

Original sponsor: Rules Committee by  
request of the Governor

Offered: 5/5/78  
Referred: Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 449

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH 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 \$21,000,000 for the purpose  
8 of paying the cost of capital improvements for water  
9 supply and sewerage systems; and providing for an  
10 effective date."

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

12 \* Section 1. For the purpose of paying the cost of capital improvements  
13 for water supply and sewerage systems, general obligation bonds of the state  
14 in the principal amount of not more than \$21,000,000 shall be issued and  
15 sold. The full faith, credit and resources of the state are pledged to the  
16 payment of the principal of and interest and redemption premium, if any, on  
17 these bonds. These bonds shall be issued under the provisions of AS 37.15 as  
18 those provisions read at the time of issuance.

19 \* Sec. 2. If the issuance of these bonds is authorized by the qualified  
20 voters of the state, a special fund of the state to be known as the "1978  
21 Water Supply and Sewerage Systems Construction Fund" shall be established, to  
22 which shall be credited the proceeds of the sale of the bonds described in  
23 sec. 1 of this Act except for the accrued interest and premiums. The amount  
24 of \$21,000,000 is appropriated from the "1978 Water Supply and Sewerage  
25 Systems Construction Fund" to the Department of Environmental Conservation.  
26 The proceeds of the bonds shall be used for grants to municipalities for  
27 purposes specified in AS 46.03.030 as determined by the governor, except that  
28 \$1,000,000 of the proceeds shall be used in funding the Village Safe Water  
29 Act (AS 46.07). In making grants to municipalities from the proceeds of the

1 bonds, the grant percentage shall be 90 per cent of the eligible cost of the  
2 project, and the eligible cost shall be determined as provided in AS 46.03.-  
3 030.

4 \* Sec. 3. If the issuance of these bonds is authorized by the qualified  
5 voters of the state, the amount of \$73,500 or as much of that amount as is  
6 found necessary is appropriated from the general fund of the state to the  
7 state bond committee to carry out the provisions of this Act and to pay  
8 expenses incident to the sale and issuance of the bonds authorized in this  
9 Act. The amounts expended from the appropriation authorized by this section  
10 shall be reimbursed to the general fund from the proceeds of the sale of the  
11 bonds authorized by this Act.

12 \* Sec. 4. The amount withdrawn from the Public Facility Planning Fund for  
13 the purpose of advance planning for the improvements financed under this Act  
14 shall be reimbursed to the fund from the proceeds of the sale of bonds  
15 authorized by this Act.

16 \* Sec. 5. The question whether the bonds authorized in this Act are to be  
17 issued shall be submitted to the qualified voters of the state at the next  
18 general election and shall read substantially as follows:

19 Proposition

20 State General Obligation Water Supply and Sewerage Systems  
21 Construction Bonds \$21,000,000

22 Shall the State of Alaska issue its general obligation bonds in the  
23 principal amount of not more than \$21,000,000 for the purpose of  
24 paying the cost of capital improvements for water supply and sewerage  
25 systems?

26 Bonds Yes [ ]  
27 Bonds No [ ]

28 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
29 10.070(c).