

SENATE BILL NO. 360

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 5/2/98

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing the issuance of bonds in the amount of \$257,600,000 by the
2 Alaska Housing Finance Corporation for certain capital projects; relating to those
3 bonds and to the appropriation of revenue of the Alaska Housing Finance
4 Corporation; and providing for an effective date."

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

6 * **Section 1.** LEGISLATIVE INTENT. The legislature intends to ensure the prudent
7 management of the Alaska Housing Finance Corporation to protect its excellent debt rating
8 by the nation's financial community and to preserve it as a valuable asset of the state. To
9 accomplish this goal, the sum of withdrawals for the repayment of bonds under sec. 2(c) of
10 this Act, for transfer to the general fund, and for expenditures on corporate funded capital
11 projects should not exceed the corporation's net income for the preceding fiscal year. The
12 Alaska Housing Finance Corporation projects that \$103,000,000 will be available in each
13 fiscal year beginning with 1999 through 2006, for a total amount during the seven-year period
14 of \$721,000,000.

1 * **Sec. 2.** BOND AUTHORIZATION AND PROVISIONS. (a) Notwithstanding the
2 limitation in AS 18.56.090 or other provisions of law, the Alaska Housing Finance
3 Corporation is authorized to issue up to \$257,600,000 in bonds to finance capital projects of
4 state agencies or municipalities in accordance with appropriations of the bond proceeds.
5 AS 18.56.110 - 18.56.190 apply to bonds issued under this section, except that the bonds shall
6 mature not later than January 1, 2006.

7 (b) The Alaska Housing Finance Corporation shall make the proceeds of bonds issued
8 under (a) of this section available to each of the agencies and municipalities identified in an
9 appropriation of the bond proceeds as necessary to accommodate the construction schedule for
10 each of the projects for which the bond proceeds are appropriated. The bond proceeds shall
11 be used by the agencies or municipalities in amounts and for projects as set out in the
12 appropriation. All income realized by the Alaska Housing Finance Corporation on the bond
13 proceeds may be used by the corporation solely for payments of the principal of and interest
14 on the bonds or other costs related to the bonds.

15 (c) After payments under (b) of this section, any remaining amount necessary for the
16 payment of the principal of and interest on the bonds or other costs related to the bonds shall
17 be annually appropriated from unrestricted revenue of the Alaska Housing Finance
18 Corporation. Each year the corporation shall notify the legislature of the amount of
19 unrestricted revenue to appropriate for the payment of costs related to the bonds.

20 (d) Each year the corporation shall notify the legislature of the amount of unrestricted
21 revenue of the corporation, based on the corporation's net income for the preceding fiscal
22 year, remaining after the appropriation under (c) of this section that is available and that may
23 be appropriated for other purposes. If the corporation determines that an additional amount
24 of unrestricted revenue may be appropriated, the corporation shall also notify the legislature
25 of that additional amount.

26 * **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).