

HOUSE BILL NO. 281

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 3/24/95

Referred: Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act ratifying an agreement between the Alaska Housing Finance Corporation
2 and the commissioner of revenue and making certain pledges to obligees of the
3 corporation regarding that agreement; relating to the authorization for and the
4 issuance of bonds by the Alaska Housing Finance Corporation to pay for the
5 costs of repair and rehabilitation of student housing facilities of the University
6 of Alaska; and providing for an effective date."

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

8 * **Section 1. PURPOSE.** The purpose of this Act is to provide for the orderly transfer of
9 certain assets of the Alaska Housing Finance Corporation (corporation) to the general fund
10 through a transfer agreement between the corporation and the commissioner of revenue. The
11 Alaska Housing Finance Corporation has served an important public purpose by helping to
12 remedy the shortage of adequate housing throughout the state. The corporation has assisted
13 in providing Alaskans with rural housing and sewer and water systems, senior housing, special

1 needs housing, and low and moderate income housing through its various programs. The
2 corporation's resources must remain strong in order to continue progress in meeting these
3 housing needs, both directly and through borrowing in capital markets. In particular, capital
4 markets require assurances that payments by the corporation to the general fund are fixed at
5 a prudent and predictable level. It is the purpose of this Act to fix payments to the general
6 fund at a prudent and predictable level for the next five fiscal years through a formal transfer
7 agreement. It is also a purpose of this Act to authorize the corporation to issue bonds to
8 enable the University of Alaska to repair and rehabilitate student housing facilities.

9 * **Sec. 2.** TRANSFER AGREEMENT. The Alaska Housing Finance Corporation
10 (corporation) and the commissioner of revenue may enter into a transfer agreement that
11 provides for the transfer of certain assets of the corporation to the general fund from July 1,
12 1995 to June 30, 2000. The commissioner of revenue immediately shall notify the governor
13 and the legislature when the agreement has been signed.

14 * **Sec. 3.** RATIFICATION AND PLEDGE OF THE STATE. The agreement dated May 1,
15 1995 between the Alaska Housing Finance Corporation and the commissioner of revenue,
16 described in sec. 2 of this Act, is ratified. The state pledges to obligees of the corporation that
17 the state will not alter the power of the corporation to fulfill the terms of any other agreement
18 with an obligee of the corporation or, during the term of the transfer agreement ratified by this
19 Act, cause assets to be transferred from the corporation in excess of the amount set out in the
20 transfer agreement.

21 * **Sec. 4.** BOND AUTHORIZATION. The Alaska Housing Finance Corporation may issue
22 bonds under AS 18.56 in an aggregate principal amount not to exceed \$30,000,000 to provide
23 amounts to the University of Alaska to pay costs of a project to repair and rehabilitate student
24 housing facilities owned by the University of Alaska and to pay related costs, and to provide
25 amounts for the Alaska Housing Finance Corporation to pay costs of issuing the bonds. The
26 Alaska Housing Finance Corporation and the University of Alaska may enter into an
27 agreement with respect to the transfer and expenditure of the bond proceeds for these purposes
28 by the University of Alaska. The Alaska Housing Finance Corporation shall pay the principal
29 and interest on the bonds from Alaska Housing Finance Corporation funds and the bonds
30 shall be general obligations of the Alaska Housing Finance Corporation.

31 * **Sec. 5.** Section 3 of this Act takes effect only if the transfer agreement described in

1 sec. 3 of this Act is signed on May 1, 1995. The commissioner of revenue immediately shall
2 notify the governor, the legislature, and the revisor of statutes when the transfer agreement has
3 been signed.

4 * **Sec. 6.** Sections 1, 2, and 4 of this Act take effect immediately under AS 01.10.070(c).

5 * **Sec. 7.** Except as provided in secs. 5 and 6 of this Act, this Act takes effect immediately
6 under AS 01.10.070(c), or May 1, 1995, whichever is later.