

CS HB 521 (CRA)

Introduced: 1/27/86
Referred: House Special Committee on
State Loans, Community & Regional
Affairs and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 521

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 issuance of municipal general
7 obligation bonds; and providing for an effective
8 date."

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

10 * Section 1. AS 29.47.190(b) is amended to read:

11 (b) Before a general obligation bond issue election, the govern-
12 ing body shall have published a notice of the total existing bond
13 indebtedness at least once a week for three consecutive weeks. The
14 first notice must [SHALL] be published at least 20 days before the
15 date of the election. A notice must [SHALL] include

16 (1) the current total general obligation bonded indebted-
17 ness, including authorized but unsold bonds of the municipality;

18 (2) the cost of the debt service on the current indebted-
19 ness;

20 (3) the total assessed value of taxable property in the
21 municipality;

22 (4) the full property value, as determined by the Depart-
23 ment of Community and Regional Affairs under AS 14.17.140.

24 * Sec. 2. AS 29.47 is amended by adding a new section to read:

25 Sec. 29.47.195. LIMITATION ON MUNICIPAL DEBT. (a) A municipal-
26 ity may not incur additional general obligation bond debt if current
27 bonded indebtedness exceeds, or will exceed upon issuance of the debt
28 issue, seven percent of the full property value, as determined by the
29 Department of Community and Regional Affairs under AS 14.17.140.

1 (b) For purposes of the debt limitation established in (a) of
2 this section, "municipality" includes a municipality or a combination
3 of municipalities that occupy, in whole or in part, the same geograph-
4 ic area.

5 (c) For purposes of the debt limitation established in (a) of
6 this section, "general obligation bond debt" does not include

7 (1) refunding bonds; or

8 (2) self-supporting debt even though such debt may also be
9 general obligation debt of the municipality.

10 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
11 10.070(c).