

Introduced: 2/18/80
Referred: Commerce and Finance

1 IN THE HOUSE

BY OSTERBACK

2 HOUSE BILL NO. 814

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a contractors' revolving surety
7 fund."

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

9 * Section 1. AS 44.33 is amended by adding a new section to read:

10 ARTICLE 11. CONTRACTORS' REVOLVING SURETY FUND.

11 Sec. 44.33.510. CONTRACTORS' REVOLVING SURETY FUND. (a) The
12 contractors' revolving surety fund is established in the Department of
13 Commerce and Economic Development. Whenever a bond, undertaking, or
14 other obligation not in excess of \$500,000 is required or permitted to
15 be made in connection with construction, reconstruction, repair, or
16 remodeling of a structure, the bond, undertaking, or other obligation
17 may be issued by the department subject to the requirements of this
18 section. The fund may be used for no other purpose.

19 (b) The total amount of obligations issued under this section may
20 not exceed the sum of the amounts appropriated to the contractors'
21 revolving surety fund, payments to the fund, and the market value (as
22 determined by the commissioner of commerce and economic development) of
23 all obligations pledged to the fund.

24 (c) The total amount of bonds, undertaking, or other obligations
25 issued for a contractor or an affiliate of a contractor may not exceed
26 \$500,000. In this subsection "affiliate" means a person who directly or
27 indirectly, through one or more intermediaries, controls or is con-
28 trolled by or is under common control with the contractor.

29 (d) The commissioner of commerce and economic development shall



1 prescribe by regulation the fees and conditions under which obligations
2 may be undertaken and may adopt other regulations to implement this
3 section.
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29