

Offered: 5/24/84
Referred: Finance

Original sponsors: Uehling, Hayes,
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1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 609 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to debt of the state, its agencies,
7 and municipalities; and providing for an effective
8 date."

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

10 * Section 1. AS 37.15.110 is amended to read:

11 Sec. 37.15.110. CREATION AND MEMBERSHIP OF STATE BOND COMMITTEE.

12 There is created within the Department of Revenue a committee known as
13 the "state bond committee," the members of which are the commissioner
14 of commerce and economic development, the commissioner of administra-
15 tion, and the commissioner of revenue. If a member of the committee is
16 absent or otherwise unable to act, the member's designee [IN THE
17 DEPARTMENT] shall act as a member of the committee in the member's
18 place.

19 * Sec. 2. AS 37.15.130 is amended to read:

20 Sec. 37.15.130. OFFICERS, RECORDS AND PROCEEDINGS. (a) The
21 commissioner of revenue [COMMERCE AND ECONOMIC DEVELOPMENT] is the
22 chairman of the state bond committee [AND THE COMMISSIONER OF REVENUE
23 IS THE SECRETARY]. A majority of the members of the committee consti-
24 tute a quorum. The committee shall keep a full, complete, and perma-
25 nent record of its proceedings. All records and correspondence of the
26 committee shall be kept in the office of the commissioner of revenue.

27 (b) The committee may meet and transact business by electronic
28 media if

29 (1) public notice of the time and locations where the

1 meeting will be held by electronic media has been given in the same
2 manner as if the meeting were held in a single location;

3 (2) participants and members of the public in attendance
4 can hear and have the same right to participate in the meeting as if
5 the meeting were conducted in person; and

6 (3) copies of pertinent reference materials, statutes,
7 regulations, and audio-visual materials are reasonably available to
8 participants and to the public.

9 (c) A meeting by electronic media as provided in this section
10 has the same legal effect as a meeting in person.

11 (d) For the purposes of this chapter public notice of 24 hours
12 or more is adequate notice of a meeting of the committee at which the
13 issuance of bonds is authorized.

14 * Sec. 3. AS 37.15.140 is amended to read:

15 Sec. 37.15.140. DUTIES OF STATE BOND COMMITTEE. (a) The state
16 bond committee shall adopt the resolution and prepare the documents
17 necessary for the issuance, sale, and delivery of bonds issued on
18 behalf of the state.

19 (b) The state bond committee shall prepare an annual report to
20 be submitted to the governor and legislature before January 31 of each
21 year. The report must show (1) all outstanding debt of debt issuing
22 entities of the state; (2) the anticipated impact on the finances and
23 credit of the state, including the effect on long-term debt capacity
24 and creditworthiness resulting from that debt; (3) which long-term
25 debt is tax supported and which is supported only by revenues attrib-
26 utable to the project being financed by the debt; (4) all long-term
27 capital lease obligations of the state; (5) the volume of short-term
28 debt issued and retired during the year by debt issuing entities of
29 the state; (6) specific identification of each issue for which the

1 state has pledged some form of indirect support for the debt including
2 any moral obligation of the state to support the debt; (7) suggestions
3 regarding a state debt maturity policy; (8) future bonding and debt
4 capacity implications of legislation enacted in the previous legisla-
5 tive session; (9) the recommended debt issuance capacity of the state
6 for the next two years following the year of the report; and (10)
7 proposed improvements to enhance the state's ability to market its
8 bonds. The committee may require that any information needed to
9 prepare the report be furnished by debt issuing entities of the state
10 at a time determined by the committee. The state bond committee shall
11 publicize the existence of the report submitted under this section and
12 shall make the report available to the public upon request.

13 (c) The state bond committee shall develop written policies
14 concerning debt of the state.

15 (d) The committee shall develop written informational guidelines
16 for management of debt of municipalities of the state and debt of
17 instrumentalities of the state authorized to issue tax exempt obliga-
18 tions.

19 (e) The policies and guidelines developed under (c) and (d) of
20 this section shall include recommended level of debt, debt management,
21 bidding procedures, and bid awards and compensation for financial
22 service.

23 (f) The state bond committee shall request the debt issuing
24 entities of the state to (1) prepare and submit to the committee by
25 January 31 of each year a calendar of all debt proposed to be issued
26 during the calendar year showing the amount and type of the debt and
27 the month in which issuance is proposed, and (2) prepare and submit
28 monthly a report showing all proposed changes to the calendar sub-
29 mitted.

1 (g) In this section the term "debt issuing entities of the
2 state" includes the state, each agency or instrumentality of the state
3 authorized to issue tax exempt obligations, and each municipality of
4 the state.

5 (h) In this section the term "debt" means (1) long-term bonded
6 indebtedness secured by the full faith and credit of the government
7 unit, (2) long-term bonded indebtedness secured by a mortgage or lien
8 on specific properties or receivables, (3) short-term notes, (4)
9 warrants, and (5) capital lease obligations; but "debt" does not in-
10 clude debt owed within the debt issuing entity or to another debt
11 issuing entity.

12 * Sec. 4. AS 37.15.150 is amended to read:

13 Sec. 37.15.150. STAFF AND [COMMITTEE MAY EMPLOY] SPECIAL SER-
14 VICES. The state bond committee may appoint an executive director who
15 may with approval of the committee select and employ additional staff
16 as necessary. Employees of the committee are in the partially exempt
17 service under AS 39.25.120. If the [STATE BOND] committee considers
18 it necessary and advisable, it may procure architectural or engineer-
19 ing, fiscal agent or municipal investment, legal and other expert or
20 specialized services at reasonable and customary fees to assist it in
21 accomplishing the most advantageous sale of the state bonds. The fees
22 may be paid from the proceeds of the sale or advanced from the contin-
23 gency fund in the office of the governor or otherwise.

24 * Sec. 5. AS 39.25.120 is amended by adding a new paragraph to read:

25 (19) employees of the state bond committee.

26 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
27 10.070(c).