

HOUSE BILL NO. 424

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Introduced: 4/7/10

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act providing for and relating to the issuance of general obligation bonds in a**
2 **principal amount of not more than \$1,000,000 for the purpose of paying the cost of**
3 **education projects for public schools and the University of Alaska; and providing for an**
4 **effective date."**

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

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

8 GENERAL OBLIGATION BONDS. For the purpose of paying the cost of education
9 projects for public schools and the University of Alaska, general obligation bonds of the state
10 in the principal amount of not more than \$1,000,000, if ratified by a majority of the qualified
11 voters of the state who vote on the question, shall be issued and sold. The full faith, credit,
12 and resources of the state are pledged to the payment of the principal of and interest and
13 redemption premium, if any, on the bonds. The bonds shall be issued under the provisions of
14 AS 37.15 as those provisions read at the time of issuance, except that AS 37.15.040 does not

1 apply.

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

4 2010 EDUCATION PROJECT FUND. If the issuance of the bonds described in sec. 1
5 of this Act is ratified by a majority of the qualified voters of the state who vote on the
6 question, a special fund of the state to be known as the "2010 education project fund" shall be
7 established, to which shall be credited the proceeds of the sale of the bonds described in sec. 1
8 of this Act except for the accrued interest and premiums.

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

11 PUBLIC SCHOOL PROJECT ALLOCATION. The amount of \$500,000 is
12 appropriated from the 2010 education project fund to the Department of Education and Early
13 Development to be allocated among the public school projects identified by law in the
14 amounts set out in law, subject to reallocation between projects in accordance with
15 AS 37.07.080(e).

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

18 UNIVERSITY OF ALASKA PROJECT ALLOCATION. The amount of \$500,000 is
19 appropriated from the 2010 education project fund to the University of Alaska to be allocated
20 among university projects identified by law, subject to reallocation between projects in
21 accordance with AS 37.07.080(e).

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

24 STATE BOND COMMITTEE. If the issuance of the bonds under sec. 1 of this Act is
25 ratified by a majority of the qualified voters of the state who vote on the question, the amount
26 of \$5,000 or as much of that amount as is found necessary is appropriated from the general
27 fund of the state to the state bond committee to carry out the provisions of this Act and to pay
28 expenses incident to the sale and issuance of the bonds authorized in sec. 1 of this Act. The
29 amounts expended from the appropriation authorized by this section shall be reimbursed to
30 the general fund from the proceeds of the sale of the bonds authorized by sec. 1 of this Act.

31 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 ADVANCE PLANNING. The amount withdrawn from the public facility planning
3 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements
4 financed under secs. 3 and 4 of this Act shall be reimbursed to the fund from the proceeds of
5 the sale of bonds authorized by sec. 1 of this Act.

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

8 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated
9 balances of the appropriations made in secs. 3 and 4 of this Act lapse under AS 37.25.020 and
10 are appropriated to the state bond committee to redeem bonds sold under sec. 1 of this Act.
11 The amounts expended from the general fund to pay the principal, interest, and redemption
12 premium on bonds issued under sec. 1 of this Act shall be reimbursed to the general fund
13 from the appropriation made under this section to the extent that the money is not needed to
14 redeem the bonds.

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

17 BALLOT PROPOSITION. The question whether the bonds authorized in this Act are
18 to be issued shall be submitted to the qualified voters of the state at the next general election
19 and shall read substantially as follows:

20 P R O P O S I T I O N

21 State General Obligation Education Project Bonds \$1,000,000

22 Shall the State of Alaska issue general obligation bonds in the principal
23 amount of not more than \$1,000,000 for the purpose of paying the cost of state
24 education projects?

25 Bonds Yes []

26 Bonds No []

27 * **Sec. 9.** This Act takes effect immediately under AS 01.10.070(c).