

SENATE CS FOR CS FOR HOUSE BILL NO. 424(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/18/10

Referred: Today's Calendar

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

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

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

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

7 GENERAL OBLIGATION BONDS. For the purpose of paying the cost of design and
8 construction of library, education, and educational research facilities, general obligation bonds
9 of the state in the principal amount of not more than \$397,200,000, if ratified by a majority of
10 the qualified voters of the state who vote on the question, shall be issued and sold. The full
11 faith, credit, and resources of the state are pledged to the payment of the principal of and
12 interest and redemption premium, if any, on the bonds. The bonds shall be issued under the
13 provisions of AS 37.15 as those provisions read at the time of issuance, except that
14 AS 37.15.040 does not apply. The bonds may be issued and sold at a public or negotiated sale

1 in the manner, in the amounts or series, and at the time or times that the state bond committee
2 determines after considering market conditions and structuring alternatives.

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

5 2010 EDUCATION PROJECT FUND. If the issuance of the bonds is ratified by a
6 majority of the qualified voters of the state who vote on the question, a special fund of the
7 state to be known as the "2010 education project fund" shall be established, to which shall be
8 credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for the
9 accrued interest and premiums.

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

12 DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. The amount of
13 \$38,500,000 is appropriated from the 2010 education project fund to the Department of
14 Education and Early Development to be allocated among the following projects in the
15 amounts listed, subject to reallocation between projects in accordance with AS 37.07.080(e):

16 PROJECT	17 AMOUNT
18 (1) Mount Edgecumbe High School aquatic facility	\$20,000,000
(2) State Library, Archives, and Museum facility	18,500,000

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

21 DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT. The amount of
22 \$128,500,000 is appropriated from the 2010 education project fund to the Department of
23 Education and Early Development to be awarded as grants for design, construction, and major
24 maintenance for the following public school projects, subject to reallocation between projects
25 in accordance with AS 37.07.080(e):

26 PROJECT	27 REAA LOCATION	28 AMOUNT
29 (1) Alakanuk K-12 30 school replacement	Lower Yukon	\$46,500,000
(2) Kipnuk K-12 school renovation/addition	Lower Kuskokwim	49,900,000
(3) Kwigillingok K-12	Lower Kuskokwim	32,100,000

1 school renovation/addition

2 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 UNIVERSITY OF ALASKA. The amount of \$207,000,000 is appropriated from the
5 2010 education project fund to the University of Alaska for the following projects, subject to
6 reallocation between projects in accordance with AS 37.07.080(e):

7 PROJECT	LOCATION	AMOUNT
8 (1) Valley center for art 9 and learning	Mat-Su campus	\$23,500,000
10 (2) Community arena 11 and athletic facility	UA-Anchorage	60,000,000
12 (3) Life science classroom 13 and laboratory facility	UA-Fairbanks	88,000,000
14 (4) Student housing	Kenai campus	16,000,000
15 (5) Career and technical 16 education center	Kenai campus	14,500,000
17 (6) Campus renovation and 18 renewal	Prince William Sound Community College	5,000,000

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

21 DEPARTMENT OF FISH AND GAME. The amount of \$20,000,000 is appropriated
22 from the 2010 education project fund to the Department of Fish and Game for the Near Island
23 research facility.

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

26 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC
27 DEVELOPMENT. The amount of \$3,200,000 is appropriated from the 2010 education
28 project fund to the Department of Commerce, Community, and Economic Development for
29 payment of a grant under AS 37.05.315 to the City of Klawock for the Prince of Wales Island
30 vocational education center.

31 * **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 ADVANCE PLANNING. The amount withdrawn from the public facility planning
3 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements
4 financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds
5 authorized by this Act.

6 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
7 read:

8 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated
9 balances of the appropriations made in secs. 3 - 7 of this Act lapse under AS 37.25.020 and
10 are appropriated to the state bond committee to redeem bonds sold under this Act. The
11 amounts expended from the general fund to pay the principal, interest, and redemption
12 premium on bonds issued under this Act shall be reimbursed to the general fund from the
13 appropriation made under this section to the extent that the money is not needed to redeem the
14 bonds.

15 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

17 BALLOT QUESTION. The question whether the bonds authorized in this Act are to
18 be issued shall be submitted to the qualified voters of the state at the next general election and
19 shall read substantially as follows:

20 PROPOSITION

21 State General Obligation	\$397,200,000
22 Library, Education, and Educational	
23 Research Facilities Bonds	

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

27 Bonds Yes []

28 Bonds No []

29 * **Sec. 11.** This Act takes effect immediately under AS 01.10.070(c).