

SENATE BILL NO. 186

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 4/9/01
Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing a limit on the general obligation debt that may be authorized and**
2 **issued by home rule and general law municipalities; and providing for an effective**
3 **date."**

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

5 * **Section 1.** AS 29.10.200 is amended by adding a new paragraph to read:

6 (60) AS 29.47.185 and 29.47.305 (limitations on new or additional
7 general obligation debt).

8 * **Sec. 2.** AS 29.47 is amended by adding a new section to read:

9 **Sec. 29.47.185. Limitations on new or additional general obligation bonds.**

10 (a) A municipality may not incur new or additional general obligation bond debt for a
11 purpose described in AS 29.47.180 or for another purpose for which a municipality
12 may authorize and issue its general obligation bonds if the proposed new or additional
13 general obligation bond debt, when added to the current total general obligation
14 bonded indebtedness of the municipality, including the authorized but unsold bonds of

1 the municipality, would cause the total general obligation bonded indebtedness of the
 2 municipality to exceed \$15,000 per capita based on the number of residents of the
 3 municipality.

4 (b) For purposes of (a) of this section, the population of the municipality shall
 5 be determined under AS 29.45.080(e) and 29.45.090(d).

6 (c) The limitation of (a) of this section applies to the entire general obligation
 7 bonded indebtedness of a unified municipality or borough, whether incurred as
 8 areawide debt, nonareawide debt, or debt involving a service area.

9 * **Sec. 3.** AS 29.47 is amended by adding a new section to read:

10 **Sec. 29.47.305. Limitations on new or additional bonds to refund general**
 11 **obligation bonds of the municipality.** (a) A municipality may not issue general
 12 obligation refunding bonds if the general obligation refunding bond debt, when added
 13 to the current total general obligation bonded indebtedness of the municipality,
 14 including the authorized but unsold bonds of the municipality, would cause the total
 15 general obligation bonded indebtedness of the municipality to exceed \$15,000 per
 16 capita based on the number of residents of the municipality.

17 (b) For purposes of (a) of this section, the population of the municipality shall
 18 be determined under AS 29.45.080(e) and 29.45.090(d).

19 (c) The limitation of (a) of this section applies to the entire general obligation
 20 bonded indebtedness of a unified municipality or borough, whether incurred as
 21 areawide debt, nonareawide debt, or debt involving a service area.

22 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).