

HOUSE BILL NO. 525

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Introduced: 4/25/02

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the issuance of general obligation bonds for the purpose of paying**
2 **the cost of deferred maintenance of public facilities; and providing for an effective**
3 **date."**

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

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 GENERAL OBLIGATION BONDS. For the purpose of paying the cost of deferred
8 maintenance of public facilities, general obligation bonds of the state in the principal amount
9 of not more than \$100,000,000, if ratified by a majority of the qualified voters of the state
10 who vote on the question, shall be issued and sold. The full faith, credit, and resources of the
11 state are pledged to the payment of the principal of and interest and redemption premium, if
12 any, on the bonds. The bonds shall be issued under the provisions of AS 37.15 as those
13 provisions read at the time of issuance.

14 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 PUBLIC FACILITY DEFERRED MAINTENANCE FUND. If the issuance of the
3 bonds is ratified by a majority of the qualified voters of the state who vote on the question, a
4 special fund of the state to be known as the "Public facility deferred maintenance fund" shall
5 be established, to which shall be credited the proceeds of the sale of the bonds described in
6 sec. 1 of this Act except for the accrued interest and premiums.

7 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. The
10 amount of \$100,000,000 is appropriated from the public facility deferred maintenance fund to
11 the Department of Transportation and Public Facilities to be allocated by the department to
12 projects selected by the department for deferred maintenance of public facilities.

13 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

15 STATE BOND COMMITTEE. If the issuance of the bonds is ratified by a majority
16 of the qualified voters of the state who vote on the question, the amount of \$350,000 or as
17 much of that amount as is found necessary is appropriated from the proceeds of the sale of the
18 bonds authorized by this Act to the state bond committee to carry out the provisions of this
19 Act and to pay expenses incident to the sale and issuance of the bonds authorized by this Act.

20 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
21 read:

22 ADVANCE PLANNING. Any amount withdrawn from the public facility planning
23 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements
24 financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds
25 authorized by this Act.

26 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
27 read:

28 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated
29 balance of the appropriation made in sec. 3 of this Act lapses under AS 37.25.020 and is
30 appropriated to the state bond committee to redeem bonds sold under this Act. The amounts
31 expended from the general fund to pay the principal, interest, and redemption premium on

1 bonds issued under this Act shall be reimbursed to the general fund from the appropriation
2 made under this section to the extent that the money is not needed to redeem the bonds.

3 * **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 **BALLOT QUESTION.** The question whether the bonds authorized by this Act are to
6 be issued shall be submitted to the qualified voters of the state at the next general election and
7 shall read substantially as follows:

8 **P R O P O S I T I O N**

9 State General Obligation Public Facility Deferred Maintenance

10 Bonds \$100,000,000

11 Shall the State of Alaska issue its general obligation bonds in
12 the principal amount of not more than \$100,000,000 for the
13 purpose of paying for the cost of deferred maintenance of public
14 facilities?

15 Bonds Yes []

16 Bonds No []

17 * **Sec. 8.** This Act takes effect immediately under AS 01.10.070(c).