

HOUSE BILL NO. 491

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Introduced: 3/8/06

Referred: Transportation, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act authorizing the Alaska Railroad Corporation to issue revenue bonds to finance**
2 **rail transportation projects that qualify for federal financial participation; and**
3 **providing for an effective 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 LEGISLATIVE AUTHORIZATION AND APPROVAL. (a) The Alaska Railroad
8 Corporation is authorized to issue revenue bonds under the power granted to it in
9 AS 42.40.250 to finance rail transportation projects that qualify for federal financial
10 participation and associated costs, including, without limitation, reserves for debt service and
11 capitalized interest, if necessary or appropriate, and costs of issuance. The maximum principal
12 amount of bonds that the Alaska Railroad Corporation may issue under this section is
13 \$165,000,000. The Alaska Railroad Corporation may issue the bonds in a single issuance or in
14 several issuances, without limitation as to number of issuances or timing, and as the Alaska

1 Railroad Corporation determines best, furthers the purpose of financing the rail transportation
2 projects and associated costs. The bonds shall be repaid from the federal money derived from
3 annual apportionments paid to the Alaska Railroad Corporation by the Federal Transit
4 Administration or other funds available to the corporation. In no event shall the general credit
5 of the Alaska Railroad Corporation or the state be pledged for the repayment of these bonds.

6 (b) This authorization extends to bonds issued to refund the bonds authorized in this
7 Act. The principal amount of the bonds authorized in this Act may be increased in an issue of
8 refunding bonds in an amount equal to the costs of refunding if the refunding is undertaken to
9 achieve debt service savings.

10 (c) This section constitutes the approval required by AS 42.40.285 for the issuance of
11 the bonds described in this section.

12 (d) The bonds authorized to be issued under this section are issued by a public
13 corporation and an instrumentality of the state for an essential public and governmental
14 purpose.

15 (e) In this section, "bonds" means bond anticipation notes, notes, refunding bonds, or
16 other obligations.

17 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).