

Original sponsor: Croft

1 IN THE SENATE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 430

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act extending the authority of the Alaska Municipal  
7 Bond Bank; and providing for an effective date."

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

9 \* Section 1. AS 44.58.170(b) is amended to read:

10 (b) Notwithstanding any provision of law, to the extent that any  
11 department or agency of the state is the custodian of money payable to a  
12 municipality, at any time after written notice to the department or  
13 agency head from the bond bank authority that the municipality is in  
14 default on the payment of principal or interest on municipal general  
15 obligation bonds of the municipality then held or owned by the bond bank  
16 authority, the department or agency shall withhold the payment of that  
17 money from that municipality and pay over the money to the bond bank  
18 authority for the purpose of paying principal of and interest on bonds  
19 of the bond bank authority.

20 \* Sec. 2. AS 44.58.410(3) is amended to read:

21 (3) "municipal bond" means a bond or note or evidence of debt  
22 which constitutes

23 (A) a general obligation bond which is a direct and  
24 general obligation of a political subdivision of the state, all the  
25 taxable property within which is subject to taxation to pay the  
26 bond, note or evidence of debt, and the interest without limita-  
27 tion, as to rate or amount generally to the extent permitted by law  
28 or to avoid a default as provided for second class cities under AS  
29 29.53.410; or

1                   (B) a revenue bond issued by a municipality which is a  
2 pledge of the revenue of a revenue-producing capital improvement  
3 payable solely from unpledged revenue of the public facility for  
4 which the obligations are issued; or

5                   (C) a general obligation bond or revenue bond combined  
6 or additionally secured;

7 \* Sec. 3. AS 44.58.420 is amended to read:

8                   Sec. 44.58.420. SHORT TITLE. This chapter may be cited as the  
9 Alaska Municipal Bond Bank Authority Act or the Alaska Municipal Bond  
10 Bank Act. In transactions involving general obligation bonds of munici-  
11 palities, the Alaska Municipal Bond Bank Authority created by this  
12 chapter may be referred to as the Alaska Municipal Bond Bank with the  
13 same legal effect as if the reference were to Alaska Municipal Bond Bank  
14 Authority.

15 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-  
16 070(c).