

# LEGAL SERVICES

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## MEMORANDUM

February 3, 2011

**SUBJECT:** Sectional summary of SB 80 (Work Order 27-LS0430\B)

**TO:** Senator Linda Menard  
Attn: Michael Rovito

**FROM:** Brian J. Kane *BJK*  
Legislative Counsel

You have requested a sectional summary of SB 80, a bill relating to the Knik Arm Bridge and Toll Authority.

Please note that a sectional summary of a bill is not an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

**Section 1** of the bill amends the powers of the Knik Arm Bridge and Toll Authority to add that monetary obligations incurred under a public-private partnership or service contract are obligations of the state that are subject to appropriation.

**Section 2** of the bill authorizes the authority to borrow money and lists the means by which the principal and interest on bonds of the authority may be paid.

**Section 3** of the bill increases the aggregate amount of bonds the authority may issue to \$600,000,000.

**Section 4** of the bill restates a portion of what was originally part of AS 19.75.211(a) but was moved to subsection (e) due to drafting constraints. It adds a reference to private revenue under a public-private partnership.

**Section 5** of the bill lists what deposits may be made into a reserve fund established under AS 19.75.221(h).

**Section 6** of the bill states the purposes for which a reserve fund of the authority may be used and provides for various rules and reports regarding transfers from a reserve fund and amounts of money needed to be in a reserve fund.

**Section 7** of the bill states that rights and interests in real and personal property, assets, income, and receipts held by a private person or enterprise under a public-private partnership agreement with the authority, except any rights and interests of the private

Senator Linda Menard

February 3, 2011

Page 2

person in property serving a business, commercial, or other purpose not necessary to operate the facilities, properties, or projects of the authority, shall be exempt from all taxes and special assessments of the state or a political subdivision of the state.

**Section 8** of the bill establishes the Knik Arm Crossing fund as a separate fund in the general fund and states that money from the fund shall be transferred from the fund to a reserve fund of the authority once a public-private partnership agreement is executed.

BJK:plm

11-050.plm