

Original sponsor: Rules/Governor

Offered: 6/3/80

1 IN THE HOUSE

BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR HOUSE BILL NO. 945

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to interest rates on state bonds and  
7 notes; and providing for an effective date."

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

9 \* Section 1. AS 37.15.030 is amended to read:

10 Sec. 37.15.030. INTEREST RATE AND MATURITY. Each issue or series  
11 of bonds shall bear interest at an effective rate over the life of the  
12 bonds not to exceed 10 [EIGHT] percent a year. The bonds shall mature  
13 in not more than 30 years from date of issue, unless a longer period is  
14 specifically authorized by statute.

15 \* Sec. 2. AS 37.15.210(b) is amended to read:

16 (b) Refunding bonds and the coupons attached to them are negoti-  
17 able instruments. The effective rate of interest over the life of  
18 refunding bonds may not exceed 10 [SEVEN] percent a year, and the amount  
19 of premium which is paid to effect the redemption of outstanding bonds  
20 may not be considered in determining the effective rate of interest.

21 \* Sec. 3. AS 37.15.380 is amended to read:

22 Sec. 37.15.380. SALE OF NOTES. Notes issued under this chapter  
23 shall be sold by the state bond committee in such manner and at such  
24 price or prices as it shall determine, at either public or private sale;  
25 however, no such note shall be sold for less than par and accrued inter-  
26 est or at an interest rate exceeding 10 [SEVEN] percent a year.

27 \* Sec. 4. AS 37.15.450(a) is amended to read:

28 (a) The bonds shall be sold in such amounts or series and at such  
29 time or times as determined by the committee. Before selling a series

1 of bonds, the committee shall give notice inviting sealed bids in such  
2 manner as it may prescribe. If satisfactory bids are received, the  
3 bonds offered for sale shall be awarded to the highest responsible  
4 bidder. If the committee determines that the bids received are not  
5 satisfactory as to price or responsibility of the bidders, it may reject  
6 all bids received. The bonds, or each series of them, shall be sold at  
7 such a price so that the effective interest rate over the life of the  
8 bonds does not exceed 10 [EIGHT] percent per year. Interest shall be  
9 payable annually or semiannually.

10 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-

11 070(c).

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