

Offered: 3/7/86
Referred: Community & Regional
Affairs and Finance

Original sponsor: Marrou and Pignalberi

1 IN THE HOUSE
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 339 (Oil & Gas)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act relating to the limitation on municipal
7 property taxation for the payment of bonds; and
8 providing for an effective date."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. AS 29.10.200 is amended by adding a new paragraph to read:
11 (47) AS 29.47.200(a) - (general obligation bonds)
12 * Sec. 2. AS 29.45.100 is amended to read:
13 Sec. 29.45.100. [NO] LIMITATIONS ON TAXES TO PAY BONDS. The
14 limitations provided for in AS 29.45.080 - 29.45.090 do not apply to
15 taxes levied or pledged to pay or secure the payment of the principal
16 and interest on bonds. However, taxes levied under AS 29.45.080
17 [TAXES] to pay or secure the payment of principal and interest on
18 bonds may only be levied in an amount that does not exceed one percent
19 of the assessed value of property within the municipality taxed under
20 AS 29.45.080 [WITHOUT LIMITATION AS TO RATE OR AMOUNT], regardless of
21 whether the bonds are in default or in danger of default.
22 * Sec. 3. AS 29.47.200(a) is amended to read:
23 (a) The full faith and credit of a municipality are pledged for
24 the payment of principal and interest on general obligation bonds.
25 Subject to AS 29.45.100, the [THE] municipality may levy ad valorem
26 taxes for payment [WITHOUT LIMITATION OF RATE OR AMOUNT TO PAY OR
27 SECURE THE PAYMENT] of the principal and interest on the bonds. This
28 subsection applies to home rule and general law municipalities [,
29 REGARDLESS OF WHETHER THE BONDS ARE IN DEFAULT OR IN DANGER OF DE-

1 FAULT].

2 * Sec. 4. The amendments to AS 29.45.100 and AS 29.47.200(a) made by
3 secs. 2 and 3 of this Act apply only to taxes levied or pledged to pay
4 general obligation bonds sold by a municipality on or after the effective
5 date of this Act. However, notwithstanding any other provision of law, a
6 municipality may not sell general obligation bonds after the effective date
7 of this Act until the municipality is in compliance with AS 29.45.100 and
8 AS 29.47.200(a) as amended by secs. 2 and 3 of this Act with respect to
9 taxes levied or pledged to pay all general obligation bonds without regard
10 to the dates of sale.

11 * Sec. 5. This Act takes effect July 1, 1986.