

Sponsor Statement for SB 218
International Airports
Bonds/Construction Fund/Facility Charge

An Act relating to international airports revenue bonds and requiring that the spending plan for the International Airports Construction Fund include information about the amounts spent during the previous fiscal year for cost overruns on certain projects and the identification of time delays on certain projects; relating to customer facility charges to fund facilities in airports to be constructed without using international airport revenue bonds; and providing for an effective date.

Last Updated: May 7, 2001

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[Senate Bill 218](#) authorizes the sale of \$142.9 million in international airport system revenue bonds to support capital improvement programs of the AIAS for fiscal years 2002 and 2003.

The AIAS and the state's major air carriers propose to continue developing our international airport system through implementation of a new international airports system operating agreement. Under the agreement, that development would be accomplished by using revenue bonds.

The airlines have requested, and the airport system has agreed, to shift to revenue bond financing rather than the historic method of funding capital improvements through annual capital charges paid by the airlines. While repayment of the bonded debt and annual debt service would still be covered by charges paid by the airlines, revenue bonds would allow payment to be spread over periods of time such as the useful life of airport projects.