

# ALASKA STATE LEGISLATURE

## SENATE FINANCE COMMITTEE

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### Sectional Analysis Senate Bill 97 “An Act relating to pension obligation bonds.”

- \*Section 1: Requires a subsidiary created under the Alaska Housing Finance Corporation to submit a proposal to the Legislative Budget and Audit (LB&A) Committee prior to borrowing money and issuing bonds for the purpose of financing or facilitating financing of a governmental employer’s share of unfunded accrued actuarial liability of retirement systems
- \*Section 2: Creates a new subsection outlining the process for submitting a proposal to the LB&A Committee
- \*Section 3: Requires the State Bond Committee to submit a proposal to the LB&A Committee prior to issuance and sales of bonds for the purpose of financing or facilitating financing of a governmental employer’s share of unfunded accrued actuarial liability of retirement systems, including the costs of issuance and administration
- \*Section 4: Creates a new subsection outlining the process for submitting a proposal to the LB&A Committee
- \*Section 5: Amends the pension obligation bond limit from \$5,000,000,000 to \$2,500,000,000
- \*Section 6: Requires the Pension Obligation Bond Corporation to submit a proposal to the LB&A Committee prior to issuance and sales of bonds for the purpose of financing or facilitating financing of a governmental employer’s share of unfunded accrued actuarial liability of retirement systems, including the costs of issuance and administration
- \*Section 7: Creates a new subsection outlining the process for submitting a proposal to the LB&A Committee
- \*Section 8: Requires the Alaska Municipal Bond Bank Authority to submit a proposal to the LB&A Committee prior to issuance of bonds, notes, commercial paper, or other obligations for the purpose of assisting employers to prepay all or a portion of their share of unfunded accrued actuarial liabilities of retirement systems in an effort to reduce their costs

- \*Section 9: Requires a subsidiary created under the Alaska Municipal Bond Bank Authority to submit a proposal to the LB&A Committee prior to borrowing money and issuing bonds for the purpose of financing or facilitating financing of a governmental employer's share of unfunded accrued actuarial liability of retirement systems
  
- \*Section 10: Creates a new subsection outlining the process for submitting a proposal to the LB&A Committee
  
- \*Section 11: Conforming language for the powers of a subsidiary corporation created under the Alaska Municipal Bond Bank Authority
  
- \*Section 13: Conforming language for the issuance of bonds and notes by the Alaska Municipal Bond Bank Authority