in anticipation of receiving Federal Aviation Administration (FAA) grant money toward the project in that amount.

Late last year, the FAA approved the Anchorage International Airport's application for grant funds. However, the money will actually be disbursed over a 10-year period, as appropriated annually by Congress. This long-term pass-through of federal funds will disrupt the timely cash flow needed for construction of the project.

Consistent with the Legislature's directive to secure federal funds for the project, today I transmit a bill to authorize the sale of \$25 million in additional revenue bonds for the Anchorage International Airport terminal redevelopment project. This \$25 million will provide the necessary cash flow until federal funds are received and will allow us to complete the project according to schedule.

The airport terminal project is already underway, with the support of air carriers. In order to ensure timely project development pending receipt of federal money, I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tony Knowles".
Tony Knowles
Governor

HB

84

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 5/7/99

FURTHER: S. 5/17/99

DATE TURNED
IN TO OFFICE: 17 May 1999

Finance Committee considered HOUSE BILL NO. 84

"An Act relating to international airports revenue bonds; and providing for an effective date."

and recommends:

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

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

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
<i>[Signature]</i>		<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓	<i>[Signature]</i>	X		
<i>[Signature]</i>	✓				
		<i>[Signature]</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair:		Co-Chair: <i>[Signature]</i>	✓		

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

REVENUE	5/13/99	✓	\$

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

STATE OF ALASKA
1998 LEGISLATIVE SESSION

6/17/99

FISCAL NOTE

Bill Version: HB 84
(H) Publish Date: 2/10/99

Revision Date: _____ Dept. Affected: Revenue
Title: Anchorage International Airport BRU: Revenue Operations
Component: Treasury
Sponsor: Rules Committee
Requestor: Governor COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES					
TRAVEL					
CONTRACTUAL					
SUPPLIES					
EQUIPMENT					
LAND & STRUCTURES					
GRANTS, CLAIMS					
Debt Service	0.0	0.0	1,598.3	2,188.6	2,189.8
TOTAL OPERATING	0.0	0.0	1,598.3	2,188.6	2,189.8

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts					
1003 GF Match					
1004 GF					
1001 CBRF					
International Airports Revenue Fund	0.0	0.0	1,598.3	2,188.6	2,189.8
Other					
TOTAL	0.0	0.0	1,598.3	2,188.6	2,189.8

Estimate of any current year cost \$ 0.0

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)

The bill authorizes the State Bond Committee to issue an additional \$25.0 million of revenue bonds to complete the Anchorage International Airport Terminal Redevelopment Project. The debt service on these bonds will be funded from the International Airports Revenue Fund. Assuming an interest rate of 7% when the bonds are sold, two years of capitalized interest, and a 25 year term, estimated annual debt service is approximately \$2.2 million.

These funds are being requested for cash flow purposes. The Airport has secured a federal grant called a "Letter Of Intent" (LOI) for \$25.0 million which will be appropriated by Congress over a 10-year period. However, the Terminal Redevelopment Project anticipates cash flow needs from calendar year 1999 through 2001 for these funds.

See attached debt service analysis for low, mid, and high rates. The mid rate was used in this fiscal note.

Prepared by: Deven Mitchell, Acting State Debt Manager Phone: 465-3750
Division: Treasury Division Date: January 13, 1999
Approved by Commissioner: Wilson L. Condon *Wilson L. Condon* Date: January 13, 1999
Agency: Revenue

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Schedule 1
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Sources & Uses of Funds; Summary of Key Dates, Assumptions & Results

Sources & Uses of Funds

	Non-AMT	AMT	Total
Sources of Funds			
Par Amount of Bonds:	-	25,000,000.00	25,000,000.00
Plus Premium / Less Discount:	-	236,682.30	236,682.30
Interest Earnings on Existing Notes:	-	-	-
Accrued Interest:	-	-	-
Total Sources of Funds:	25,236,682.30	25,236,682.30	25,236,682.30
Uses of Funds			
Deposit to Construction Fund:	21,535,076.59	21,535,076.59	21,535,076.59
Deposit to Cap. Int. Fund:	2,855,775.00	2,855,775.00	2,855,775.00
DSRF:	-	-	-
Surety Bond:	49,325.31	49,325.31	49,325.31
Costs of Issuance:	500,000.00	500,000.00	500,000.00
Insurance:	146,505.39	146,505.39	146,505.39
Underwriters' Discount:	150,000.00	150,000.00	150,000.00
Accrued Interest:	-	-	-
Rounding:	-	-	-
Total Uses of Funds:	25,236,682.30	25,236,682.30	25,236,682.30

Key Results

	Non-AMT	AMT	Combined
Arbitrage Yield:	N/A	5.698761%	5.698761%
All-In Tie:	N/A	5.958927%	5.958927%
Average Life (Years):	N/A	16.62	16.62
Average Coupon:	N/A	5.738%	5.738%
Average Dollar Price:	N/A	100.947	100.947

Key Dates

Dated Date:	6/1/99
Delivery Date:	6/1/99
First Interest Date:	10/1/99
Underwriters' Discount (\$/1000):	6.000
Underwriters' Discount (%):	0.600%
Costs of Issuance (\$):	\$ 500,000
Costs of Issuance (%):	2.000%
Insurance:	Yes
Insurance Premium:	0.300%
Surety Bond Cost (% of DSRF):	2.500%
Use Surety Bond:	Yes
DSRF Earnings Rate:	0.000%
DSRF Negative (Positive) Arbitrage:	-
First Construction Draw Date:	6/1/99
Funds Needed for Completion:	9,928,520
Percent Spent In	
Year 1:	40.000%
Year 2:	40.000%
Year 3:	20.000%
Year 4:	0.000%
Construction Fund Earnings Rate:	0.000%
Negative (Positive) Arbitrage:	1,412,816
Average Life of Construction Fund:	1.21
Capitalize Interest Through:	6/1/01
Cap. Int. Fund Earnings Rate:	0.000%
Net Total Cap. Int. Fund Deposit:	2,855,775
Negative (Positive) Arbitrage:	192,157
Average Life of Cap. Int. Fund:	1.23

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Schedule I
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Sources & Uses of Funds; Summary of Key Dates, Assumptions & Results

Sources & Uses of Funds

	Non-AMT	AMT	Total
Sources of Funds			
Par Amount of Bonds:	-	25,000,000.00	25,000,000.00
Plus Premium / Less Discount:	-	-	-
Interest Earnings on Existing Notes:	-	-	-
Accrued Interest:	-	-	-
Total Sources of Funds:	-	25,000,000.00	25,000,000.00
Uses of Funds			
Deposit to Construction Fund:	-	20,630,002.95	20,630,002.95
Deposit to Cap. Int. Fund:	-	3,500,000.00	3,500,000.00
DSRF:	-	-	-
Surety Bond:	-	55,182.50	55,182.50
Costs of Issuance:	-	500,000.00	500,000.00
Insurance:	-	164,814.55	164,814.55
Underwriters' Discount:	-	150,000.00	150,000.00
Accrued Interest:	-	-	-
Rounding:	-	-	-
Total Uses of Funds:	-	25,000,000.00	25,000,000.00

Key Results

	Non-AMT	AMT	Combined
Arbitrage Yield:	N/A	7.071804%	7.071804%
All-In Tie:	N/A	7.356673%	7.356673%
Average Life (Years):	N/A	17.11	17.11
Average Coupon:	N/A	7.000%	7.000%
Average Dollar Price:	N/A	100.000	100.000

Key Dates

Dated Date:	6/1/99
Delivery Date:	6/1/99
First Interest Date:	10/1/99
Underwriters' Discount (\$/1000):	6.000
Underwriters' Discount (%):	0.600%
Costs of Issuance (\$):	\$ 500,000
Costs of Issuance (%):	2.000%
Insurance:	Yes
Insurance Premium:	0.300%
Surety Bond Cost (% of DSRF):	2.500%
Use Surety Bond:	Yes
DSRF Earnings Rate:	0.000%
DSRF Negative (Positive) Arbitrage:	-
First Construction Draw Date:	6/1/99
Funds Needed for Completion:	9,928,520
Percent Spent In	
Year 1:	40.000%
Year 2:	40.000%
Year 3:	20.000%
Year 4:	0.000%
Construction Fund Earnings Rate:	0.000%
Negative (Positive) Arbitrage:	1,660,373
Average Life of Construction Fund:	1.21
Capitalize Interest Through:	6/1/01
Cap. Int. Fund Earnings Rate:	0.000%
Net Total Cap. Int. Fund Deposit:	3,500,000
Negative (Positive) Arbitrage:	288,364
Average Life of Cap. Int. Fund:	1.25

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Schedule 2
State of Alaska
International Airways Revenue Bonds - Completion Bonds
Series 1999
Proposed New Money Debt Service - AMT

	Comps	Yield	Price	Principal	Issued	Gross Semi-Annual Debt Service	Gross Bond Year Debt Service	Accrued Interest	Capitalized Issued	Earnings From Const. Fund	Earnings From DISRP	Semi-Annual Debt Service	Net Bond Year Debt Service
0401/99	7.000%				383,333	383,333	383,333	-	383,333				-
1001/99					875,000	875,000	1,750,000		875,000				-
0401/00					875,000	875,000	1,750,000		875,000				-
1001/00					875,000	875,000	1,750,000		875,000				-
0401/01	7.000%	7.000%	100.000	145,000	869,923	869,923	1,895,000		869,923			728,333	728,333
1001/01					869,923	869,923	2,204,850		869,923			1,204,923	1,204,923
0401/02	7.000%	7.000%	100.000	465,000	869,923	869,923	2,204,850		869,923			83,850	83,850
1001/02					869,923	869,923	2,207,300		869,923			814,150	2,207,300
0401/03	7.000%	7.000%	100.000	535,000	835,650	835,650	2,207,300		835,650			1,271,150	2,207,300
1001/03					835,650	835,650	2,207,300		835,650			1,377,425	2,207,300
0401/04	7.000%	7.000%	100.000	570,000	817,425	817,425	2,204,850		817,425			797,473	2,204,850
1001/04					817,425	817,425	2,204,850		817,425			1,407,473	2,204,850
0401/05	7.000%	7.000%	100.000	610,000	797,473	797,473	2,204,850		797,473			776,123	2,204,850
1001/05					797,473	797,473	2,207,250		797,473			1,478,123	2,207,250
0401/06	7.000%	7.000%	100.000	650,000	776,123	776,123	2,207,250		776,123			1,453,373	2,207,250
1001/06					776,123	776,123	2,207,250		776,123			1,478,123	2,207,250
0401/07	7.000%	7.000%	100.000	700,000	753,373	753,373	2,206,750		753,373			1,478,123	2,206,750
1001/07					753,373	753,373	2,206,750		753,373			1,478,123	2,206,750
0401/08	7.000%	7.000%	100.000	745,000	728,873	728,873	2,206,750		728,873			1,478,123	2,206,750
1001/08					728,873	728,873	2,206,750		728,873			1,478,123	2,206,750
0401/09	7.000%	7.000%	100.000	800,000	702,800	702,800	2,205,800		702,800			1,478,123	2,205,800
1001/09					702,800	702,800	2,205,800		702,800			1,478,123	2,205,800
0401/10	7.000%	7.000%	100.000	835,000	674,800	674,800	2,205,800		674,800			1,478,123	2,205,800
1001/10					674,800	674,800	2,205,800		674,800			1,478,123	2,205,800
0401/11	7.000%	7.000%	100.000	875,000	644,873	644,873	2,205,800		644,873			1,478,123	2,205,800
1001/11					644,873	644,873	2,205,800		644,873			1,478,123	2,205,800
0401/12	7.000%	7.000%	100.000	915,000	612,850	612,850	2,205,800		612,850			1,478,123	2,205,800
1001/12					612,850	612,850	2,205,800		612,850			1,478,123	2,205,800
0401/13	7.000%	7.000%	100.000	990,000	578,550	578,550	2,205,800		578,550			1,478,123	2,205,800
1001/13					578,550	578,550	2,205,800		578,550			1,478,123	2,205,800
0401/14	7.000%	7.000%	100.000	1,045,000	541,973	541,973	2,205,800		541,973			1,478,123	2,205,800
1001/14					541,973	541,973	2,205,800		541,973			1,478,123	2,205,800
0401/15	7.000%	7.000%	100.000	1,120,000	502,773	502,773	2,205,800		502,773			1,478,123	2,205,800
1001/15					502,773	502,773	2,205,800		502,773			1,478,123	2,205,800
0401/16	7.000%	7.000%	100.000	1,200,000	460,773	460,773	2,205,800		460,773			1,478,123	2,205,800
1001/16					460,773	460,773	2,205,800		460,773			1,478,123	2,205,800
0401/17	7.000%	7.000%	100.000	1,285,000	415,800	415,800	2,205,800		415,800			1,478,123	2,205,800
1001/17					415,800	415,800	2,205,800		415,800			1,478,123	2,205,800
0401/18	7.000%	7.000%	100.000	1,375,000	367,673	367,673	2,205,800		367,673			1,478,123	2,205,800
1001/18					367,673	367,673	2,205,800		367,673			1,478,123	2,205,800
0401/19	7.000%	7.000%	100.000	1,470,000	316,223	316,223	2,205,800		316,223			1,478,123	2,205,800
1001/19					316,223	316,223	2,205,800		316,223			1,478,123	2,205,800
0401/20	7.000%	7.000%	100.000	1,570,000	261,273	261,273	2,205,800		261,273			1,478,123	2,205,800
1001/20					261,273	261,273	2,205,800		261,273			1,478,123	2,205,800
0401/21	7.000%	7.000%	100.000	1,680,000	202,473	202,473	2,205,800		202,473			1,478,123	2,205,800
1001/21					202,473	202,473	2,205,800		202,473			1,478,123	2,205,800
0401/22	7.000%	7.000%	100.000	1,800,000	139,473	139,473	2,205,800		139,473			1,478,123	2,205,800
1001/22					139,473	139,473	2,205,800		139,473			1,478,123	2,205,800
0401/23	7.000%	7.000%	100.000	1,925,000	72,100	72,100	2,205,800		72,100			1,478,123	2,205,800
1001/23					72,100	72,100	2,205,800		72,100			1,478,123	2,205,800
0401/24	7.000%	7.000%	100.000	2,060,000	-	-	2,205,800		-			1,478,123	2,205,800
1001/24					-	-	2,205,800		-			1,478,123	2,205,800
0401/25					-	-	-		-			-	-
1001/25					-	-	-		-			-	-
0401/26					-	-	-		-			-	-
1001/26					-	-	-		-			-	-
0401/27					-	-	-		-			-	-
1001/27					-	-	-		-			-	-
0401/28					-	-	-		-			-	-
1001/28					-	-	-		-			-	-
0401/29					-	-	-		-			-	-
1001/29					-	-	-		-			-	-
0401/30					-	-	-		-			-	-
1001/30					-	-	-		-			-	-
0401/31					-	-	-		-			-	-
1001/31					-	-	-		-			-	-
				25,000,000	29,978,183	54,978,183	54,978,183		3,500,000			31,478,183	31,478,183

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Schedule 1
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Series 1999
 Sources & Uses of Funds; Summary of Key Dates, Assumptions & Results

Sources & Uses of Funds

	Non-AMT	AMT	Total
Sources of Funds			
Par Amount of Bonds:	-	25,000,000.00	25,000,000.00
Plus Premium / Less Discount:	-	-	-
Interest Earnings on Existing Notes:	-	-	-
Accrued Interest:	-	-	-
Total Sources of Funds:	-	25,000,000.00	25,000,000.00
Uses of Funds			
Deposit to Construction Fund:	-	20,110,087.80	20,110,087.80
Deposit to Cap. Int. Fund:	-	4,000,000.00	4,000,000.00
DSRF:	-	-	-
Surety Bond:	-	60,035.00	60,035.00
Costs of Issuance:	-	500,000.00	500,000.00
Insurance:	-	179,877.20	179,877.20
Underwriters' Discount:	-	150,000.00	150,000.00
Accrued Interest:	-	-	-
Rounding:	-	-	-
Total Uses of Funds:	-	25,000,000.00	25,000,000.00

Key Results

	Non-AMT	AMT	Combined
Arbitrage Yield:	N/A	8.083355%	8.083355%
All-In Tie:	N/A	8.385590%	8.385590%
Average Life (Years):	N/A	17.48	17.48
Average Coupon:	N/A	8.000%	8.000%
Average Dollar Price:	N/A	100.000	100.000

Key Dates

Dated Date:	6/1/99
Delivery Date:	6/1/99
First Interest Date:	10/1/99
Underwriters' Discount (\$/1000):	6.000
Underwriters' Discount (%):	0.600%
Costs of Issuance (\$):	\$ 500,000
Costs of Issuance (%):	2.000%
Insurance:	Yes
Insurance Premium:	0.300%
Surety Bond Cost (% of DSRF):	2.500%
Use Surety Bond:	Yes
DSRF Earnings Rate:	0.000%
DSRF Negative (Positive) Arbitrage:	-
First Construction Draw Date:	6/1/99
Funds Needed for Completion:	9,928,520
Percent Spent In	
Year 1:	40.000%
Year 2:	40.000%
Year 3:	20.000%
Year 4:	0.000%
Construction Fund Earnings Rate:	0.000%
Negative (Positive) Arbitrage:	1,834,559
Average Life of Construction Fund:	1.21
Capitalize Interest Through:	6/1/01
Cap. Int. Fund Earnings Rate:	0.000%
Net Total Cap. Int. Fund Deposit:	4,000,000
Negative (Positive) Arbitrage:	373,038
Average Life of Cap. Int. Fund:	1.25

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Schedule 2
 State of Alaska
 International Airports Revenue Bonds - Completion Bonds
 Serial 1999
 Proposed New Money Debt Service - AMT

	Coupon	Yield	Price	Principal	Interest	Gross Semi-Annual Debt Service	Gross Bond Year Debt Service	Accrued Interest	Capitalized Interest	Earnings From Conv. Paid	Earnings From DRP	Net Semi-Annual Debt Service	Net Bond Year Debt Service
06/01/99					666,667	666,667	666,667		666,667				
10/01/99					1,000,000	1,000,000			1,000,000				
04/01/00					1,000,000	1,000,000	2,000,000		1,000,000				
10/01/00					1,000,000	1,000,000			1,000,000				
04/01/01					1,000,000	1,125,000	2,125,000		333,333			791,667	791,667
10/01/01	8.00%	8.00%	100.000	125,000	1,000,000	1,125,000						993,000	
04/01/02					993,000	993,000	2,400,000					1,405,000	2,400,000
10/01/02	8.00%	8.00%	100.000	410,000	993,000	1,405,000						978,600	
04/01/03					978,600	978,600	2,397,200					1,418,600	2,397,200
10/01/03	8.00%	8.00%	100.000	440,000	978,600	1,418,600						961,000	
04/01/04					961,000	961,000	2,397,000					1,436,000	2,397,000
10/01/04	8.00%	8.00%	100.000	475,000	961,000	1,436,000						942,000	
04/01/05					942,000	942,000	2,399,000					1,457,000	2,399,000
10/01/05	8.00%	8.00%	100.000	515,000	942,000	1,457,000						921,400	
04/01/06					921,400	921,400	2,397,800					1,476,400	2,397,800
10/01/06	8.00%	8.00%	100.000	555,000	921,400	1,476,400						899,200	
04/01/07					899,200	899,200	2,398,400					1,499,200	2,398,400
10/01/07	8.00%	8.00%	100.000	600,000	899,200	1,499,200						873,200	
04/01/08					873,200	873,200	2,400,400					1,523,200	2,400,400
10/01/08	8.00%	8.00%	100.000	650,000	873,200	1,523,200						849,200	
04/01/09					849,200	849,200	2,398,400					1,549,200	2,398,400
10/01/09	8.00%	8.00%	100.000	700,000	849,200	1,549,200						821,200	
04/01/10					821,200	821,200	2,397,400					1,576,200	2,397,400
10/01/10	8.00%	8.00%	100.000	755,000	821,200	1,576,200						791,000	
04/01/11					791,000	791,000	2,397,000					1,606,000	2,397,000
10/01/11	8.00%	8.00%	100.000	815,000	791,000	1,606,000						758,400	
04/01/12					758,400	758,400	2,396,800					1,636,400	2,396,800
10/01/12	8.00%	8.00%	100.000	840,000	758,400	1,636,400						723,200	
04/01/13					723,200	723,200	2,401,400					1,678,200	2,401,400
10/01/13	8.00%	8.00%	100.000	955,000	723,200	1,678,200						683,000	
04/01/14					683,000	683,000	2,400,000					1,715,000	2,400,000
10/01/14	8.00%	8.00%	100.000	1,070,000	683,000	1,715,000						643,800	
04/01/15					643,800	643,800	2,397,600					1,753,800	2,397,600
10/01/15	8.00%	8.00%	100.000	1,110,000	643,800	1,753,800						599,400	
04/01/16					599,400	599,400	2,398,800					1,799,400	2,398,800
10/01/16	8.00%	8.00%	100.000	1,200,000	599,400	1,799,400						551,400	
04/01/17					551,400	551,400	2,397,800					1,846,400	2,397,800
10/01/17	8.00%	8.00%	100.000	1,295,000	551,400	1,846,400						499,600	
04/01/18					499,600	499,600	2,399,200					1,899,600	2,399,200
10/01/18	8.00%	8.00%	100.000	1,400,000	499,600	1,899,600						443,600	
04/01/19					443,600	443,600	2,397,200					1,953,600	2,397,200
10/01/19	8.00%	8.00%	100.000	1,510,000	443,600	1,953,600						383,200	
04/01/20					383,200	383,200	2,401,400					2,018,200	2,401,400
10/01/20	8.00%	8.00%	100.000	1,635,000	383,200	2,018,200						317,800	
04/01/21					317,800	317,800	2,400,600					2,082,800	2,400,600
10/01/21	8.00%	8.00%	100.000	1,765,000	317,800	2,082,800						247,200	
04/01/22					247,200	247,200	2,399,400					2,152,200	2,399,400
10/01/22	8.00%	8.00%	100.000	1,905,000	247,200	2,152,200						171,000	
04/01/23					171,000	171,000	2,397,000					2,226,000	2,397,000
10/01/23	8.00%	8.00%	100.000	2,055,000	171,000	2,226,000						88,800	
04/01/24					88,800	88,800	2,397,800					2,308,800	2,397,800
10/01/24	8.00%	8.00%	100.000	2,220,000	88,800	2,308,800							
04/01/25					.	.	.						
10/01/25					.	.	.						
04/01/26					.	.	.						
10/01/26					.	.	.						
04/01/27					.	.	.						
10/01/27					.	.	.						
04/01/28					.	.	.						
10/01/28					.	.	.						
04/01/29					.	.	.						
10/01/29					.	.	.						
04/01/30					.	.	.						
10/01/30					.	.	.						
04/01/31					.	.	.						
				23,000,000	34,959,067	59,959,067	59,959,067		4,000,000			55,959,067	55,959,067

7 of 7

TONY KNOWLES
GOVERNOR



HB 84
P O Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 8, 1999

The Honorable Brian Porter
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker ^{Brian} Porter:

In the 1998 legislative session, I offered bond authorization bills (SB 277 and HB 382) to provide the financing needed for the Anchorage International Airport terminal redevelopment project. This project is the cornerstone of the larger Gateway Alaska initiative to improve the airport and connecting highway transportation infrastructure that makes Anchorage International Airport one of Alaska's most important economic engines. The Legislature approved the proposal, but lowered the bond authorization by approximately \$25 million in anticipation of receiving Federal Aviation Administration (FAA) grant money toward the project in that amount.

Late last year, the FAA approved the Anchorage International Airport's application for grant funds. However, the money will actually be disbursed over a 10-year period, as appropriated annually by Congress. This long-term pass-through of federal funds will disrupt the timely cash flow needed for construction of the project.

Consistent with the Legislature's directive to secure federal funds for the project, today I transmit a bill to authorize the sale of \$25 million in additional revenue bonds for the Anchorage International Airport terminal redevelopment project. This \$25 million will provide the necessary cash flow until federal funds are received and will allow us to complete the project according to schedule.

The airport terminal project is already underway, with the support of air carriers. In order to ensure timely project development pending receipt of federal money, I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Tony Knowles".
Tony Knowles
Governor

SENATE FINANCE COMMITTEE

SIGN-IN

HB 84-INTERNATIONAL AIRPORTS REVENUE BONDS

NAME: Dennis Poschard Sub./Bill No: HB 84

Co./Dept./Title: DOT & AF Phone: 465-3904

Address: _____ Zip: _____

Do you wish to testify? Yes ___ No Respond to Questions

NAME: Deven Mitchell Sub./Bill No: HB 84

Co./Dept./Title: Dept. of Revenue Phone: 465-7409

Address: _____ Zip: _____

Do you wish to testify? Yes ___ No Respond to Questions

NAME: _____ Sub./Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? ___ Yes ___ No ___ Respond to Questions

NAME: _____ Sub./Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? ___ Yes ___ No ___ Respond to Questions

HB

85

HFIN

FILE

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: April 23, 1999

FURTHER REFERRALS:

Date of Committee Action: 5/5/99

The FINANCE Committee considered:

HB 85

HOUSE BILL NO. 85

TEACHERS' LICENSES, DISCIPLINE & ETHICS

"An Act relating to licensure and professional discipline of members of the teaching profession and providing for related penalties; relating to grounds for dismissal of a teacher; relating to the Professional Teaching Practices Commission; relating to limited immunity for procedures under the Educator Ethics Act; making conforming amendments; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 85 (FIN) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ fiscal note(s) _____

zero fiscal note(s) _____ zero fiscal note(s) DOE, 2/10/99

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>Gene Therriault</u> Therriault			X	
<u>Don Bunde</u> Bunde			✓	
<u>Vic Kohring</u> Kohring	X			
<u>Alvin Austerman</u> Austerman			X	
<u>John Davies</u> DAVIES			X	
<u>Ben Grussendorf</u> Grussendorf			X	
<u>Carl E. Moses</u> Moses			X	
<u>Fred A. Davis</u> Davis			X	
<u>William Williams</u> Williams			X	
<u>John Foster</u> Foster			X	

CHAIR'S SIGNATURE

Gene Therriault

FISCAL NOTE

No: 1

Bill Version: HB 85

(H) Publish Date: 2/10/99

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____	Dept. Affected <u>Education</u>
Title <u>Professional Teaching Practices Commission</u>	BRU <u>Commissions and Boards</u>
name change to <u>Educator Ethics Commission</u>	Component <u>Professional Teaching Practices</u>
Sponsor <u>Rules Committee</u>	<u>Commission</u>
Requester <u>Governor</u>	Component Serial No. <u>190</u>

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
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						
-----------------------------	--	--	--	--	--	--

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

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
Any fees collected from imposed fines will be deposited into the General Fund.

Prepared by <u>Sanna Green</u> Sanna Green, Executive Director	Phone <u>269-6579</u>
Division <u>Professional Teaching Practices Commission</u>	Date/Time <u>1/22/99 11:33 AM</u>
Approved by Commissioner <u>[Signature]</u> Shirley Holloway, PhD., Commissioner	Date <u>1/25/99</u>
Agency <u>Education</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

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5/5/99

Adopted

Amendment \

CSHB 85 (JUD)

Representative John Davies

INSERT the word "person's"

Page 7, line 19 (4) impose limitations or conditions on the **person's**
practice of the teaching profession;

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 85
P O Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

February 8, 1999

The Honorable Brian Porter
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear ^{Brian} Speaker Porter:

Quality education for all Alaska children remains a focus and ongoing effort of my Administration. This bill I transmit today enhances the state's ability to protect students and the integrity of educators by strengthening, streamlining and consolidating licensure and discipline provisions for members of the teaching profession.

The bill incorporates the direction from the Board of Education to change a teacher "certificate" to a "license." The name of the "Professional Teaching Practices Commission" would be changed to "Educator Ethics Commission," to shorten the name and more accurately reflect the commission's functions.

Among the bill's numerous provisions are new sections governing applications and denial of applications for teaching licenses. The current regulatory provision requiring criminal history background checks for applicants would be strengthened and placed in statute. The bill would also compile, for the first time, the grounds for denial of an application or for putting conditions on a teaching license.

The bill expands the range of available disciplinary sanctions beyond suspension or license revocation, tracking powers currently available to occupational licensing boards, such as being able to summarily suspend a license if the educator poses a clear and immediate danger. The commission also would gain the authority to impose a civil fine against a person who is regulated by state law, but is not required to hold a license. The bill contains provisions that would preclude a person whose license is suspended or revoked from employment as a member of the teaching profession, even if the position does not require a license.

The Honorable Brian Porter
February 8, 1999
Page 2

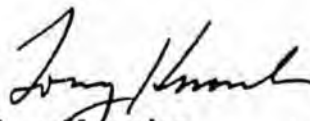
The bill also would streamline current law by consolidating regulatory and statutory grounds for discipline into one statutory provision; allowing reciprocal discipline of an educator who was disciplined in another jurisdiction; and clarifying the procedure for revoking the license of a person convicted of certain sex crimes. In addition, the bill adds misrepresentation of a material fact on an employment application as a ground for discipline.

In rewriting the procedures and requirements for reinstatement of a suspended or revoked license, the bill would expand from one year to five years the waiting period for reinstatement.

Finally, the bill contains new provisions to protect the confidentiality of minors and of investigatory files, and provides immunity from liability for persons who participate in good faith in certain investigations and proceedings of the commission or the Department of Education.

This bill represents a thorough effort on the part of the Department of Education and Professional Teaching Practices Commission to ensure Alaska educators are of high quality and integrity. I urge your prompt and favorable action on this measure.

Sincerely,


Tony Knowles
Governor

5-4-99 pm

Page 1

"An Act relating to licensure and professional discipline of members of the teaching profession and providing for related penalties; relating to grounds for dismissal of a teacher; relating to the Professional Teaching Practices Commission; relating to limited immunity for procedures under the Educator Ethics Act; making conforming amendments; and providing for an effective date."

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

<p>08 * Section 1. AS 14.20.020(a) is amended to read: 09 (a) Except as provided in <u>AS 14.20.029</u> [(f) OF THIS SECTION], the 10 department shall issue a <u>license</u> [TEACHER CERTIFICATE] to every person who 11 meets the requirements in (b), (c), and (h) of this section.</p>	<p>TECHNICAL CONFORMING CHANGE "CERTIFICATE" TO "LICENSE"</p>
<p>12 * Sec. 2. AS 14.20 is amended by adding a new section to read: 13 Sec. 14.20.022. Criminal history background check. (a) The department <i>Page 2</i> 01 shall require an applicant for a license to submit two legible copies of the applicant's 02 fingerprints to be used by the Department of Public Safety and the Federal Bureau of 03 Investigation for a criminal history background check, including searches 04 (1) of the applicant's criminal history record information, as that term 05 is defined in AS 12.62.900; and 06 (2) for any findings of not guilty by reason of insanity. 07 (b) The department may not issue a license to an applicant until the 08 Department of Public Safety and the Federal Bureau of Investigation have reported 09 back to the department on the criminal history background of the applicant and the 10 department has reviewed the reports to determine whether grounds exist for denial of 11 a license under AS 14.20.029. However, if the applicant meets the requirements of 12 AS 14.20.020, the department may issue a temporary teacher permit that is valid only 13 until the department has reviewed the criminal history background reports received 14 under this section and has notified the applicant that the license is issued or denied 15 under AS 14.20.029. The department may establish fees for a temporary teacher 16 permit in the manner provided in AS 14.20.020(c) for licenses. 17 (c) The provisions of (a) and (b) of this section apply to renewal of a license 18 if 19 (1) a criminal history background check has not been previously 20 conducted on the licensee under this chapter; 21 (2) at any time during the previous license period, the licensee was not 22 employed in a position requiring a license; or 23 (3) the licensee resided out of state for a portion of the previous license 24 period.</p>	<p>NEW: CREATE STATUTORY AUTHORITY FOR MANDATORY CRIMINAL RECORDS CHECK - STRENGTHENS CURRENT AUTHORITY FOUND IN REGULATION - 4 AAC 12.010(b)(4) AND AS 12.62.160(b)(10)(INTERESTED PERSON) (b) PROCEDURE (c) REQUIRED CHECK AT LICENSE RENEWAL IN CERTAIN CIRCUMSTANCES</p>
<p>25 * Sec. 3. AS 14.20 is amended by adding a new section to read: 26 Sec. 14.20.029. Grounds for denial of or conditions on a license. (a) The 27 department shall deny issuance or renewal of a license to a person</p>	<p>NEW SECTION - COMPILATION OF BASES FOR DENIAL (a) MANDATORY</p>

28 (1) who does not meet the requirements of AS 14.20.020;
29 (2) who has been convicted of a crime, or an attempt, solicitation, or
30 conspiracy to commit a crime, or found not guilty by reason of insanity of committing
31 a crime, involving a minor under AS 11.41.410 - 11.41.460 or a law or ordinance in

Page 3

01 another jurisdiction with elements similar to an offense described in this paragraph;
02 (3) whose license is revoked or suspended under this title unless that
03 person's license or eligibility to apply for a new license has been reinstated under
04 AS 14.20.378.

05 (b) The department may deny issuance or renewal of a license to an applicant

06 (1) whose criminal history is determined by the department to be
07 materially inconsistent with statements made in the person's application;

08 (2) who, while under investigation for an allegation suggesting unfitness
09 to teach, has surrendered to a licensing agency an authorization to teach if the
10 authorization has not been reinstated or a new authorization issued in that jurisdiction;

11 (3) whose authorization to teach was revoked or suspended in another
12 jurisdiction on grounds that would constitute grounds for denial of a license under this
13 section;

14 (4) for the same reasons that disciplinary sanctions may be imposed
15 under AS 14.20.372; or

16 (5) who has failed to meet or otherwise comply with a condition
17 imposed by the department or the Educator Ethics Commission under (e) of this
18 section or by the Educator Ethics Commission under AS 14.20.375(c).

19 (c) The department may suspend processing of an application for a license
20 until the applicant has demonstrated that the applicant is not the subject of an
21 unresolved

22 (1) criminal proceeding relating to suitability for licensing under this
23 section; or

24 (2) disciplinary proceeding by a licensing agency on grounds that
25 would constitute grounds for denial of a license under this section.

26 (d) The department, or the Educator Ethics Commission, after hearing and
27 decision under AS 14.20.460(4), may impose conditions or restrictions on a license
28 issued or renewed under AS 14.20.010 - 14.20.040 if

29 (1) the applicant is physically or mentally incapable of performing
30 some, but not all, of the functions of the teaching profession;

31 (2) a licensing agency has

Page 4

01 (A) disciplined the applicant, including canceling, revoking,
02 suspending, conditioning, or restricting the applicant's authorization to teach;

03 (B) denied the applicant an authorization to teach; or

04 (C) accepted the surrender of the applicant's authorization to

05 teach while that person was under investigation; or

(1) - TECHNICAL
(2) - MOVED FROM AS 14.20.010(f)

(3) - TECHNICAL

(b) PERMISSIVE

(1) - NEW: CONCEALED CRIMINAL HISTORY

(2) - NEW: SURRENDERED OTHER STATE

(3) - NEW: REVOKED OR SUSPENDED IN OTHER
STATE

(4) - FROM 4 AAC 12.010(l)

(5) - NEW: FAILURE TO COMPLY WITH
IMPOSED CONDITION

(c) NEW- SUSPEND PROCESSING PENDING
CRIMINAL OR DISCIPLINE PROCEEDING

(d) NEW - ALLOW LICENSURE WITH CONDITIONS
OR LIMITS

<p>06 (3) the conditions or restrictions will otherwise protect the physical and 07 mental well-being of students.</p> <p>08 (e) In the department's decision under (b) of this section, or the Educator 09 Ethics Commission's decision under AS 14.20.460(4), denying issuance or renewal of 10 a license, the department or the commission, respectively, may place conditions on the 11 person's reapplication for a license. A person who has been denied issuance or 12 renewal of a license under (b) of this section or under AS 14.20.460(4) may not 13 reapply for licensure sooner than one year after the denial unless a shorter time period 14 for reapplication has been ordered by the department or by the Educator Ethics 15 Commission in the decision denying the license. When reapplying for licensure, the 16 person must include with the application evidence that since the denial a change of 17 circumstance has occurred that supports licensure.</p> <p>18 (f) The department's denial of a license under (a) of this section is final and 19 reviewable in accordance with AS 44.62.560 and 44.62.570. An applicant may appeal 20 to the Educator Ethics Commission the denial of a license under (b) of this section, or 21 conditions or restrictions placed on a license under (d) of this section. The 22 commission's decision on the appeal is final and reviewable in accordance with 23 AS 44.62.560 and 44.62.570.</p> <p>24 (g) The department shall report a final decision denying a license under (a)(2) 25 or (b) of this section, or placing conditions or restrictions on a license under (d) of this 26 section, to any national clearinghouse that maintains records of professional discipline 27 against members of the teaching profession.</p>	<p>(e) NEW - RESTRICTIONS ON REAPPLICATION AFTER DENIAL</p> <p>(f) NEW - CODIFY PROCEDURE FOR APPEAL OF DENIAL</p> <p>(g) NEW- CODIFY REPORTING</p>
<p>28 * Sec. 4. AS 14.20.040 is amended to read: 29 Sec. 14.20.040. Applicability of the Administrative Procedure Act. <u>Except</u> 30 <u>where a different procedure is provided in AS 14.20.029, the provisions of</u> 31 AS 44.62 (Administrative Procedure Act) <u>apply</u> [APPLIES] to all proceedings under <i>Page 5</i> 01 AS 14.20.029 [AS 14.20.030, AND REVOCATIONS AND SUSPENSIONS ARE 02 FINAL AND REVIEWABLE IN ACCORDANCE WITH AS 44.62.560 - 44.62.570].</p>	<p>NEW: MAKES APA APPLICABLE TO REVIEW OF DENIAL (APPLICATION OF APA TO DISCIPLINARY ACTION ALREADY IN AS 14.20.475)</p>
<p>03 * Sec. 5. AS 14.20.170(a) is amended to read: 04 (a) A teacher, including a teacher who has acquired tenure rights, may be 05 dismissed at any time only for the following causes: 06 (1) <u>a ground for discipline listed in AS 14.20.372(a)(1) - (5)</u> 07 [INCOMPETENCY, WHICH IS DEFINED AS THE INABILITY OR THE 08 UNINTENTIONAL OR INTENTIONAL FAILURE TO PERFORM THE TEACHER'S 09 CUSTOMARY TEACHING DUTIES IN A SATISFACTORY MANNER; 10 (2) IMMORALITY, WHICH IS DEFINED AS THE COMMISSION 11 OF AN ACT THAT, UNDER THE LAWS OF THE STATE, CONSTITUTES A 12 CRIME INVOLVING MORAL TURPITUDE]; or 13 (2) [(3)] substantial noncompliance with the [SCHOOL LAWS OF THE 14 STATE, THE REGULATIONS OR BYLAWS OF THE DEPARTMENT, THE] 15 bylaws of the district [,] or the written rules of the superintendent.</p>	<p>FOR SCHOOL DISTRICT ACTION, CROSS-REFERENCE AS 14.20.372 RATHER THAN REPEATING</p>

16 * Sec. 6. AS 14.20 is amended by adding new sections to read:
17 Sec. 14.20.372. **Grounds for discipline.** (a) The commissioner or the
18 Educator Ethics Commission may take disciplinary action as provided in AS 14.20.375
19 regarding a member of the teaching profession for the following reasons:
20 (1) incompetency, which is defined as the inability or the unintentional
21 or intentional failure to perform the teacher's customary teaching duties in a
22 satisfactory manner;
23 (2) immorality, which is defined as the commission of an act that,
24 under the laws of the state, constitutes a crime involving moral turpitude;
25 (3) substantial noncompliance with the school laws of the state or the
26 regulations of the department;
27 (4) upon a determination by the commission that there has been a
28 violation of ethical or professional standards set by the commission under
29 AS 14.20.460;
30 (5) deceit, fraud, misrepresentation, or a wilful omission of material
31 information in applying for issuance or renewal of a license or in applying for

Page 6

01 employment as a member of the teaching profession;
02 (6) breach of a contract by departing a public school teaching position
03 without the consent of the district or regional educational attendance area unless the
04 departure is necessitated by a medical or other emergency and consent is unreasonably
05 withheld;
06 (7) discipline, including cancellation, revocation, or suspension of,
07 conditions or restrictions on, or refusal to renew a teaching authorization imposed on
08 the member of the teaching profession by a licensing agency for any ground other than
09 failure to pay a fee;
10 (8) surrender of a license, or a substantially similar authorization to
11 teach, in any jurisdiction while an investigation or disciplinary proceeding was ongoing
12 for any ground other than failure to pay a fee; or
13 (9) failure to meet or otherwise comply with a condition, limitation, or
14 restriction imposed by the department under AS 14.20.029(d) or by the commission
15 under AS 14.20.029(d) or 14.20.375(b).
16 (b) Upon receipt of a judgment of conviction, the department shall, effective
17 immediately, revoke the license of a person who has been convicted of a crime, or an
18 attempt, solicitation, or conspiracy to commit a crime, or found not guilty by reason
19 of insanity of committing a crime, involving a minor under AS 11.41.410 - 11.41.460
20 or a law or ordinance in another jurisdiction with elements similar to an offense
21 described in this subsection. The person's eligibility to apply for a new license may
22 not be reinstated under AS 14.20.378 or AS 44.62.550; however, if the judgment of
23 conviction is reversed on appeal and the person is otherwise eligible for licensure, the
24 department shall reinstate the person's license. Unless the person's license is
25 reinstated by the department as provided in this subsection, a person whose license has

MOVES AS 14.20.030 TO EDUCATOR ETHICS ACT

- (1) SAME AS AS 1420.030(a)(1)
- (2) SAME AS AS 1420.030(a)(2)
- (3) SAME AS AS 1420.030(a)(3)
- (4) - SAME AS AS 1420.030(a)(4) W/
TECHNICAL CONFORMING CHANGES
- (5) - FROM 4 AAC 12.010(k)

- (6) MODIFIED FROM 4 AAC 18.010(d) AND AS
14.20.030(a)(4)

- (7) NEW: RECIPROCAL DISCIPLINE

- (8) NEW: RECIPROCAL DISCIPLINE UPON
SURRENDER

- (9) NEW: FAILURE TO COMPLY WITH IMPOSED
CONDITION

- (b) FROM AS 14.20.030(b) - MADE AUTOMATIC;
PRECLUDES EMPLOYMENT IN TEACHING
PROFESSION, INCLUDING UNLICENSED
EMPLOYMENT

26 been revoked under this subsection may not be employed as a member of the teaching
27 profession regardless of whether that employment requires a license.

28 (c) In a disciplinary proceeding instituted under this section, a certified copy
29 of a judgment of conviction is conclusive evidence that the named person committed
30 the offense regardless of whether the conviction resulted from a plea of nolo
31 contendere.

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01 (d) In a disciplinary proceeding involving grounds described in (a)(7) or (8)
02 of this section, the admissions of a member of the teaching profession in a settlement
03 document accepted by a licensing agency, or in the final findings of fact, conclusions
04 of law, and order of the licensing agency that canceled, revoked, suspended, refused
05 the renewal, or accepted surrender of the authorization to teach, is conclusive evidence
06 that the person committed the described conduct and of the disciplinary action
07 imposed.

08 **Sec. 14.20.375. Disciplinary actions.** (a) If the department files an
09 accusation while a person is licensed under this chapter, the commissioner may revoke
10 or suspend the person's license if the commissioner finds grounds for discipline under
11 AS 14.20.372.

12 (b) If the commission's executive director files an accusation while a person
13 is licensed under this chapter and the commission finds grounds for discipline under
14 AS 14.20.372, the commission may take the following disciplinary actions, singly or
15 in combination as appropriate to the finding of grounds for discipline:

16 (1) revoke a license;

17 (2) suspend a license;

18 (3) censure or reprimand;

19 (4) impose limitations or conditions on the practice of the teaching
20 profession;

21 (5) suspend imposition of an order of suspension or revocation during
22 a period in which the member of the teaching profession is complying with conditions
23 of probation set by the commission; conditions of probation may include requirements
24 that the person

25 (A) comply with the applicable requirements of this chapter and
26 regulations adopted under it;

27 (B) report regularly to the commission on matters relating to the
28 probation;

29 (C) limit practice of the teaching profession as ordered by the
30 commission;

31 (D) undertake and continue professional education as ordered

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01 by the commission until a satisfactory degree of skill has been attained in the
02 areas determined to need improvement;

03 (E) submit to peer review as ordered by the commission;

(c) NEW: PROOF OF CONVICTION

(d) NEW: PROOF OF RECIPROCAL DISCIPLINE

NEW SECTION COMPILES AND EXPANDS
ALLOWABLE DISCIPLINE

(a) COMMISSIONER DISCIPLINE

(b) EDUCATOR ETHICS COMM'N DISCIPLINE

(1) FROM AS14.20.470(a)(4)

(2) FROM AS14.20.470(a)(4)

(3) MODIFIED FROM AS14.20.470(a)(3)

(4) NEW: CONDITIONS OR LIMITATIONS

(5) NEW: PROBATION

04 (F) fulfill other conditions ordered by the commission, including
05 payment of restitution and civil fines, participation in evaluations by
06 professionals for substance abuse, mental health problems, or medical
07 problems, and completion of treatment or counseling programs.
08 (c) A member of the teaching profession may not surrender a license issued
09 under this chapter without approval of the commission. A surrendered license may not
10 be reinstated. If a surrender is approved, the commission may place conditions on the
11 person's ability to later apply for a new license.
12 (d) The commission may summarily suspend a license before a final hearing
13 is held on an accusation filed under (b) of this section or during an appeal if the
14 commission finds that the member of the teaching profession poses a clear and
15 immediate danger to public health and safety. The person is entitled to a hearing
16 before the commission to appeal the summary suspension within seven days after the
17 order of suspension is issued. The person may appeal an adverse decision of the
18 commission on an appeal of a summary suspension to the superior court under
19 AS 44.62.560. If the commission summarily suspends a license under this subsection
20 before a final hearing on the accusation, the commission shall act expeditiously to
21 conduct the hearing on the accusation. A person whose license has been summarily
22 suspended under this subsection may not be employed as a member of the teaching
23 profession, regardless of whether the employment requires a license, while the license
24 is under summary suspension.
25 (e) At the teacher's request, the commission or the commissioner shall stay the
26 proceedings on an accusation under this section if the teacher has requested a hearing
27 before the school board or invoked grievance procedures under AS 14.20.180 from a
28 dismissal or nonretention decision based on the same allegations as those made in the
29 accusation. A stay under this subsection does not preclude the commission from
30 summarily suspending a license under (d) of this section. The proceedings on an
31 accusation are stayed until a final decision on the nonretention or dismissal is reached

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01 under AS 14.20.180. The commission or commissioner shall give deference to, but
02 is not bound by, a final decision under AS 14.20.180. The commission or
03 commissioner shall state good cause for rejecting a finding of fact made in a final
04 decision under AS 14.20.180. The commission or commissioner may supplement the
05 record with additional evidence on whether there are grounds for discipline under
06 AS 14.20.372 and what discipline may be appropriate under this section.
07 (f) Notwithstanding other provisions of this section, the commission may not
08 impose discipline on a member of the teaching profession's license to act as an
09 administrator unless the commissioner concurs in the commission's decision.
10 (g) If a person was a member of the teaching profession but was not required
11 to be licensed under this chapter at the time of the conduct that is grounds for
12 discipline, the commission may warn, censure, reprimand, or order a civil fine not to
13 exceed \$5,000 against the person if the commission finds grounds for discipline under

(c) CODIFY: LIMIT ON SURRENDER OF LICENSE

(d) NEW: SUMMARY SUSPENSION OF LICENSE

(e) NEW: STAY OF PROCEEDINGS DURING SCHOOL DISTRICT TERMINATION PROCEEDING; WEIGHT GIVEN TO SCHOOL DISTRICT DETERMINATION

(f) MOVED FROM AS 14.20.470(a)(4)

(g) MOVED FROM AS 14.20.470(a)(3) AND AMPLIFIED; CIVIL FINE ADDED

14 AS 14.20.372. Nothing in this subsection prevents the commission from denying or
15 conditioning licensure, or imposing other applicable discipline, under this chapter for
16 a person disciplined under this subsection.

17 (h) The commissioner or the commission, as appropriate, shall notify the other
18 of a disciplinary action, including commission approval of surrender of a license, taken
19 under this section or under AS 14.20.372(b). The commission shall report the
20 disciplinary action to any national clearinghouse that maintains records of professional
21 discipline against members of the teaching profession and, if the person who was
22 disciplined is employed as a member of the teaching profession, shall notify the
23 disciplined person's employer of the disciplinary action.

24 (i) If a person's license is suspended or revoked under (a) or (b) of this
25 section, that person may not be employed as a member of the teaching profession,
26 regardless of whether the employment requires a license, until the person's license or
27 eligibility to apply for a new license has been reinstated under AS 14.20.378 and any
28 required license has been obtained. A person whose license was surrendered under (c)
29 of this section may not be employed as a member of the teaching profession,
30 regardless of whether the employment requires a license, until the person obtains a
31 new license.

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01 **Sec. 14.20.378. Reinstatement after suspension or revocation.** (a)
02 Notwithstanding the provisions of AS 44.62.330 and 44.62.550, and except for a
03 revocation under AS 14.20.372(b) or a summary suspension under AS 14.20.375(d),
04 this section governs reinstatement for a license that has been suspended or revoked
05 under this title.

06 (b) A license that has been suspended for one year or less and that has not
07 lapsed is automatically reinstated at the end of the period of suspension unless the
08 commission finds that the holder of that license has failed to fully comply with the
09 terms and conditions of the commission's or commissioner's order suspending the
10 license.

11 (c) A person whose license has been suspended for more than one year but has
12 not lapsed may petition the commission as provided in (e) of this section for
13 reinstatement of the license.

14 (d) A person whose license was revoked or whose license was suspended and
15 has lapsed may petition the commission as provided in (e) of this section for
16 reinstatement of eligibility to apply for a new license. For a revoked license, eligibility
17 to apply for a new license may not be reinstated sooner than five years after the
18 effective date of the revocation.

19 (e) At least 60 days before the desired date of reinstatement, the person
20 seeking reinstatement under this section shall file a petition with the commission
21 stating

22 (1) that the person has met the terms and conditions of the
23 commission's or commissioner's order suspending or revoking the license; and

(h) CODIFY: REPORTING

(i) NEW: PRECLUDES EMPLOYMENT IN TEACHING
PROFESSION, INCLUDING UNLICENSED
EMPLOYMENT, WHILE LICENSE SUSPENDED,
REVOKED, SURRENDERED

NEW: PROCEDURES FOR REINSTATEMENT
(SUPERCEDES AS 44.62.550 - 1 YEAR)

(b) ≤ 1 YEAR - AUTOMATIC

(c) > 1 YR - PETITION

(d) REVOKED - NO SOONER THAN 5 YEARS

(e) PROCEDURE

<p>24 (2) the scope and content of employment performed by the person 25 during the period of suspension or revocation and the names and addresses of all 26 employers during that period.</p> <p>27 (f) If the commissioner or the executive director of the commission opposes 28 a petition for reinstatement under (e) of this section or if the commission finds that a 29 hearing would be helpful to determine whether reinstatement is appropriate, the 30 commission shall conduct a hearing. The petitioner for reinstatement has the burden 31 of proving that</p> <p><i>Page 11</i></p> <p>01 (1) the petitioner is qualified and suitable for licensing under this 02 chapter;</p> <p>03 (2) the petitioner has met the terms and conditions of the commission's 04 or commissioner's order suspending or revoking the license; and</p> <p>05 (3) if the petitioner is licensed under this chapter, the public will be 06 protected and the integrity of the teaching profession will be maintained.</p> <p>07 (g) If a license or eligibility to apply for a new license is reinstated under this 08 section, the commission, for the same reasons for which conditions or restrictions may 09 be imposed under AS 14.20.029(d), may impose conditions or restrictions on the 10 reinstated license or on any new license for which application is made following 11 reinstatement. The commission shall notify the department of any condition or 12 restriction imposed under this subsection.</p> <p>13 (h) A person who has been denied reinstatement under this section may not 14 file a new petition for reinstatement sooner than two years after the denial unless a 15 shorter time is allowed by the commission in its decision denying the reinstatement. 16 The person must include with the new petition evidence that, since the previous denial 17 by the commission, a change of circumstances has occurred that supports 18 reinstatement.</p>	<p>(f) HEARING</p> <p>(g) CONDITIONAL LICENSURE</p> <p>(h) RESTRICTION ON FILING NEW PETITION AFTER A PETITION IS DENIED</p>
<p>19 * Sec. 7. AS 14.20.380 is amended to read: 20 Sec. 14.20.380. Creation of a commission. There is a commission of 21 professional educators known as the Educator Ethics [PROFESSIONAL TEACHING 22 PRACTICES] Commission.</p>	<p>TECHNICAL</p>
<p>23 * Sec. 8. AS 14.20.410(b) is amended to read: 24 (b) The lists shall be submitted to the executive director of the commission, 25 [COMMISSIONER] who shall submit them as a group to the governor's office.</p>	<p>SIMPLIFY</p>
<p>26 * Sec. 9. AS 14.20.460 is amended to read: 27 Sec. 14.20.460. Duties of commission. The commission shall 28 (1) adopt standards of ethical and professional performance for the 29 teaching profession and other [ESTABLISH PROCEDURES, AND ADOPT] 30 regulations under AS 44.62 (Administrative Procedure Act) to interpret or 31 implement the purposes of AS 14.20.370 - 14.20.510;</p> <p><i>Page 12</i></p> <p>01 (2) conduct investigations and hearings on grounds for discipline</p>	<p>(1) COMBINE FROM AS14.20.450 AND SIMPLIFY</p>

<p>02 alleged <u>under AS 14.20.372</u> [VIOLATIONS OF ETHICAL OR PROFESSIONAL 03 TEACHING PERFORMANCE, CONTRACTUAL OBLIGATIONS, AND 04 PROFESSIONAL TEACHING MISCONDUCT]; 05 (3) review the regulations of the department as they relate to <u>licensure</u> 06 [TEACHER CERTIFICATION] and recommend necessary changes; <u>and</u> 07 (4) <u>conduct a hearing and issue a decision in an appeal under</u> 08 <u>AS 14.20.029(f)</u> [REVIEW THE DECISIONS OF THE DEPARTMENT REGARDING 09 THE ISSUANCE OR DENIAL OF CERTIFICATES AND IN ITS DISCRETION 10 RECOMMEND REVERSAL OF DECISIONS].</p>	<p>(2) TECHNICAL CONFORMING CHANGES (3) TECHNICAL (4) CODIFY CURRENT PRACTICE</p>
<p>11 * Sec. 10. AS 14.20.470 is amended to read: 12 Sec. 14.20.470. Powers of commission. (a) The commission may 13 (1) study proposals <u>regarding standards of ethical and professional</u> 14 <u>performance for members of the teaching profession</u> developed by regular 15 committees of any existing professional organization whose members are within the 16 teaching profession; 17 (2) subpoena witnesses, place them under oath, and maintain written 18 records; 19 (3) <u>take disciplinary action under AS 14.20.372 and 14.20.375</u> 20 <u>regarding a member</u> [WARN OR REPRIMAND MEMBERS] of the teaching 21 profession [IF IN THE JUDGMENT OF THE COMMISSION SUCH ACTION IS 22 WARRANTED]; 23 (4) [SUSPEND OR REVOKE THE CERTIFICATE OF A MEMBER 24 OF THE TEACHING PROFESSION FOR ONE OF THE REASONS SET OUT IN 25 AS 14.20.030 EXCEPT THAT IN THE CASE OF AN ADMINISTRATOR, THE 26 COMMISSIONER MUST CONCUR; 27 (5) make any recommendation to the board or to school boards that 28 will promote an improvement in the teaching profession; 29 (5) [(5)] request assistance through any of the investigative processes 30 of a <u>school board, school superintendent, or</u> any existing professional teaching 31 organizations when analyzing charges of breach of ethical or professional teaching <i>Page 13</i> 01 practices; 02 (6) [(7)] appoint an executive <u>director</u> [SECRETARY], delegate those 03 <u>investigative and other</u> [MINISTERIAL] functions, <u>except its power to propose and</u> 04 <u>adopt regulations and its power to take action under AS 14.20.372, 14.20.375,</u> 05 <u>14.20.378, and 14.20.460(4),</u> to the executive <u>director</u> [SECRETARY] as the 06 commission may decide, and set the executive <u>director's</u> [SECRETARY'S] 07 compensation with a starting salary not exceeding range 26, step B, of the pay plan for 08 state employees in AS 39.27.011(a). 09 (b) A decision issued by the commission [WITH THE APPROVAL OF THE 10 COMMISSIONER] under <u>AS 14.20.372, 14.20.375, or 14.20.378</u> [(a)(4) OF THIS 11 SECTION] is final <u>and reviewable in accordance with AS 44.62.560 and 44.62.570</u></p>	<p>CLARIFY MOVED TO AS14.20.375 TECHNICAL CONFORMING CHANGES; ADMINISTRATOR DISCIPLINE MOVED TO AS 14.20.375(e). ADD ASSISTANCE FROM SCHOOL DISTRICTS RENAME POSITION; CLARIFY DELEGATION TECHNICAL CONFORMING CHANGES</p>

<p>12 * Sec. 11. AS 14.20.475 is amended to read: 13 Sec. 14.20.475. Applicability of the Administrative Procedure Act. <u>Except</u> 14 <u>where a different procedure is provided in AS 14.20.370 - 14.20.510, the</u> 15 <u>provisions of AS 44.62 (Administrative Procedure Act) apply [APPLIES] to</u> 16 <u>[REGULATIONS AND] proceedings under AS 14.20.370 - 14.20.510.</u></p>	<p>EXCEPTIONS TO APA (E.G. SUMMARY SUSPENSION; REINSTATEMENT) REGULATIONS - MOVED TO AS 14.20.460(1)</p>
<p>17 * Sec. 12. AS 14.20.475 is amended by adding a new subsection to read: 18 (b) In addition to the options available under AS 44.62.500, the commission 19 may adopt a hearing officer's proposed findings of fact in their entirety and increase 20 or change the proposed disciplinary action authorized under AS 14.20.375 against the 21 person.</p>	<p>NEW: ALLOWS INCREASED OR CHANGED DISCIPLINE AS OPTION, BASED ON HEARING OFFICER'S FACTUAL FINDINGS</p>
<p>22 * Sec. 13. AS 14.20 is amended by adding new sections to read: 23 Sec. 14.20.476. Confidential information. (a) Information obtained by the 24 commission or the department in the course of an investigation under this chapter is 25 confidential and may not be produced for inspection or copying by any person, nor 26 may its contents be disclosed to any person, except 27 (1) by order of a court of competent jurisdiction, issued for good cause 28 shown and upon the conditions that the court imposes; 29 (2) to the attorney general of this state or the attorney general's 30 designee; 31 (3) as reasonable and necessary in the enforcement of AS 14.20.372, <i>Page 14</i> 01 including investigation of a matter, presentation to a court, or use in an administrative 02 proceeding under this chapter; 03 (4) in response to a request for discovery from the respondent in an 04 administrative proceeding under this chapter; or 05 (5) to licensing agency and law enforcement officials of any 06 jurisdiction. 07 (b) All references to a minor in an administrative proceeding and in all 08 documents available to the public shall be by initials or some similar method that 09 maintains the confidentiality of the minor's identity. If a minor is called to testify as 10 a witness, the commission or the commissioner, as applicable, may close that portion 11 of the hearing to the general public if it is in the minor's best interests to do so and 12 may determine who may be present while the minor is testifying. A transcript of the 13 proceeding shall refer to a minor by initials or some similar method that maintains the 14 confidentiality of the minor's identity. 15 Sec. 14.20.478. Limitation of liability. An action may not be brought for 16 damages resulting from 17 (1) a report or complaint made in good faith to the commission or the 18 department by a person, or participation by a person in an investigation or hearing by 19 the commission or the department under this chapter; or 20 (2) a person's good faith performance of a duty, function, or activity 21 required under this chapter as a member of the commission.</p>	<p>NEW: CONFIDENTIALITY OF INVESTIGATIVE FILE</p> <p>WHEN DISCLOSABLE</p> <p>REFERENCES TO MINORS</p> <p>NEW: LIMITS ON LIABILITY</p>

<p>22 * Sec. 14. AS 14.20.510 is amended to read: 23 Sec. 14.20.510. Short title. AS 14.20.370 - 14.20.510 shall be known as the 24 Educator Ethics [PROFESSIONAL TEACHING PRACTICES] Act.</p>	<p>TECHNICAL CONFORMING CHANGES</p>
<p>25 * Sec. 15. AS 14.20 is amended by adding a new section to read: 26 Article 5A. Penalties. 27 Sec. 14.20.520. Penalties. (a) A person who is not licensed under this 28 chapter and who is employed as a teacher in violation of AS 14.20.010 or is employed 29 as a member of the teaching profession in violation of AS 14.20.372 or 14.20.375 is 30 guilty of a class B misdemeanor. 31 (b) In addition to a penalty imposed under (a) of this section, if a person who Page 15 01 is not licensed under this chapter and who is employed as a teacher in violation of 02 AS 14.20.010, or is employed as a member of the teaching profession in violation of 03 AS 14.20.372 or 14.20.375, the department or the commission may assess a civil fine 04 in an amount set by the department by regulation for each day the person was in 05 violation. A civil fine may be assessed under this subsection regardless of whether a 06 penalty under (a) of this section has been imposed. A civil fine assessed under this 07 subsection may be appealed in the manner provided for appeals in AS 44.62 08 (Administrative Procedure Act).</p>	<p>NEW: PENALTIES FOR TEACHING W/O REQUIRED LICENSE AND UNAUTHORIZED EMPLOYMENT IN TEACHING PROFESSION</p> <p>(a) CRIMINAL</p> <p>(b) CIVIL</p>
<p>09 * Sec. 16. AS 14.20 is amended by adding a new section to read: 10 Article 8. General Provisions. 11 Sec. 14.20.990. Definitions. In AS 14.20.010 - 14.20.520, unless the context 12 otherwise indicates, 13 (1) "commission" means the Educator Ethics Commission created in 14 AS 14.20.380; 15 (2) "license" means a license issued by the department under 16 AS 14.20.020 or 14.20.025; 17 (3) "licensing agency" means the agency or entity in another state or 18 other jurisdiction that has the duty to authorize a person to act as a member of the 19 teaching profession in that jurisdiction, or the power to revoke, suspend, or place other 20 sanctions on the authorization to teach of a member of the teaching profession in that 21 jurisdiction; 22 (4) "member of the teaching profession" means a person described in 23 AS 14.20.370.</p>	<p>NEW: DEFINITIONS SECTION FOR AS 14.20</p>
<p>24 * Sec. 17. AS 14.25.220(26) is amended to read: 25 (26) "outside service" means service for full years as defined by 26 (43)(A)(x) and (43)(B)(xi) of this section 27 (A) as a certificated <u>or licensed</u> full-time elementary or 28 secondary teacher or a certificated <u>or licensed</u> person in a full-time position 29 requiring a teaching certificate <u>or license</u> as a condition of employment in an 30 out-of-state public school within the United States, or in a school outside the</p>	<p>TECHNICAL CONFORMING CHANGES</p>

<p>31 United States supported by funds of the United States; Page 16 01 (B) as a certificated <u>or licensed</u> full-time elementary or 02 secondary teacher or a certificated <u>or licensed</u> person in a full-time position 03 requiring a teaching certificate <u>or license</u> as a condition of employment in an 04 approved or accredited nonpublic school within the United States, or in a 05 school outside the United States supported by funds of the United States; 06 (C) in a full-time position requiring academic standing in an 07 out-of-state institution of higher learning accredited by a nationally recognized 08 accrediting agency as listed in the Education Directory - Colleges and 09 Universities by the National Center for Education Statistics; 10 (D) as a full-time teacher in an approved or accredited 11 nonpublic institution of higher learning in Alaska; 12 * Sec. 18. AS 14.30.255 is amended to read: 13 Sec. 14.30.255. Administrator qualifications. A person may not be employed 14 as an administrator of a program of special education and related services unless that 15 person possesses a <u>valid license under AS 14.20 authorizing employment as an</u> 16 <u>administrator</u> [ADMINISTRATIVE CERTIFICATE] and, in addition, such training 17 as the department may require by regulation. 18 * Sec. 19. AS 44.62.330(a)(42) is amended to read: 19 (42) <u>except where a different procedure is provided in AS 14.20.029</u> 20 <u>or 14.20.370 - 14.20.510</u>, the Department of Education and the Educator Ethics 21 [PROFESSIONAL TEACHING PRACTICES] Commission with regard to proceedings 22 [TO REVOKE OR SUSPEND A TEACHER'S CERTIFICATE] under <u>AS 14.20.029</u> 23 <u>and 14.20.370 - 14.20.510</u> [AS 14.20.030 - 14.20.040 AND AS 14.20.470(a)(4)];</p>	
<p>24 * Sec. 20. AS 14.20.020(f), 14.20.030, and 14.20.450 are repealed.</p>	<p>MOVED</p>
<p>25 * Sec. 21. REVISOR'S CHANGES. The revisor of statutes is requested to make the 26 following changes in the specified statutes: 27 (1) change "Professional Teaching Practices Commission" to "Educator Ethics 28 Commission" in AS 14.20.020(c) and (e); AS 39.25.120(c)(9)(B); and AS 47.17.020(f); 29 (2) change "certification" to "licensure" in the heading of art. 1 of AS 14.20 30 and in AS 14.20.020; 31 (3) change "Article 5. Professional Teaching Practices Act" to "Article 5. Page 17 01 Educator Ethics Act" in the heading of art. 5 of AS 14.20; 02 (4) change "certificate," "teacher certificate," and "teaching certificate" to 03 "license" in AS 14.20.010, 14.20.020, 14.20.025, 14.20.027, 14.20.147(b), 14.20.149(c), 04 14.20.150, and 14.20.177; 05 (5) change "certificates" to "licenses" in AS 14.20.020 and 14.20.500; 06 (6) change "limited teacher certificate" to "limited license" in AS 14.20.025 07 and 14.20.027; 08 (7) change "certificated" to "licensed" in AS 14.03.290(6); AS 14.14.107;</p>	<p>TECHNICAL CONFORMING CHANGES</p>

<p>09 AS 14.16.050(a)(3)(E); AS 14.18.060; AS 14.20.149, 14.20.150, 14.20.350, 14.20.370; 10 AS 14.25.220(8) and (40)(A); AS 14.30.010(b)(1); AS 23.10.530(c); AS 39.25.110(6) and (7), 11 and 39.25.160(e)(6) and (7); 12 (8) change "noncertificated" to "unlicensed" in AS 14.08.111(3); 13 AS 23.20.354(b); AS 39.25.110(6), and 39.25.160(e)(6); 14 (9) change "teacher certificate" to "teacher license" in AS 14.25.045, 15 14.25.047; AS 14.30.250; AS 14.43.148(h)(1)(A)(iii); and AS 25.27.244(s)(2)(A)(iii); 16 (10) change "teacher's certificate" to "teacher's license" in AS 14.43.148(g); 17 (11) change "teaching certificate" to "teaching license" in AS 14.25.220(8) and 18 (40)(A).</p>	
<p>19 * Sec. 22. TRANSITION: COMMISSION MEMBERSHIP. A person who is a member 20 of the Professional Teaching Practices Commission on June 30, 1999, continues to serve on 21 the commission, renamed as the Educator Ethics Commission by this Act, until the member's 22 term on the commission expires under the terms of the member's appointment. 23 * Sec. 23. TRANSITION: REGULATIONS. Notwithstanding sec. 25 of this Act, the 24 Department of Education and the Professional Teaching Practices Commission may proceed 25 to adopt regulations necessary to interpret or implement this Act. The regulations take effect 26 under AS 44.62 (Administrative Procedure Act), but not before July 1, 1999.</p>	<p>TRANSITION: MEMBERSHIP AND STARTING REGULATION PROCESS</p>
<p>27 * Sec. 24. Section 23 of this Act takes effect immediately under AS 01.10.070(c). 28 * Sec. 25. Except as provided in sec. 24 of this Act, this Act takes effect July 1, 1999.</p>	<p>EFFECTIVE DATE</p>

From: Mary Ellen Beardsley
To: Chrystal Smith, Deborah Behr, Joan Kasson
Date: Mon, May 3, 1999 3:37 PM
Subject: SB 162 & 163

Interestingly enough SB 162 did not cause as much concern as SB 163. Senator Donnelly was apposed to section 2 of SB 163 which deals with notice requirements to beneficiaries. Neither bill passed out of the committee due to lack of a forum. May take it up again on WEDNESDAY. Some attorneys are going to try to propose an amendment to take care of Donnelly's concerns. And they may call him as well. That is all I have to report.

From: Chrystal Smith
To: John Baker
Subject: Re: SB 140; end of session

last scheduled day is May 19. Thanks for the update --

>>> John Baker 05/03 3:33 PM >>>

Chrystal: Before I forget, I testified this morning, at DNR's request, on SB 140. The thrust of my testimony was that, in order to construe the legislation to avoid constitutional problems, the courts would likely require DNR to continue to engage in a process that looks very much like the current planning and classification process. Therefore, if the intent of the bill is to achieve significant cost/efficiency savings, it is unlikely to achieve that result. Can you remind me - when is that last day of the (regular) session?