



# LAWS OF ALASKA

1970

Source

Chapter No.

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173

## AN ACT

Providing for the issuance of revenue bonds for the acquisition, construction and equipping of facilities at Anchorage and Fairbanks International Airports; and providing for an effective date.

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

\* Section 1. Sec. 3, ch. 88, SLA 1961, as amended by sec. 1, ch. 80, SLA 1968, is amended to read:

Sec. 3. For the purpose of providing part or all of the money to be used, with or without any grants or other moneys which may become available, the issuance and sale of revenue bonds of the state in the total principal sum of not to exceed \$19,925,000 is authorized to acquire, equip, construct and install the additions, improvements, extensions and facilities authorized in Sec. 2 of this Act. The principal of and interest on such bonds shall be paid out of and secured by the gross revenues derived by the state from the ownership, lease, use and operation of the airports, and of all the facilities thereof, and out of any other revenues or moneys which the state legislature may later provide exclusive of any state tax or license.

\* Sec. 2. Sec. 4, ch. 88, SLA 1961, as amended by sec. 5, ch. 62 and sec. 2, ch. 80, SLA 1968, is amended to read:

Sec. 4. There is hereby created a special fund of the state to be known as the "International Airports Construction Fund," into which shall be paid the proceeds of the sale of the bonds (except any accrued interest paid thereon, which shall be paid into the Bond Redemption Fund) and any grants or other moneys which are legally provided for the same purposes for which the bonds are authorized. The moneys in the Construction Fund shall be used to pay the costs of acquiring, equipping, constructing and installing additions and improvements to and extensions of and facilities for the airports and costs incidental thereto, including costs of the authorization,

issuance and sale of the bonds. To the extent provided in the bond resolution, moneys in the Construction Fund may also be used for the payment of interest on the bonds during the period of actual construction, and for such further period, not exceeding one year after the period of construction, as may be provided in the bond resolution. Moneys in the Construction Fund may also be transferred to the Bond Redemption Fund, to the extent provided in the bond resolution, to establish a reserve for the payment of the principal of and interest on the bonds. For the purpose of carrying out the provisions of this Act, there is hereby appropriated from the Construction Fund the sum of

(1) \$9,225,000, together with the amounts of any grants or other moneys paid into the fund for the same purpose, for acquisition, construction and equipping of facilities previously funded through revenue bond issues dated June 1, 1968 and June 1, 1969;

(2) \$8,700,000 for the acquisition, construction and equipping of terminal facilities at Anchorage International Airport; and

(3) \$2,000,000 for the acquisition, construction and equipping of terminal and support facilities at Fairbanks International Airport.

The bond resolution may provide for the investment of moneys in the Construction Fund in such manner as the Committee may determine. The interest earned upon, or any profits derived from the sale of, such investments shall be deposited in and become a part of the Construction Fund.

\* Sec. 3. Sec. 7, ch. 88, SLA 1961, as amended by sec. 8, ch. 62, SLA 1968, is amended to read:

Sec. 7. (a) The bonds shall be sold in such amounts or series and at such time or times as determined by the Committee. The bonds, or each series thereof, shall be sold at such price so that the effective interest rate over the life thereof shall not exceed eight per cent per annum. Interest shall be payable annually or semiannually.

(b) The bonds shall mature at such time or times as fixed by the Committee and shall be sold at public sale, and notice of the sale shall be published at least once a week for two consecutive weeks in a newspaper of general circulation in each of the four most populous senatorial districts of the state as established by the last federal census before the sale. The first such publication in each district shall be at least twenty days prior to the sale date. The bonds may be subject to redemption prior to their fixed maturities as determined by the Committee and with such premium or premiums as fixed by the Committee, but no bond shall be subject to redemption before its fixed maturity date unless the right so to redeem that bond is expressly mentioned on the face of the bond. The bonds may be in denominations determined by the Committee; may be issued in coupon form or in fully registered form, and may be registrable as to principal or both principal and interest, all under such regulations and conditions as the Committee shall provide; shall be payable as to

principal and interest at such place or places as may be determined by the Committee; shall be signed on behalf of the state by the Governor and shall be attested by the Secretary of State, both of which signatures may be facsimile signatures; shall have the seal of the state impressed, printed or lithographed thereon, and each of the interest coupons attached thereto shall be signed by the facsimile signatures of said officials; shall be issued under and subject to such terms, conditions and covenants providing for the payment of the principal thereof and interest thereon and such other terms, conditions, covenants and protective features safeguarding such payment and relating to the maintenance, operation and improvement of the airports as found necessary by the Committee, which covenants may include a provision requiring the setting aside and maintenance of certain reserves to secure the payment of such principal and interest. The Committee may provide that any additional bonds hereafter authorized by the Legislature to be payable out of the same source or sources as the bonds authorized by this Act may later be issued on a parity with the bonds authorized by this Act upon compliance with any conditions which the Committee may prescribe.

(c) If found reasonably necessary, the Committee may select a trustee or trustees for the holders of the bonds or any series thereof, for the safeguarding and disbursement of any of the moneys in any of the funds created by this Act, or for such duties with respect to the authentication, delivery and registration of the bonds as the Committee may determine, and shall fix the rights, duties, powers and obligations of such trustee or trustees.

(d) In its determination of all of the matters and questions relating to the issuance and sale of the bonds and the fixing of the maturities, terms, conditions and covenants thereof as above provided, the decisions of the Committee shall be those found to be reasonably necessary for the best interests of the state and its inhabitants, and those which will accomplish the most advantageous sale of the bonds, with due regard, however, to necessary or normal costs of maintenance and operation, renewals and replacements of and repairs to the airports and to all improvements thereto and facilities thereof owned, used, operated or leased in connection therewith, the future growth and expansion of the airports and all of such facilities, and the possibility of additional revenue bond financing for airports purposes. Any such decisions of the Committee, as expressed in any bond resolution, shall be final and conclusive when any bonds have been issued pursuant to the bond resolution.

(e) Any bond resolution may provide that the bonds issued thereunder shall contain a recital that they are issued pursuant to this Act, and any such bonds containing such recital shall be conclusively deemed to be valid and to have been issued in conformity with this Act.

(f) The validity of the authorization and issuance of bonds shall not be affected by any proceedings for the acquisition or construction of the additions, improvements, extensions or facilities for which the bonds have been issued or by any contracts in connection with such acquisition or

construction.

\* Sec. 4. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.