



LAWS OF ALASKA

1967

Source

Chapter No.

HB 228 am

116

AN ACT

To provide state assistance and standards with respect to local government debt offerings.

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

* Section 1. AS 44.19 is amended by adding new sections to read:

Sec. 44.19.202. AUTHORIZATION FOR STATE TECHNICAL AND ADVISORY ASSISTANCE. To facilitate the marketing of local government bonds and other long-term obligations at the lowest possible net interest cost, the Local Affairs Agency shall provide technical and advisory assistance relating to the issuance of long-term debt to those local governments whose governing bodies request such assistance. The assistance shall include, but need not be limited to, (1) advice on the marketing of bonds by local governments, (2) advisory review of proposed local government debt issues, including the rendering of opinions as to their legality, (3) conduct of training courses in debt management for local financial officers, and (4) promotion of the use by local governments of such tools for sound financial management as adequate systems of budgeting, accounting, auditing, and reporting.

Sec. 44.19.203. ADVISORY REVIEW OF PROPOSED LOCAL GOVERNMENT DEBT ISSUES. At the request of the governing body of a local government, the Local Affairs Agency is authorized to review a proposed debt issue and to render an advisory opinion based upon the facts concerning the proposed issue. A request for an advisory review shall be submitted to the agency in the form and with the information which the agency may require.

Sec. 44.19.204. STATE SALE OF LOCAL GOVERNMENT SECURITY OFFERINGS. At the request of the governing body of a local government, the Local Affairs Agency is authorized

to market the local government's security offerings by preparing bond issues for sale, advertising for sealed bids, receiving bids at its offices, and making the award to the bidder offering the most favorable terms. The agency may, at its discretion, offer for concurrent sale the bonds of several local governments. State sale of a local security offering under this section shall in no way imply state guarantee of the debt issue.

Sec. 44.19.205. POWERS AND DUTIES OF THE AGENCY. The Local Affairs Agency shall have the following powers and duties relating to debt assistance:

(1) To require reports from local governments which will enable it adequately to provide the technical and advisory assistance authorized. The reports shall provide the necessary information for a complete file on local government debt, which shall be kept open for public inspection at agency offices.

(2) To encourage, conduct or participate in training courses in debt and general fiscal management and procedures and practices for the benefit of local officials, and in that connection, to cooperate with associations of public officials, business and professional organizations, university faculties, or other specialists.

(3) To conduct studies in debt management, including ways and means of appraising the terms of alternative bids. The agency may employ expert consultants to assist in the studies.

(4) To employ or contract for the services of personnel necessary to carry out the provisions of secs. 202 - 205 of this chapter.

(5) All departments and other agencies of the state government shall provide assistance and information which, consistent with law, the agency may require to enable it to carry out its debt assistance duties.

(6) To compile and publish annually a report on its technical assistance and advisory activities. The report shall include detailed information on local government long-term debt issued and retired during the previous fiscal year and outstanding at the close of the previous fiscal year, and additional statistical data on local government finances as are obtained from the local reports required under (1) of this section.

Sec. 44.19.206. STANDARDS FOR SALE NOTICES, PROSPECTUSES, AND BID FORMS. (a) The Local Affairs Agency shall prepare regulations governing the minimum content of notice of sale advertisements and prospectuses issued by local governments. Regulations as to the content of notices and prospectuses may make an appropriate differentiation among types of bond issues and types of local government.

(b) The notice of sale advertisement shall set out the purpose of the bond issue, principal amount of the bond issue, designation of type of bond issue according to the authorizing statute, date of issue, the method of bond repayment, showing the denominations and maturities offered

for sale, the basis of bidding and award of the bonds, the date, hour, and place that bids will be opened, the name of the chief financial officer who will furnish additional information about the issuing local government or the bond sale, and other appropriate information, in accordance with the regulations prepared by the agency.

(c) The prospectus shall, in general: (1) report the past, current, and estimates as to the future finances of the bond-issuing local government; (2) include selected information concerning the financial administration and organization of the bond-issuing local government; (3) contain selected information concerning the economic and social characteristics of the community in which the issuing local government is located, including data which will permit investors and other interested parties to appraise the ability of the borrowing local government to assume the obligation; and (4) other appropriate information, in accordance with the regulations prepared by the agency.

(d) The chief financial officer may, at his discretion, include information in the notice of sale advertisement and in the prospectus in addition to that required as the minimum content in regulations issued by the agency.

(e) The agency shall prepare and supply standard bid forms to be used by local governments in securing bids from prospective purchasers.

(f) Regulations promulgated under the provisions of this section shall apply only to those local governments which request the bonding advisory assistance.

Sec. 44.19.207. DEFINITIONS. In secs. 202 - 207 of this chapter

(1) "local government" means a general law or home rule city or borough;

(2) "governing body" means the body or board charged with exercising the legislative authority of a local government;

(3) "chief financial officer" means the official immediately charged with managing the fiscal affairs of a local government;

(4) "bonds" means debt payable more than one year after date of issue or incurrence and issued according to the laws authorizing local government borrowing.