

1 IN THE HOUSE

BY THE FINANCE AND REVENUE
COMMITTEE

2 SENATE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 149

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-THIRD SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the issuance of bonds,
7 and creating the Finance Committee of
8 Alaska, designating its members, and fixing
9 its duties and powers; and declaring an
10 emergency."

11 BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

12 Section 1. As used in this Act the term "Alaska" means the
13 Territory of Alaska or in the event of statehood the State of
14 Alaska.

15 Sec. 2. There is hereby created a committee to be known as
16 the "Finance Committee," the members of which shall be the
17 Governor of Alaska, the Attorney General of Alaska, and the
18 Treasurer of Alaska.

19 The Finance Committee may adopt appropriate rules and regu-
20 lations for the performance of its duties, and a majority of its
21 members shall constitute a quorum.

22 The Governor shall be chairman thereof, and the Treasurer
23 shall be secretary thereof. The Committee shall keep a full,
24 complete and permanent record of its proceedings. All such
25 records and correspondence of and relating to the Committee shall
26 be kept in the office of the Treasurer.

27 Sec. 3. Whenever the Legislature of Alaska shall authorize
28 Alaska to borrow money on its credit and to issue bonds of
29 Alaska as evidence thereof, or shall authorize Alaska to issue

SCS for HB #149

1 refunding bonds to redeem such bonds at or prior to their
2 maturity as authorized by Public Law numbered 516, 84th Congress,
3 2nd Session, approved May 10, 1956 (U. S. C. Title 48, Secs. 488
4 to 488f, incl.), the Finance Committee shall provide for the
5 issuance and sale of such bonds or such refunding bonds by
6 resolution duly and regularly adopted.

7 Such resolution shall:

8 (1) Create such funds or accounts of Alaska as is
9 deemed necessary for the purpose of:

10 (a) Paying or securing the payment of the princi-
11 pal of and interest on such bonds, and

12 (b) Securing the proceeds of the sale thereof for
13 the uses and purposes for which said bonds are to be issued.

14 (2) Provide the date, denomination or denominations,
15 form, maturities, maximum interest rate, place or places and
16 manner or method of payment, terms of such bonds and the coupons
17 to be attached thereto.

18 (3) Provided that such bonds and coupons shall be
19 negotiable instruments for all purposes, whether or not Alaska
20 shall reserve the right to redeem any or all of such bonds prior
21 to their maturity date or dates, with or without any premium
22 whether such bonds may be registerable as to principal and/or
23 principal and interest.

24 (4) Identify the Alaska officer who shall sign such
25 bonds and interest coupons and the facsimile signature of the
26 Governor whose signature shall also be placed on such bonds and
27 interest coupons.

28 (5) Set forth the time and manner of the offer of their
29 sale or sale, which must be on an advertised competitive basis.

1 (6) Provide covenants securing and safeguarding the
2 payment of the principal of and interest on such bonds, including
3 a pledge of the solemn faith of Alaska to such payment.

4 (7) Provide any and all other covenants deemed
5 necessary and advisable to obtain the most advantageous sale
6 possible of such bonds, including the creation of reserve funds
7 or accounts and the authorization for the payment or deposit of
8 certain moneys therein for the purpose of guaranteeing the payment
9 of such principal and interest.

10 Provided, however, that the terms and provisions of such
11 resolution must always be within the limitations of and as author-
12 ized and directed by such Act or Acts of the Congress of the
13 United States and the Legislature of Alaska.

14 If such Act or Acts of the Alaska Legislature shall
15 authorize the selection of a trustee for the owners and holders
16 of such bonds and/or for the safeguarding and disbursement of
17 the proceeds of their sale for the uses and purposes for which
18 they were issued, the Finance Committee shall select such trustee
19 or trustees and fix its or their rights, duties, powers and
20 obligations in the performance of such trust in such resolution;
21 and if such Act or Acts or any other laws of the United States
22 or the Territory shall so permit, provision may be made in a
23 resolution for the Finance Committee to invest according to law
24 any moneys deposited in any reserve fund or account, and any part
25 or all of the proceeds of the sale of such bonds until the expen-
26 diture thereof is required.

27 Upon the sale of any of such bonds the Finance Committee
28 shall adopt such resolution or take such actions as may be
29 necessary to consummate such sale and the delivery of such bonds.

1 Sec. 4. Whenever the Legislature of Alaska shall authorize
2 Alaska to borrow on its credit such sums as may be necessary to
3 meet emergencies for which funds are not made available by
4 appropriation or otherwise and to issue certificates of indebted-
5 ness of Alaska for such borrowings, as authorized by Sec. 4 of
6 the Act of Congress cited in Section 3 of this Act, and if the
7 Alaska Legislature designates the Finance Committee as the officer
8 of Alaska to fix the interest to be borne by such certificates,
9 the place and time or times of their payment, the rights of
10 Alaska to redeem the same prior to their maturity, to provide
11 for and consummate their sale, and to fix any other terms, condi-
12 tions, covenants and details of such certificates, the Finance
13 Committee shall so do by resolution duly and regularly adopted.

14 Sec. 5. Whenever Alaska by Act of the Legislature of
15 Alaska guarantees payment of the principal of and interest on
16 any bonds issued by municipalities, school districts and public
17 utility districts in Alaska for constructing, altering, equipping
18 or acquiring public improvements of the nature for which Alaska
19 may issue bonds, as authorized by Sec. 7 of the Act of Congress
20 cited in Section 3 of this Act, and it is found necessary or
21 desirable that additional action be taken to administer, perform
22 and fulfill such guarantee act, the Finance Committee is hereby
23 authorized and empowered to adopt such resolutions or take such
24 other actions as may be necessary to administer, perform and ful-
25 fill the provisions of such guarantee as authorized in such
26 guarantee act.

27 Sec. 6. An emergency is hereby declared to exist and this
28 Act shall be in full force and effect from and after the date
29 of its passage and approval.