

AMENDMENT

OFFERED IN THE SENATE BY SENATORS WIELECHOWSKI AND MCGUIRE
TO: CSSB 220(RES), Draft Version "K"

Page 1, line 3:

Delete the first occurrence of "**and**"

Page 1, line 5, following the second occurrence of "**fund**":

Insert "**establishing an Alaska energy efficiency revolving loan fund; and
authorizing and relating to the issuance of bonds by the Alaska Housing Finance
Corporation**"

Page 3, line 18:

Delete "sec. 15"

Insert "secs. 6, 17, and 29"

Page 3, following line 20:

Insert a new bill section to read:

"* **Sec. 4.** AS 14.08.101 is amended to read:

Sec. 14.08.101. Powers. A regional school board may

(1) sue and be sued;

(2) contract with the department, the Bureau of Indian Affairs, or any
other school district, agency, or regional board for the provision of services, facilities,
supplies, or utilities;

(3) determine its own fiscal procedures, including but not limited to
policies and procedures for the purchase of supplies and equipment; the regional
school boards are exempt from AS 37.05 (Fiscal Procedures Act) and AS 36.30 (State

1 Procurement Code);

2 (4) appoint, compensate, and otherwise control all school employees in
3 accordance with this title; these employees are not subject to AS 39.25 (State
4 Personnel Act);

5 (5) adopt regulations governing organization, policies, and procedures
6 for the operation of the schools;

7 (6) establish, maintain, operate, discontinue, and combine schools
8 subject to the approval of the commissioner;

9 (7) recommend to the department projects for construction,
10 rehabilitation, and improvement of schools and education-related facilities as specified
11 in AS 14.11.011(b), and plan, design, and construct the project when the responsibility
12 for it is assumed under AS 14.11.020;

13 (8) by resolution adopted by a majority of all the members of the board
14 and provided to the commissioner of the department, assume ownership of all land and
15 buildings used in relation to the schools in the regional educational attendance area, as
16 provided for in AS 14.08.151(b);

17 (9) provide housing for rental to teachers, by leasing existing housing
18 from a local agency or individual, by entering into contractual arrangements with a
19 local agency or individual to lease housing that will be constructed by the local agency
20 or individual for that purpose, or, without using for the purpose that portion of public
21 school funding that consists of state aid provided under AS 14.17, by constructing or
22 otherwise acquiring housing that is owned and managed by the regional educational
23 attendance area for rental to teachers;

24 (10) employ a chief school administrator;

25 (11) **apply for and use the proceeds of a loan from the Alaska**
26 **energy efficiency revolving loan fund (AS 18.56.855);**

27 **(12)** exercise those other functions that may be necessary for the
28 proper performance of its responsibilities."
29

30 Renumber the following bill sections accordingly.
31

1 Page 3, following line 25:

2 Insert a new bill section to read:

3 **"* Sec. 6.** AS 18.56 is amended by adding a new section to read:

4 **Sec. 18.56.855. Alaska energy efficiency revolving loan fund.** (a) The
5 Alaska energy efficiency revolving loan fund is established in the corporation to carry
6 out the purposes of this section. The revolving loan fund consists of money or assets
7 appropriated or transferred to the corporation for the revolving loan fund, including
8 money and assets deposited in the revolving loan fund by the corporation and earnings
9 on investments of money held in the revolving loan fund. The corporation may
10 establish separate accounts in the fund. The corporation shall establish the interest
11 rates, security provisions, and other terms of a loan made under this section taking into
12 consideration the corporation's cost of funds and other factors the corporation
13 considers appropriate.

14 (b) Money and other assets of the Alaska energy efficiency revolving loan
15 fund may be used to

16 (1) make loans to regional educational attendance areas or to municipal
17 governments, including subdivisions of municipal governments, or to the state for the
18 purpose of financing energy efficiency improvements to buildings owned by regional
19 educational attendance areas, by the state, or by municipalities in the state;

20 (2) secure bonds issued by the corporation to finance the loans
21 described in (1) of this subsection;

22 (3) pay costs of administering the revolving loan fund; and

23 (4) pay the costs of administering and enforcing the terms of loans
24 made by the corporation from the revolving loan fund.

25 (c) Before a regional educational attendance area, a municipal government, or
26 a subdivision of a municipal government, may borrow money from the corporation
27 under this section, the regional educational attendance area or the municipal
28 government shall waive any sovereign immunity defense it may have available to it
29 with respect to enforcement of the terms of the loan. A regional educational
30 attendance area or a municipal government may waive sovereign immunity to comply
31 with the requirement of this subsection. The state waives any sovereign immunity

1 defense against enforcement of the terms of a loan made to the state under this section.
2 A person or corporation having a claim under this section shall bring an action in a
3 state court in Alaska that has jurisdiction over the claim.

4 (d) All regional educational attendance areas and municipal governments in
5 the state are authorized to borrow from the corporation under this section. The
6 corporation shall set out the terms of a loan to a regional educational attendance area
7 in a loan agreement or similar document. At the discretion of the corporation, a
8 borrowing by a regional educational attendance area or a municipal government under
9 this section may be effected by use of a loan agreement or similar document
10 evidencing and setting out the terms of the loan or by issuance of a bond by the
11 municipal government to the corporation. Notwithstanding a charter provision
12 requiring public sale by a regional educational attendance area or a municipality of its
13 municipal bonds or other indebtedness, a regional educational attendance area or
14 municipality may sell its bonds under this section to the corporation at a negotiated,
15 private sale. At the discretion of the corporation, the bonds or other indebtedness of
16 the municipality may be general obligations of the municipality or may be secured by
17 an identified revenue source or by a combination of the full faith and credit of the
18 municipality and an identified revenue source.

19 (e) Notwithstanding any other provision of law, to the extent that a department
20 or agency of the state is the custodian of money payable to a regional educational
21 attendance area or to a municipality, at any time after written notice to the department
22 or agency head from the corporation that the regional educational attendance area or
23 municipality is in default on the payment of principal of or interest on municipal
24 bonds or other indebtedness then held or owned by the corporation, or amounts due
25 under an agreement between the corporation and a regional educational attendance
26 area or a municipality, the department or agency shall withhold the payment of that
27 money from that regional educational attendance area or municipality and pay over the
28 money to the corporation for the purpose of paying the principal of and interest on the
29 bonds or indebtedness. The notice must be given in each instance of default. If a notice
30 is given under this subsection and under AS 44.85.170 and the default is continuing
31 under this subsection and under AS 44.85.170, the department or agency shall make

1 payment to the corporation and to the Alaska Municipal Bond Bank Authority on a
 2 pro rata basis, taking into consideration the principal amount of the respective default
 3 amounts.

4 (f) An authorized state officer may borrow from the corporation under this
 5 section for buildings owned by the state. The superintendent of a regional educational
 6 attendance area, at the direction of the regional educational attendance area school
 7 board, may borrow from the corporation under this section for buildings owned by the
 8 regional educational attendance area.

9 (g) In addition to other security that may be given with respect to a loan made
 10 under this section, the corporation may require a deed of trust on the building that is
 11 the subject of the energy efficiency loan and the real estate on which the building is
 12 located. A regional educational attendance area or a municipality may grant a deed of
 13 trust to the corporation as needed for this purpose. An authorized state officer may
 14 grant a deed of trust to the corporation as needed for this purpose.

15 (h) The corporation shall administer the Alaska energy efficiency revolving
 16 loan fund in accordance with regulations adopted by the corporation. The corporation
 17 may adopt regulations under AS 18.56.088 to carry out the purposes of this section.

18 (i) This section applies to home rule municipalities.

19 (j) In this section, "authorized state officer" means

20 (1) the commissioner of the department of the state for a building
 21 owned by the state;

22 (2) the executive director of a public corporation for a building owned
 23 by the public corporation;

24 (3) the legislative council for a building owned by the legislature;

25 (4) the administrative director of courts for a building owned by the
 26 judicial system;

27 (5) any other person designated in writing by a person listed in (1) - (4)
 28 of this subsection."

29
 30 Renumber the following bill sections accordingly.

Page 13, line 20:

Delete "sec. 15"

Insert "sec. 17"

Page 13, line 21:

Delete "sec. 11"

Insert "sec. 13"

Page 13, lines 21 - 22:

Delete "sec. 12"

Insert "sec. 14"

Page 13, line 27:

Delete "sec. 13"

Insert "sec. 15"

Page 14, following line 10:

Insert new bill sections to read:

"* Sec. 29. The uncodified law of the State of Alaska is amended by adding a new section to read:

BOND AUTHORIZATION AND PROVISIONS. (a) In addition to the powers in AS 18.56.090, the Alaska Housing Finance Corporation may issue bonds in an amount not to exceed \$250,000,000 to make loans from the energy efficiency revolving loan fund established by AS 18.56.855, enacted by sec. 6 of this Act, and to finance the purposes permitted by AS 18.56.855, enacted by sec. 6 of this Act. AS 18.56.110 - 18.56.190 and 18.56.855, enacted by sec. 6 of this Act, apply to bonds issued under this section, except that bonds issued under this section are not subject to, and may not be counted against, the bond issuance limitation set out in AS 18.56.110(g).

(b) The Alaska Housing Finance Corporation shall deposit the proceeds of bonds issued under (a) of this section in the Alaska energy efficiency revolving loan fund in accordance with AS 18.56.855, enacted by sec. 6 of this Act.

1 * **Sec. 30.** The uncodified law of the State of Alaska is amended by adding a new section to
2 read:

3 REVISOR'S INSTRUCTION. The revisor of statutes is instructed to change the
4 heading of art. 6 of AS 18.56 from "Article 6. Energy Conservation" to "Article 6. Energy
5 Efficiency and Conservation Programs.""