

Sponsor Statement for House Bill 234
Tobacco Settlement
Bonds & Smoking Program

An Act relating to the tobacco use education and cessation fund and to smoking education and cessation programs; relating to funding the tobacco use education and cessation fund; relating to financing of construction and major maintenance of public school facilities, facilities for the University of Alaska, and facilities for ports and harbors; authorizing the commissioner of revenue to sell the right to receive a portion of the anticipated revenue from a tobacco litigation settlement to the Northern Tobacco Securitization Corporation; relating to the deposit of certain anticipated revenue from a tobacco litigation settlement; authorizing the issuance of bonds by the Northern Tobacco Securitization Corporation with proceeds to finance public school construction and major maintenance, facilities for the University of Alaska, and facilities for ports and harbors; and providing for an effective date.

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Contact: Denny Dewitt, Legislative Aide to the House Finance Committee, at (907) 465-6619

HOUSE BILL 234 relates to the financing of the design, construction and major maintenance of thirty-two public school facilities in rural Alaska, seven facilities within the University of Alaska system and facilities for ports and harbors in Anchorage, Ketchikan, Pelican and Sitka.

This legislation also creates the Tobacco Use Education and Cessation Fund from which the legislature may make appropriations for the comprehensive smoking education, tobacco use prevention and tobacco control program established under AS 44.29.020(a)(15).

The Northern Tobacco Securitization Corporation is authorized to issue revenue bonds and securitize 40 percent of the income stream from the Tobacco Master Settlement Agreement.

See attachment for complete list of projects.