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Referred: State Affairs and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
BUDGET AND AUDIT COMMITTEE

2 HOUSE BILL NO. 256

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to housing authorities."

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

8 * Section 1. AS 18.55.110 is amended to read:

9 Sec. 18.55.110. COOPERATION WITH AND AID OF FEDERAL GOVERNMENT.

10 (a) The authority may do all things necessary or desirable to cooperate
11 with or act as agent for the federal government, or to secure financial
12 aid for housing projects for veterans of World War II and other citizens
13 of the state. However, [PROVIDED THAT] those projects may not be under-
14 taken unless an acute shortage of housing exists.

15 (b) With respect to [THOSE] projects described in (a) of this
16 section, the authority is not [MAY NOT BE] subject to

17 (1) AS 44.62, except AS 44.62.310 and 44.62.312;

18 (2) AS 36; or

19 (3) any other limitations, procedures, restrictions, or
20 requirements of other laws [,EXCEPT THOSE RELATING TO LAND ACQUISITION,]
21 prescribing or limiting the procedure or action to be taken in the
22 development or administration of any buildings, property, public works,
23 undertakings or projects of municipal or public corporations or agencies
24 of the state except those relating to land acquisition.

25 * Sec. 2. AS 18.55.140 is amended to read:

26 Sec. 18.55.140. ISSUANCE OF BONDS, NOTES, AND REFUNDING BONDS.

27 The authority may issue bonds and notes from time to time in its discre-
28 tion for any of its corporate purposes and may issue refunding bonds
29 for the purpose of paying or retiring bonds previously issued by it.

1 * Sec. 3. AS 18.55.180 is amended to read:

2 Sec. 18.55.180. ISSUANCE AND SALE OF BONDS AND NOTES. Bonds
3 and notes of the authority are authorized by adoption of a resolution
4 prescribing the date of issuance and maturity, interest rate, denomina-
5 tion, form, conversion privilege, rank or priority, execution, terms of
6 redemption, medium and place of payment. Bonds and notes may be sold
7 in the manner, on the terms, and at the price the authority determines.

8 [BONDS MAY BE SOLD AT PUBLIC OR PRIVATE SALE AT NOT LESS THAN PAR.]

9 Each bond and note is negotiable. The signature of a member or an
10 officer upon a bond or note or coupon is not invalidated by his ceasing
11 to hold office before the delivery of the bond or note. The recitation
12 of a bond or note that it has been issued in the financing of a housing
13 or public building project under AS 18.55.010 - 18.55.290 is conclu-
14 sive as to the issuance of the bond or note and the character of the
15 project in a challenge of the validity of the bond or note or the
16 security for it.

17 * Sec. 4. AS 18.55.185 is repealed and reenacted to read:

18 Sec. 18.55.185. INDEPENDENT FINANCIAL ADVISOR. In negotiating
19 the private sale of bonds or bond anticipation notes to an underwriter,
20 the corporation shall retain a financial advisor who is independent
21 from the underwriter.

22 * Sec. 5. AS 18.55.570 is amended to read:

23 Sec. 18.55.570. ISSUANCE OF BONDS AND NOTES. (a) The authority
24 may issue bonds and notes from time to time for any of its corporate
25 purposes including the payment of principal and interest upon advances
26 for surveys and plans for redevelopment projects. The authority may
27 issue refunding bonds for the purpose of the payment or retirement or in
28 exchange for bonds previously issued by it. The authority may issue
29 the types of bonds and notes it determines, including bonds and notes

1 on which the principal and interest are payable (1) exclusively from
2 the income, proceeds, and revenues of the redevelopment project financed
3 with the proceeds of the bonds or notes, or (2) exclusively from the
4 income, proceeds, and revenues of any of its redevelopment projects
5 whether or not they are financed in whole or in part with the proceeds
6 of the bonds or notes, or (3) in whole or in part from taxes allocated
7 to, and paid into a special fund by a city, borough, or other taxing
8 agency under the provisions of AS 18.55.695 - 18.55.700. The bonds
9 or notes may be further secured by a pledge of all or any part of a
10 loan, grant or contribution from the federal government or from another
11 source, or by a mortgage of a redevelopment project of the authority.

12 (b) The members of the authority or a person executing the bonds
13 or notes shall not be liable personally on the bonds or notes by reason
14 of the issuance of them. The bonds, notes, and other obligations of the
15 authority are not a debt of the municipality, the state or the United
16 States, and neither the municipality, the state nor the United States
17 is liable on them, nor are the bonds, notes, or obligations payable out
18 of funds or properties other than those of the authority acquired for
19 the purposes of AS 18.55.480 - 18.55.960 and each bond and note shall
20 state this on its face. A bond or note does not constitute an indebted-
21 ness within the meaning of any constitutional or statutory debt limita-
22 tion or restriction. Bonds and notes of the authority issued under
23 AS 18.55.480 - 18.55.960 are declared to be issued for an essential
24 public and governmental purpose and, together with interest on them and
25 income from them shall be exempt from all taxes.

26 (c) Bonds and notes of the authority issued under AS 18.55.480 -
27 18.55.960 shall be authorized by its resolution and may be issued in
28 one or more series and shall bear the date or dates, be payable upon
29 demand or mature at the time or times, bear interest at the rate or

1 rates provided for bonds and notes of the authority under AS 18.55.190,
2 be in the denomination or denominations, be in the form either coupon
3 or registered, carry the conversion or registration privileges, have
4 the rank or priority, be executed in the manner, be payable in the
5 medium of payment, at the place or places, and be subject to the terms
6 of redemption, with or without premium, which the resolution, its trust
7 indenture or mortgage provides.

8 (d) Bonds and notes may be sold in the manner, on the terms, and
9 at the price the authority determines [THE BONDS MAY BE SOLD AT PUBLIC
10 OR PRIVATE SALE AT NOT LESS THAN PAR].

11 (e) If a member or officer of the authority whose signature
12 appears on a bond, note, or coupon ceases to be a member or officer
13 before the delivery of the bonds or notes, the signature is nevertheless
14 valid and sufficient for all purposes [THE SAME] as if he had remained
15 in office until delivery. Any provision of [ANY] law to the contrary
16 notwithstanding, bonds and notes issued under [PURSUANT TO] AS 18.55.-
17 480 - 18.55.960 are negotiable.

18 (f) In an action or proceeding involving the validity or enforce-
19 ability of a bond or note or security for a bond or note issued under
20 AS 18.55.480 - 18.55.960, where the bond or note recites in substance
21 that it has been issued by the authority to aid in financing a redevelop-
22 ment project, the bond or note is conclusive proof that it has been
23 issued for that purpose and the project is conclusively considered to
24 have been planned, located and carried out in accordance with the
25 purposes and provisions of AS 18.55.480 - 18.55.960.