

Introduced: 3/17/76
Referred: State Affairs and
Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 706

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-
7 tion bonds in the amount of not more than \$3,000,000,000
8 for the purpose of paying the cost of constructing and
9 equipping a pipeline providing for the transportation
10 of natural gas from Prudhoe Bay and adjacent areas to
11 the Healy River-Suntrana coal fields in the Alaska
12 railbelt or the Beluga coal fields in the Cook Inlet
13 area, or such other area as the Gas Transportation
14 Authority determines to be desirable to assure the in-
15 state consumption of the maximum quantity of natural
16 gas produced in the state; and providing for an effective
17 date."

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

19 * Section 1. For the purpose of paying the cost of constructing and
20 equipping a pipeline providing for the transportation of natural gas from
21 Prudhoe Bay and adjacent areas to the Healy River-Suntrana coal fields in the
22 Alaska railbelt or the Beluga coal fields in the Cook Inlet area, or such
23 other area as the Gas Transportation Authority determines to be desirable to
24 assure the in-state consumption of the maximum quantity of natural gas pro-
25 duced in the state, general obligation bonds of the state in the principal
26 amount of not more than \$3,000,000,000 shall be issued and sold. The full
27 faith, credit and resources of the state are pledged to the payment of the
28 principal of and interest and redemption premium, if any, on these bonds.
29 These bonds shall be issued under the provisions of AS 37.15 as those provi-

1 sions read at the time of issuance.

2 * Sec. 2. If the issuance of these bonds is authorized by the qualified
3 voters of the state, a special fund of the state to be known as the "Gas
4 Pipeline Construction Fund" shall be established, to which shall be credited
5 the proceeds of the sale of the bonds described in sec. 1 of this Act except
6 for the accrued interest and premiums. There is appropriated from the "Gas
7 Pipeline Construction Fund" to the Gas Transportation Authority created under
8 AS 44.54.010 - 44.54.340 the amount of \$3,000,000,000.

9 * Sec. 3. If the issuance of these bonds is authorized by the qualified
10 voters of the state, the amount of \$900,000 or as much of that amount as is
11 found necessary is appropriated from the general fund of the state to the
12 state bond committee to carry out the provisions of this Act and to pay
13 expenses incident to the sale and issuance of the bonds authorized in this
14 Act. The amounts expended from the appropriation authorized by this section
15 shall be reimbursed to the general fund from the proceeds of the sale of the
16 bonds authorized by this Act.

17 * Sec. 4. The question whether the bonds authorized in this Act are to be
18 issued shall be submitted to the qualified voters of the state at the next
19 general election and shall read substantially as follows:

20 Proposition

21 State General Obligation Gas Pipeline Construction
22 Bonds \$3,000,000,000

23 Shall the State of Alaska issue its general obligation bonds
24 in the principal amount of not more than \$3,000,000,000 for
25 the purpose of paying the cost of constructing and equipping
26 a pipeline providing for the transportation of natural gas
27 from Prudhoe Bay and adjacent areas to the Healy River-
28 Suntrana coal fields in the Alaska railbelt or the Beluga
29 coal fields in the Cook Inlet area, or such other area as the

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Gas Transportation Authority determines to be desirable
to assure the in-state consumption of the maximum quantity
of natural gas produced in the state?

Bonds Yes []

Bonds No []

* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.
070(c).

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