

1 IN THE SENATE

BY MERDES

2 SENATE BILL NO. 316

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the issuance of revenue anticipa-  
7 tion notes by political subdivisions of the state."

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

9 \* Section 1. AS 37.30 is amended by adding new sections to read:

10 ARTICLE 2. REVENUE ANTICIPATION NOTES.

11 Sec. 37.30.100. BORROWING IN ANTICIPATION OF REVENUE. A political  
12 subdivision of the state which is authorized to incur indebtedness may  
13 borrow money in a fiscal year to meet appropriations for that fiscal  
14 year in anticipation of the collection of taxes and estimated revenues  
15 for the fiscal year and may issue its revenue anticipation notes as  
16 evidence of the borrowing.

17 Sec. 37.30.110. ISSUANCE OF NOTES. The governing body of a  
18 political subdivision may, by ordinance or resolution, authorize the  
19 issuance of revenue anticipation notes and prescribe the form and  
20 details of the notes and the manner of their execution. The governing  
21 body of the political subdivision may delegate to its chief fiscal  
22 officer the power to issue the notes from time to time under the terms  
23 and conditions of the ordinance or resolution which provides for the  
24 manner of their sale. Revenue anticipation notes and notes issued to  
25 renew notes previously issued mature not later than the end of the  
26 fiscal year in which they are issued.

27 Sec. 37.30.120. LIMITATION ON ISSUANCE OF NOTES. The aggregate  
28 amount of revenue anticipation notes at any time outstanding may not  
29 exceed 50 per cent of the amount of revenues estimated to be collected

1 in the fiscal year in which the notes are issued, less the amount of  
2 estimated revenues actually collected in the fiscal year before the  
3 issuance of the notes.

4 Sec. 37.30.130. ISSUANCE OF NOTES IN ANTICIPATION OF STATE,  
5 FEDERAL GRANTS. (a) The governing body of a political subdivision,  
6 upon adoption of a long-range capital improvement budget by ordinance  
7 or resolution, may by resolution provide for revenue anticipation  
8 notes in an amount not to exceed the total amount of any state or  
9 federal grants finally committed for these projects. The notes mature  
10 no later than the end of the next fiscal year. These notes may be  
11 for single or multiple projects outlined in the adopted capital im-  
12 provement budget.

13 (b) If the state or federal grants for capital improvement pro-  
14 jects have not been paid to the political subdivision before maturity  
15 of the notes issued in anticipation of the receipt of the revenue,  
16 the governing body of the political subdivision may issue new notes  
17 in order to meet payment of the notes then maturing or may renew the  
18 outstanding revenue anticipation notes. New notes issued or renewals  
19 of outstanding revenue anticipation notes shall mature not later than  
20 the end of the next fiscal year.

21 Sec. 37.30.140. PRIORITY OF REPAYMENT. The payment of the princi-  
22 pal and interest on revenue anticipation notes shall be a first charge  
23 and lien upon the revenues in anticipation of the collection of which  
24 these notes have been issued, and their payment additionally shall be  
25 secured by a pledge of the full faith, credit and unlimited taxing  
power of the political subdivision issuing them.

28 Sec. 37.30.150. CONSTRUCTION. AS 29.10.204 and AS 29.15.280  
29 may not be construed to conflict with secs. 100 - 140 of this chapter.