

Original sponsors: Sassara, Balone,  
Banfield et al

Offered: 3/27/68  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 619

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a debt of the state; providing for  
7 the issuance of general obligation bonds in the amount  
8 of \$18,000,000 for the purpose of paying the cost of  
9 designing, acquiring, constructing, equipping, and  
10 making other capital improvements to state ferries;  
11 providing for the submission to a vote of the qualified  
12 voters of the state of the proposition of whether or  
13 not such bonds may be issued for such purposes; and  
14 providing for an effective date."

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

16 \* Section 1. For the purpose of paying part or all of the cost of design-  
17 ing, acquiring, constructing, equipping, and making other capital improvements  
18 to state ferries, general obligation bonds of the state in the principal sum  
19 of not to exceed \$18,000,000 shall be issued and sold. The full faith,  
20 credit, and resources of the state shall be and are hereby pledged to payment  
21 of the principal of and interest on such bonds, which bonds shall be issued  
22 under the provisions of AS 37.15. The legislature may provide additional  
23 sources of money for the payment of such principal and interest, and this  
24 Act shall not be deemed to provide an exclusive method of payment. Such  
25 bonds shall bear interest at a rate of not to exceed six per cent per annum  
26 and shall mature in not to exceed 30 years from date of issue.

27 \* Sec. 2. The amounts of such bonds to be issued from time to time and  
28 the time or times of their issuance shall be fixed by the State Bond Commit-  
29 tee (created by AS 37.15.110), and the specific uses of the proceeds of such  
30 bills 619

1 bonds shall be determined by the governor in accordance with the following  
2 general purposes and conditions;

3 (1) \$7,000,000 of the total amount of bonds authorized by sec. 1  
4 of this Act may be expended to pay the cost of designing, acquiring, con-  
5 structing, equipping, and making other capital improvements to state ferries;

6 (2) \$10,000,000 of the total amount of the bonds authorized by  
7 sec. 1 of this Act may be used for the purpose of matching federal monies made  
8 available for designing, acquiring, constructing, equipping and making other  
9 capital improvements to state ferries;

10 (3) \$1,000,000 of the total amount of the bonds authorized by sec. 1  
11 of this Act may be used for the purpose of providing funds for the payment of  
12 part or all of the cost of designing, acquiring and constructing a ferry to  
13 operate on the Yukon River and its tributaries.

14 \* Sec. 3. In the event the issuance of such bonds is authorized by the  
15 qualified voters of the state, the sum of \$50,000 or so much thereof as shall  
16 be found necessary is appropriated from the general fund of the state to  
17 carry out the provisions of this Act and to pay expenses incident to the sale  
18 and issuance of the bonds authorized herein. The amounts expended from the  
19 appropriation made by this section shall be reimbursed to the general fund  
20 from the proceeds of the sale of the bonds authorized by this Act. In the  
21 event the issuance of such bonds is authorized by the qualified voters of the  
22 state, any sum appropriated from the general fund for the design of state  
23 ferries to be paid for from the proceeds of the bonds authorized by this Act  
24 shall be reimbursed from the proceeds of the sale of the bonds, but such  
25 reimbursement shall not exceed \$400,000.

26 \* Sec. 4. In the event the issuance of such bonds is authorized by the  
27 qualified voters of the state, a special fund of the state to be known as  
28 the "1968 Ferry Construction Fund" shall be created, into which shall be  
29 paid the proceeds of the sale of the bonds described in sec. 1 of this Act

1 except for accrued interest and premiums. There is hereby appropriated from  
2 the "1968 Ferry Construction Fund" to the Department of Public Works the sum  
3 of \$18,000,000.

4 \* Sec. 5. In the event the issuance of such bonds is authorized by the  
5 qualified voters of the state, a special fund of the state to be known as  
6 the "1968 Ferry General Obligation Bond Redemption Fund" shall be created,  
7 to the credit of which there shall be set aside such amounts of money as may  
8 be necessary to pay the principal of and interest on the outstanding bonds  
9 of the issue described in sec. 1 of this Act, and which fund shall be used  
10 for the sole purpose of paying and securing the payment of such principal and  
11 interest as the same shall become due.

12 \* Sec. 6. The question of whether or not the bonds authorized herein  
13 shall be issued for the purposes herein provided shall be submitted to the  
14 qualified voters of the state at the next state general election to be held  
15 on November 8, 1968, in accordance with the provisions of the constitution  
16 and laws of the state. The secretary of state shall fix the ballot title to  
17 be submitted to the qualified voters for their ratification of the state  
18 debt authorized by this Act, and shall do everything else necessary to place  
19 such proposition before said qualified voters at said next state general  
20 election.

21 \* Sec. 7. The proposition to be submitted to the qualified voters at  
22 said election shall read substantially as follows:

23 **Proposition**

24 **State General Obligation Ferry**

25 **Construction Bonds \$18,000,000**

26 Shall the State of Alaska issue its general obligation bonds in the  
27 principal sum of not to exceed \$18,000,000 bearing interest not to  
28 exceed six per cent per annum and maturing in not to exceed 30 years  
29 from date of issue for the purpose of paying part or all of the cost

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

of designing, acquiring, constructing, equipping, and making other capital improvements to state ferries?

Bonds Yes [ ]

Bonds No [ ]

\* Sec. 8. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.