AN ACT

Providing for a sport fishing facility surcharge on sport fishing licenses; providing for the construction and renovation of state sport fishing facilities and for other projects beneficial to the sport fish resources of the state as a public enterprise; and authorizing the issuance of revenue bonds to finance those projects.

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

THE ACT FOLLOWS ON PAGE 1
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* Section 1. AS 16.05.100 is amended to read:

Sec. 16.05.100. Fish and game fund established. There is created a revolving "fish and game fund," which shall be used exclusively for the following:

(1) to carry out the purposes and provisions of this title, except AS 16.51 and AS 16.52, or other duties that may be delegated by the legislature to the commissioner or the department;

(2) to pay the principal of and interest on revenue bonds issued under AS 37.15.765 - 37.15.799 to finance the construction and renovation of fisheries rehabilitation, enhancement, and development projects that benefit
**sport fishing; and**

(3) [AND (2)] to carry out the [SUCH] purposes and objectives within the scope of this title except AS 16.51 and AS 16.52 as may be directed by the donor of any such funds.

* Sec. 2. AS 16.05.130 is amended by adding new subsections to read:

(e) Money accruing to the state from the sport fishing facility surcharge imposed under AS 16.05.340(j) shall be deposited in a separate account known as the Alaska sport fishing enterprise account within the fish and game fund. Money in the enterprise account shall be allocated to sport fishing facilities intended to directly benefit license purchasers. Money in the enterprise account may be pledged to pay the principal of and interest on revenue bonds issued under AS 37.15.765 - 37.15.799. The commissioner shall seek authority for the transfer of amounts determined under AS 37.15.783 from the enterprise account to the redemption fund established in AS 37.15.770.

(f) Proceeds received from the sale of bonds issued under AS 37.15.765 - 37.15.799, other than the proceeds used to pay the cost of issuance and administration and the proceeds deposited in the bond reserve account, shall be deposited in a special account in the fish and game fund to be known as the Alaska sport fishing construction account. The construction account serves as a capital construction fund that shall be used for any purpose for which bonds may be issued, including the payment of cost of issuance and administration and arbitrage rebate. The commissioner also may transfer money in the construction account to the redemption fund. Upon completion of the purposes for which the bonds are issued, the commissioner shall transfer any unexpended and unobligated bond proceeds to the Alaska fish and game revenue bond redemption fund to pay outstanding principal, interest, or redemption premium, if any, owing on the bonds.

* Sec. 3. AS 16.05.340(i) is amended to read:

(i) If the commissioner determines that residents of the state are entitled to obtain licenses for sport fishing, including sport fishing for anadromous king salmon, in Yukon, Canada, for the same fees that are charged to residents of Yukon for comparable sport fishing licenses, the commissioner may adopt regulations
authorizing residents of Yukon to receive

(1) nonresident annual sport fishing licenses for the fees [FEE] charged to residents under (a) and (j) of this section for a resident sport fishing license; and

(2) nonresident anadromous king salmon annual tags for the fee charged to residents under (a) of this section for a resident anadromous king salmon tag.

* Sec. 4. AS 16.05.340 is amended by adding a new subsection to read:

(j) In addition to the fees for a sport fishing license set out in (a) and (d) of this section, each person who purchases a sport fishing license shall pay a sport fishing facility surcharge as set out in this subsection for the purpose of providing funding for sport fishing facilities. A person who is eligible for a $5 resident hunting, trapping, and sport fishing license under (a)(6) of this section or a free license under AS 16.05.341 is exempt from payment of the surcharge imposed under this subsection. The surcharge authorized by this subsection shall take effect on the date established by regulation by the commissioner. The authority of the department to collect the surcharge under this subsection terminates on December 31 of the calendar year in which the principal amount of the bonds issued under AS 37.15.765 - 37.15.799, together with the interest on them and any interest owing on unpaid installments of interest, and all other obligations with respect to the bonds, are fully met and discharged. The amount of the surcharge attached to each sport fishing license must be clearly disclosed on the sport fishing license. The amount of the sport fishing facility surcharge to be paid for each sport fishing license is as follows

(1) resident sport fishing license ......................................................$ 9
(2) resident hunting and sport fishing license................................. 9
(3) resident hunting, trapping, and sport fishing license ............... 9
(4) nonresident 14-day sport fishing license ....................................30
(5) nonresident seven-day sport fishing license ...............................25
(6) nonresident three-day sport fishing license ..............................15
(7) nonresident one-day sport fishing license .................................10
(8) nonresident annual sport fishing license .................................45
(9) special nonresident military small game and sport fishing
Sec. 5. AS 37.15 is amended by adding new sections to read:

**Article 5A. Sport Fishing Facility Revenue Bonds.**

**Sec. 37.15.765. Bond authorization.** (a) For purposes of providing the money to be used to construct and renovate sport fishing facilities under AS 16.05.092, including the costs of bond issuance and administration, the issuance and sale of revenue bonds of the state is authorized, subject to (b) of this section. The bonds are to be issued by the state bond committee, as provided in AS 37.15.765 - 37.15.799, as part of the sport fisheries rehabilitation, enhancement, and development program under AS 16.05.092, a public enterprise of the state. The net proceeds of the sale of the bonds remaining after payment of costs of issuance and administration and making deposits to the bond reserve account described in AS 37.15.770(b) shall be paid into the Alaska sport fishing construction account of the fish and game fund. The bond proceeds shall be segregated and accounted for separately. Accrued interest paid on the bonds shall be deposited in the bond redemption fund established under AS 37.15.770.

(b) The state bond committee may not issue more than $69,000,000 in revenue bonds, excluding refunding bonds issued under AS 37.15.790.

(c) The bonds do not constitute a general obligation of the state. Authorization for the bonds by the voters of the state or the legislature is not required.

(d) The state bond committee may enter into agreements with other state agencies as necessary or convenient to implement AS 37.15.765 - 37.15.799.

(e) The state bond committee may contract for the services of underwriters, paying agents, trustees, bond printers, rating agencies, bond insurance, credit enhancement providers, accountants, financial advisors, and bond counsel, and other services as are necessary to accomplish the bond issuance and sale.

**Sec. 37.15.770. Bond redemption fund established.** (a) There is established a special fund of the state, known as the Alaska fish and game revenue bond redemption fund, which is a trust fund for paying and securing the payment of the principal of and interest and redemption premium, if any, on the bonds and which
shall be, at all times, completely segregated and set apart from all other funds of the state. The committee, on behalf of the state, may obligate and bind the state to set aside and pay into the bond redemption fund, on a monthly or other periodic basis, as a first priority, money in the Alaska sport fish enterprise account and, as a subordinate priority, other money legally available in the fish and game fund, sufficient to pay the principal of and interest and redemption premium, if any, on the bonds. The bond redemption fund may be drawn upon only for the purpose of paying the principal of and interest and redemption premium, if any, on the bonds, together with related trustee fees, if any.

(b) The committee may provide in the bond resolution for the creation of a bond reserve account within the redemption fund to further secure the repayment of principal of and interest on the bonds. Amounts deposited in the reserve account shall be derived from bond proceeds or other money legally available from state sources.

(c) Money in the bond redemption fund may be invested in the same manner and on the same conditions as permitted for investment of money belonging to the state or held in the treasury under AS 37.10.070; however, the committee may agree with the bondholders to further limit these investments. Earnings on investments must be retained in the bond redemption fund.

Sec. 37.15.773. Bond terms. (a) The bonds may be issued and sold at public or negotiated sale in the manner, in the amounts or series, and at the time or times that the committee determines. The bonds, or each series of them, shall be sold at the price and upon the terms, conditions, and covenants set by the committee after considering market conditions. Interest rates may be fixed or variable.

(b) The bonds mature at the time or times fixed by the committee. The bonds may be subject to redemption before their fixed maturities, in the manner and under the conditions established by the committee, with or without a premium or premiums. The bonds may be in denominations determined by the committee and may be issued in fully or partially registered form. The bonds must be

(1) payable as to principal and interest at the place or places determined by the committee;

(2) signed on behalf of the state in the manner provided by the
committee;

(3) issued under and subject to the terms, conditions, covenants, and protective features safeguarding payment of the bonds and relating to the funding of projects as found necessary by the committee, including covenants requiring the setting aside and maintenance of certain reserves to secure the payment of principal and interest, all under regulations and conditions of the committee.

(c) The committee may pledge to the payment of the principal of and interest on bonds issued by the committee part or all of the legally available money or other assets on hand in the Alaska sport fishing enterprise account and, on a subordinate lien basis, other legally available money in the fish and game fund; the proceeds of the sale of bonds; and money on hand in the bond redemption fund. Revenue of the Alaska sport fishing enterprise account and fish and game fund if so pledged, must be paid into the bond redemption fund, as appropriate.

(d) If the committee finds it reasonably necessary, the committee may select a trustee or trustees for the holders of the bonds, for the safeguarding and disbursement of any of the money in the bond redemption fund created by AS 37.15.770, or for duties with respect to the enforcement, authentication, delivery, payment, and registration of the bonds as the committee may determine. The committee shall fix the rights, duties, powers, and obligations of the trustee or trustees.

(e) In its determination of all matters and questions relating to the issuance and sale of the bonds and the fixing of their maturities, terms, conditions, and covenants as provided in (a) - (d) of this section, the decisions of the committee shall be those that are reasonably necessary for the best interests of the state and its inhabitants and that will accomplish the most advantageous sale of the bonds. Decisions of the committee, as expressed in a bond resolution, are final and are conclusively considered to comply with the requirements of state law.

(f) A bond resolution may provide that the bonds issued must contain a recital that they are issued under AS 37.15.765 - 37.15.799, and a bond containing this recital is conclusively considered to be valid and to have been issued in conformity with AS 37.15.765 - 37.15.799.

Sec. 37.15.777. Bond resolution. The committee shall authorize the issuance
of bonds by adopting a resolution and shall prepare all other documents and proceedings necessary for the issuance, sale, and delivery of the bonds or any part or series of them. The bond resolution may provide for delegation of authority to establish the final terms of the bonds, including the terms identified in AS 37.15.773, upon reasonable conditions established by the committee.

Sec. 37.15.780. Pledge of the state. The state pledges to and agrees with the holders of bonds issued by the committee under AS 37.15.765 - 37.15.799 that the state will not limit or alter the rights and powers vested in the committee by AS 37.15.765 - 37.15.799 to fulfill the terms of any contract made by the committee with the holders or in any way impair the rights and remedies of the holders until the principal amount of the bonds, together with the interest on them with interest on unpaid installments of interest, are fully met and discharged. The committee may include this pledge and agreement of the state in a contract with the holders.

Sec. 37.15.783. Amounts required for payments. The committee shall, before June 30 of each year or from time to time within the year, as appropriate, beginning with the year in which the bonds are issued, certify to the commissioner of revenue and the commissioner of fish and game the amounts required in the current fiscal year and the next ensuing fiscal year by the bond resolution or resolutions to be paid out of the Alaska sport fishing enterprise account into the bond redemption fund and to be paid into and maintained in any reserve fund or account or other fund or account created by the bond resolution or resolutions, and shall also certify to the commissioners the last date or dates upon which payments may be made.

Sec. 37.15.787. Purposes and sufficiency of revenue. The proceeds of bonds may be used for the purposes described in AS 16.05.092. Bonds may not be issued unless the committee first finds that revenue to be derived from revenue dedicated to the Alaska sport fishing enterprise account will be sufficient, together with other available money, to comply with all covenants of the bond resolutions.

Sec. 37.15.790. Refunding. (a) The committee may refund the bonds or any part of them at or before their maturities or redemption dates by the issuance of refunding revenue bonds of the state if, in the opinion of the committee, refunding is advantageous to and in the best interest of the state and its inhabitants.
(b) The issuance of refunding bonds need not be authorized by the voters of
the state or by an act of the legislature. The committee shall adopt the resolution or
resolutions and prepare all other documents and proceedings necessary for the
issuance, exchange or sale, and delivery of the refunding bonds. All provisions of
AS 37.15.765 - 37.15.799 applicable to revenue bonds are applicable to the refunding
bonds and to the issuance, sale, or exchange of refunding bonds, except as otherwise
provided in this section.

(c) Refunding bonds may be issued in a principal amount sufficient to provide
money for the advance or current refunding of all bonds to be refunded and interest on
the refunded bonds and, in addition, for the payment of all costs of issuance and
administration of the refunding bonds. These expenses also include the difference in
amount between the par value of the refunding bonds and any amount less than par for
which the refunding bonds are sold; the premium, if any, necessary to be paid in order
to call or retire the outstanding bonds and the interest accruing on them to date of the
call or retirement; and other such costs. The committee is authorized to incur such
expenses.

(d) The committee may contract with a refunding trustee to hold the proceeds
of refunding bonds in trust until the proceeds, together with earnings on the proceeds,
are applied to pay the principal of, premium, if any, and interest on the bonds to be
refunded. Until the refunding bond proceeds are applied, the proceeds may be
invested in direct obligations of, or obligations guaranteed by, the United States or an
agency or corporation of the United States whose obligations constitute direct
obligations of, or obligations guaranteed by, the United States.

Sec. 37.15.793. Bonds as legal investments. The bonds are legal investments
for all banks, trust companies, savings banks, savings and loan associations, and other
persons carrying on a banking business, all insurance companies and other persons
carrying on an insurance business, and all executors, administrators, trustees, and other
fiduciaries. The bonds may be accepted as security for deposits of all money of the
state and its political subdivisions.

Sec. 37.15.799. Definitions. In AS 37.15.765 - 37.15.799,

(1) "Alaska sport fishing construction account" means the Alaska sport
fishing construction account established in the fish and game fund under
AS 16.05.130(f);

(2) "Alaska sport fishing enterprise account" means the Alaska sport
fishing enterprise account established in the fish and game fund under
AS 16.05.130(e);

(3) "bond redemption fund" means the Alaska fish and game revenue
bond redemption fund established in AS 37.15.770;

(4) "bond resolution" means the resolution or resolutions adopted by
the committee under AS 37.15.777 authorizing the issuance of bonds;

(5) "bonds" means the revenue bonds authorized in AS 37.15.765 -
37.15.799;

(6) "commissioner of revenue" means the principal executive officer of
the Department of Revenue as provided in AS 44.25.010, or a successor;

(7) "commissioner of fish and game" means the principal executive
officer of the Department of Fish and Game as provided in AS 44.39.010, or a
successor;

(8) "committee" means the state bond committee created in
AS 37.15.110 or any other committee, body, department, or officer of the state that
succeeds to the rights, powers, duties, and obligations of the state bond committee by
lawful act of the legislature;

(9) "costs of issuance and administration" means all costs associated
with issuance and administration of Alaska sport fishing facility revenue bonds, and
refunding bonds, including costs of bond printing, official statements, financial
advisors, travel costs, rating agencies, bond insurance, letters and lines of credit for
credit enhancement, underwriters, legal services, paying agents, bonds registrars, bond
and escrow trustees, arbitrage rebate, and all other costs, including administrative
costs, both direct and indirect.

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

DUTY OF COMMISSIONER OF REVENUE TO NOTIFY AND REVISOR'S
INSTRUCTIONS. (a) The commissioner of revenue shall notify the lieutenant governor and
the revisor of statutes of the date that the principal amount of the bonds issued under
AS 37.15.765 - 37.15.799, enacted by sec. 5 of this Act, together with the interest on them
and any interest owing on unpaid installments of interest, and all other obligations with
respect to the bonds, are fully met and discharged.

(b) The revisor of statutes shall replace the pertinent text of AS 16.05.340(j), enacted
by sec. 4 of this Act, with the calendar year of the date provided under (a) of this section.