

Original sponsor: Rules Committee by
request of the Governor

Offered: 3/15/76
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 674

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Municipal Bond Bank
7 Authority; and providing for an effective date."

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

9 * Section 1. AS 44.58.060 is amended to read:

10 Sec. 44.58.060. COMPENSATION AND EXPENSES. The directors of the
11 bond bank authority shall serve without compensation, but the bond bank
12 authority shall reimburse its directors for actual expenses necessarily
13 incurred in the discharge of their duties. Notwithstanding any other
14 law, an officer or employee of the state need not [SHALL] forfeit his
15 office or employment or [AND] any benefits by reason of his acceptance
16 of appointment to the office of director of the bond bank authority.

17 * Sec. 2. AS 44.58.170 is amended to read:

18 Sec. 44.58.170. LOANS TO POLITICAL SUBDIVISIONS. (a) The bond
19 bank authority, to carry out the purposes and policies of this chapter,
20 may lend money to municipalities through the purchase by the bond bank
21 authority of municipal bonds of municipalities. Notwithstanding a home
22 rule charter provision requiring public sale by a municipality of its
23 municipal bonds, a municipality may sell its municipal bonds to the bond
24 bank authority at a negotiated, private sale. The bond bank authority,
25 for this purpose, may issue its bonds and notes payable solely from the
26 revenues or funds available to the bond bank authority for such payment
27 and may otherwise assist municipalities as provided in this chapter.

28 (b) Notwithstanding any provision of law, to [TO] the extent that
29 any department or agency of the state [THE COMMISSIONER OF REVENUE] is

1 the custodian of money payable to a municipality, at any time after
2 written notice to the department or agency head [HIM] from the bond bank
3 authority that the municipality is in default on the payment of princi-
4 pal or interest on municipal bonds of the municipality then held or
5 owned by the bond bank authority, the department or agency [COMMISSIONER
6 OF REVENUE] shall withhold the payment of that money from that municipali-
7 ty and pay over the money to the bond bank authority for the purpose of
8 paying principal of and interest on bonds of the bond bank authority
9 [UNTIL THE AMOUNT OF THE PRINCIPAL OR INTEREST THEN DUE AND UNPAID HAS
10 BEEN PAID TO THE BOND BANK AUTHORITY, OR UNTIL THE COMMISSIONER OF
11 REVENUE HAS BEEN ADVISED THAT ARRANGEMENTS, SATISFACTORY TO THE BOND
12 BANK AUTHORITY, HAVE BEEN MADE FOR THE PAYMENT OF THE PRINCIPAL AND
13 INTEREST].

14 * Sec. 3. AS 44.58.270(h) is amended to read:

15 (h) All amounts received on account of money appropriated to the
16 reserve fund referred to in (a)(3) of this section shall be held and
17 applied in accordance with (b) of this section; however, at the end of
18 each fiscal year, if the amount in the reserve fund is in excess of the
19 required debt service reserve, any amount representing earnings or
20 income received on account of money appropriated to the reserve fund
21 which exceeds the operating expenses of the authority for that fiscal
22 year shall be transferred to the general fund of the state.

23 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
24 070(c).