

Introduced: 2/14/64
Referred: Finance

1 IN THE HOUSE

RULES COMMITTEE
BY REQUEST OF GOVERNOR

2 HOUSE BILL NO. 319

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act permitting the State Bond Committee
7 to borrow money in anticipation of the sale
8 of general obligation bonds and revenue
9 bonds."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 37.15 is amended by adding new sections to
12 read:

13 Sec. 37.15.300. BORROWING IN ANTICIPATION OF THE SALE
14 OF BONDS PERMITTED. When the State Bond Committee deems it
15 in the best interests of the state, it may borrow moneys in
16 anticipation of the sale of general obligation and revenue
17 bonds, if:

18 1. The general obligation bonds to be sold have
19 been authorized by law and ratified by a majority vote of
20 the qualified voters of the state who vote on the question;
21 and

22 2. The revenue bonds to be sold have been autho-
23 rized by law, and

24 3. Moneys to be derived from the sale of general
25 obligation and revenue bonds have been appropriated by the
26 legislature.

27 Sec. 37.15.310. ISSUANCE OF NOTES. The State Bond
28 Committee shall issue notes for the amounts borrowed with a
29 maturity date not to exceed one year from the date of issue.

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All such notes and the interest thereon are payable at a fixed place, on or before a fixed time, or at a fixed time, from the proceeds of the sale of bonds, in anticipation of which the original note or notes were issued, unless the bonds have not been sold by the maturity date of the notes.

Sec. 37.15.320. ISSUANCE OF NEW NOTES. In the event that the sale of the bonds shall not have occurred prior to the maturity of the notes issued in anticipation of the sale of bonds, the State Bond Committee shall issue new notes in order to meet payment of the notes then maturing. Any new notes issued shall bear a maturity date not to exceed one year from the date of issue.

Sec. 37.15.330. REPAYMENT OF NOTES. Every note shall be payable from the proceeds of the next succeeding sale of bonds or from the proceeds of the sale of new bond anticipation notes.

Sec. 37.15.340. SECURITY FOR REPAYMENT OF GENERAL OBLIGATION BONDS. Notes issued in anticipation of the sale of general obligation bonds and the interest thereon are secured by the full faith, credit, and resources of the State of Alaska.

Sec. 37.15.350. SECURITY FOR REPAYMENT OF REVENUE BONDS. Notes issued in anticipation of the sale of revenue bonds and the interest thereon are secured in the same manner as are the revenue bonds in anticipation of which the notes are issued.

Sec. 37.15.360. LIMITATION ON ISSUANCE OF NOTES. The total amount of such notes issued and outstanding shall at no time exceed the total amount of bonds authorized to be

1 issued.

2 Sec. 37.15.370. USE OF PROCEEDS FROM SALE OF NOTES.
3 The proceeds from the sale of the notes shall be used only
4 for the purposes for which the proceeds from the sale of
5 bonds may be used or to meet payment of outstanding bond
6 anticipation notes.

7 Sec. 37.15.380. INVITATIONS TO BID. (a) The State
8 Bond Committee shall invite bids for the purchase of the
9 notes from all Alaska banks and such other banks and lending
10 institutions as the Committee deems appropriate.

11 (b) The invitation to bid shall state the time and
12 place at which the bids shall be presented to the State Bond
13 Committee, the time and place at which the bids will be
14 opened and considered. The bids shall be opened in public
15 and in the presence of those who made bids and desire to
16 attend. The State Bond Committee shall reserve the right
17 to reject any and all bids.

18 Sec. 37.15.390. ACCEPTANCE OF BID. The State Bond
19 Committee shall consider all bids submitted and shall accept
20 the bid from the responsible bidder which offers the least
21 rate of interest at par. However, the State Bond Committee
22 may at its discretion reject any and all bids.

23 Sec. 37.15.400. SIGNATURE ON NOTES. Notes for money
24 borrowed in anticipation of receipts from the sale of bonds
25 shall be signed by the governor and countersigned by the
26 secretary of state. The governor's signature may be a
27 facsimile signature.
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