

Building for Alaska's Future

The Legislature passed a package of three bond bills this session, to fund construction and maintenance of the roads, ports, schools, and other public facilities that Alaska needs to continue raising the state's infrastructure to national standards. The Legislature passed three bond bills:

House Bill 234: Bonds to Fund Public Facilities

House Bill 234 authorizes the state to sell bonds secured by the state's share of anticipated tobacco settlement revenue, to raise \$109 million for public facilities. That money includes \$76.1 million for design, construction and major maintenance of 32 public school facilities in rural Alaska, \$20.3 million for seven facilities within the University of Alaska system, and \$16.2 million for ports and harbors in Anchorage, Ketchikan, Pelican and Sitka. This legislation also creates the state Tobacco Use Education and Cessation Fund, that will make about \$6 million a year available to the Legislature for appropriations to fund a comprehensive tobacco use prevention, control and education program. **(A full listing of projects funded by HB 234 follows.)**

Senate Bill 218: International Airports: Bonds/Construction Funds

Senate Bill 218 authorizes the state to issue \$450 million in revenue bonds over the next five years to fund construction projects at the international airports in Anchorage and Fairbanks. The projects to be funded include noise abatement for nearby neighborhoods, improvements to runways and taxiways, improved communications systems, dredging of the Lake Hood seaplane base. The bonds will be repaid with the fees that airlines and other airport contractors pay to operate from the airports.

House Bill 90: Municipal School Bond Reimbursement

House Bill 90 corrects a technical error in a school capital funding and bond debt reimbursement bill the Legislature passed in 2000. The correction lets the state provide nearly \$78 million to reimburse Anchorage and the Northwest Arctic Borough a portion of the cost of school construction or repair bonds that had already been approved by voters. The bill also includes authorization to spend \$24 million to reimburse from 65 to 70 percent of local bond costs to build or improve schools at Kiana, Unalaska and Juneau.

House Bill 76: New Facilities for API

House Bill 76 provides funds for construction of a replacement for the Alaska Psychiatric Institution with \$16 million raised through certificates of participation, \$19 million in previous state appropriations, \$3 million from the Alaska Mental Health Trust Fund, and investment earnings from the combined funds. The bill also calls for cooperation among the state departments of Health and Social Service and Corrections, the Municipality of Anchorage, the University of Alaska-Anchorage, Providence Alaska Medical Center and Alaska Regional Hospital regarding land exchanges and other steps needed to establish a medical campus near the new API.