

COMMITTEE REPORT

4/16/76

HOUSE

Mr. Speaker:

Date 5-5-76

The Committee on FINANCE has had HB.893

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR HB.893 AND THAT

CS FOR HB.893 DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

_____	_____	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
_____	_____	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

FINAL VERSION
R/O 5/5/76
R

Original sponsor: State Affairs Committee

1 IN THE HOUSE BY THE FINANCE COMMITTEE
2 CS FOR HOUSE BILL NO. 893 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to general obligation bonds, bills and
7 capital improvements of the state; and providing for an
8 effective date."

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

10 * Section 1. AS 15.15.040(b) is amended to read:

11 (b) The lieutenant governor shall prepare and issue or make avail-
12 able with each sample ballot for a special election the statement pro-
13 vided for in AS 24.30.037 [OF THE SCOPE OF EACH PROJECT INCLUDED] in a
14 proposed general obligation bond issue creating a state debt for capital
15 improvements that is submitted to the electorate for ratification under
16 AS 15.15.030(11). The statement [OF SCOPE FOR EACH PROJECT] shall be
17 the same statement included in the authorization bill. When a ballot
18 proposition is submitted to the voters at a primary or a special elec-
19 tion, a statement the same as that provided for in the election pamphlet
20 under AS 15.57.010(2) shall be made available with each sample ballot.

21 * Sec. 2. AS 15.57.010 is amended to read:

22 Sec. 15.57.010. CONTENTS OF PAMPHLET. The lieutenant governor
23 shall mail to each registered voter of the state before each state
24 general election an election pamphlet containing photographs and cam-
25 paign statements of eligible nominees who desire to participate in the
26 pamphlet and information and any recommendations regarding the retention
27 of judicial officers supplied by the judicial council. The pamphlet
28 shall also contain

29 (1) on a separate page, a map of the election district or

1 districts to which the pamphlet has been directed, together with a
2 narrative description of the district boundaries;

3 (2) for each ballot proposition,

4 (A) a neutral summary of the proposition prepared by the
5 Legislative Affairs Agency;

6 (B) a statement by persons or organizations supporting
7 the proposition; and

8 (C) a statement by persons or organizations opposing the
9 proposition; and

10 (3) for each bond question a statement [OF THE SCOPE OF EACH
11 PROJECT] required by AS 24.30.037 to be included in the authorization
12 bill. The statement shall indicate that any part of the authorization
13 may be changed by subsequent action amending the scope, description,
14 location, or dollar amount of the capital improvement projects.

15 * Sec. 3. AS 24.20.201(a)(5) is amended to read:

16 (5) review all proposed changes to agency authorized operat-
17 ing and capital improvement budgets;

18 * Sec. 4. AS 24.30.037 is amended to read:

19 Sec. 24.30.037. GENERAL OBLIGATION BOND BILLS. A bill authorizing
20 the issuance of general obligation bonds creating a state debt for
21 capital improvements shall contain a statement of the type of project
22 and, where appropriate, the location and dollar amount of each project
23 [SCOPE OF EACH PROJECT INCLUDED IN THE PROPOSED BOND ISSUE. THE STATE-
24 MENT SHALL INCLUDE A BRIEF DESCRIPTION OF EACH CAPITAL IMPROVEMENT
25 PROJECT, ITS LOCATION, AND, IN DOLLARS, THAT PORTION OF THE TOTAL BOND
26 ISSUE TO BE ALLOCATED TO THE PROJECT].

27 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
28 070(c).

Original sponsor: State Affairs Committee

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 893 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to general obligation bonds, bills and
7 capital improvements of the state; and providing for an
8 effective date."

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

10 * Section 1. AS 15.15.040(b) is amended to read:

11 (b) The lieutenant governor shall prepare and issue or make avail-
12 able with each sample ballot for a special election the statement pro-
13 vided for in AS 24.30.037 [OF THE SCOPE OF EACH PROJECT INCLUDED] in a
14 proposed general obligation bond issue creating a state debt for capital
15 improvements that is submitted to the electorate for ratification under
16 AS 15.15.030(11). The statement [OF SCOPE FOR EACH PROJECT] shall be
17 the same statement included in the authorization bill. When a ballot
18 proposition is submitted to the voters at a primary or a special elec-
19 tion, a statement the same as that provided for in the election pamphlet
20 under AS 15.57.010(2) shall be made available with each sample ballot.

21 * Sec. 2. AS 15.57.010 is amended to read:

22 Sec. 15.57.010. CONTENTS OF PAMPHLET. The lieutenant governor
23 shall mail to each registered voter of the state before each state
24 general election an election pamphlet containing photographs and cam-
25 paign statements of eligible nominees who desire to participate in the
26 pamphlet and information and any recommendations regarding the retention
27 of judicial officers supplied by the judicial council. The pamphlet
28 shall also contain

29 (1) on a separate page, a map of the election district or
30

1 districts to which the pamphlet has been directed, together with a
2 narrative description of the district boundaries;

3 (2) for each ballot proposition,

4 (A) a neutral summary of the proposition prepared by the
5 Legislative Affairs Agency;

6 (B) a statement by persons or organizations supporting
the proposition; and

7 (C) a statement by persons or organizations opposing the
proposition; and

8 (3) for each bond question a statement [OF THE SCOPE OF EACH
9 PROJECT] required by AS 24.30.037 to be included in the authorization
10 bill. The statement shall indicate that any part of the authorization
11 may be changed by subsequent action amending the scope, description,
12 location, or dollar allocation of the capital improvement projects.

13 * Sec. 3. AS 24.20.201(a)(5) is amended to read:

14 (5) review all proposed changes to agency authorized operat-
15 ing and capital improvement budgets;

16 * Sec. 4. AS 24.30.037 is amended to read:

17 Sec. 24.30.037. GENERAL OBLIGATION BOND BILLS. A bill authorizing
18 the issuance of general obligation bonds creating a state debt for
19 capital improvements shall contain a statement of the types of projects
20 and, where appropriate, the location and dollar allocation of each
21 project [THE SCOPE OF EACH PROJECT INCLUDED IN THE PROPOSED BOND ISSUE.
22 THE STATEMENT SHALL INCLUDE A BRIEF DESCRIPTION OF EACH CAPITAL IMPROVE-
23 MENT PROJECT, ITS LOCATION, AND, IN DOLLARS, THAT PORTION OF THE TOTAL
24 BOND ISSUE TO BE ALLOCATED TO THE PROJECT].

25 * Sec. 5. AS 37.07.020 is amended by adding a new subsection to read:

26 (b) ~~As part of the budget the governor shall annually submit a~~
27 ~~capital budget. The capital budget shall include anticipated expendi-~~

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

~~tures, location of projects, and dollar allocations of projects for bond
funds already approved by the electorate as well as proposed new bond
issues. These funds may only be reallocated by the legislature.~~

* Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-
070(c).

#

Original sponsor: State Affairs Committee

Offered: 4/16/76
Referred: Finance

IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

CS FOR HOUSE BILL NO. 893

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to general obligation bonds, bills and capital improvements of the state; and providing for an effective date."

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

* Section 1. AS 15.15.040(b) is amended to read:

(b) The lieutenant governor shall prepare and issue or make available with each sample ballot for a special election the informative summary [STATEMENT] provided for in AS 24.30.037 [OF THE SCOPE OF EACH PROJECT INCLUDED] in a proposed general obligation bond issue creating a state debt for capital improvements that is submitted to the electorate for ratification under AS 15.15.030(11). The informative summary [STATEMENT OF SCOPE FOR EACH PROJECT] shall be the same statement included in the authorization bill. When a ballot proposition is submitted to the voters at a primary or a special election, a statement the same as that provided for in the election pamphlet under AS 15.57.010(2) shall be made available with each sample ballot.

* Sec. 2. AS 15.57.010 is amended to read:

Sec. 15.57.010. CONTENTS OF PAMPHLET. The lieutenant governor shall mail to each registered voter of the state before each state general election an election pamphlet containing photographs and campaign statements of eligible nominees who desire to participate in the pamphlet and information and any recommendations regarding the retention of judicial officers supplied by the judicial council. The pamphlet shall also contain

1 (1) on a separate page, a map of the election district or
2 districts to which the pamphlet has been directed, together with a
3 narrative description of the district boundaries;

4 (2) for each ballot proposition,

5 (A) a neutral summary of the proposition prepared by the
6 Legislative Affairs Agency;

7 (B) a statement by persons or organizations supporting
8 the proposition; and

9 (C) a statement by persons or organizations opposing the
10 proposition; and

11 (3) for each bond question the informative summary [A STATE-
12 MENT OF THE SCOPE OF EACH PROJECT] required by AS 24.30.037 to be in-
13 cluded in the authorization bill.

14 * Sec. 3. AS 24.20.201(a)(5) is amended to read:

15 (5) review all proposed changes to agency authorized operat-
16 ing and capital improvement budgets;

17 * Sec. 4. AS 24.30.037 is amended to read:

18 Sec. 24.30.037. GENERAL OBLIGATION BOND BILLS. A bill authorizing
19 the issuance of general obligation bonds creating a state debt for
20 capital improvements shall contain an informative summary of [A STATE-
21 MENT OF THE SCOPE OF EACH PROJECT INCLUDED IN] the proposed bond issue.
22 The statement shall include a brief description of each capital improve-
23 ment project, its location, and, in dollars, that portion of the total
24 bond issue to be allocated to the project.

25 * Sec. 5. AS 37.07.020 is amended by adding a new subsection to read:

26 (b) As part of the long-range program of the state, the governor
27 shall annually submit a capital program which includes anticipated ex-
28 penditures for bond funds already approved by the electorate as well as
29 proposed new bond issues. Upon approval by the legislature, these funds

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

shall be considered allocated and may only be reallocated with approval of the legislature.

* Sec. 6. This Act takes effect immediately in accordance with AS 01.10.070(c).

#

Introduced: 4/5/76
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE BILL NO. 893

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to general obligation bond bills; and
7 providing for an effective date."

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

9 * Section 1. AS 24.30.037 is repealed.

10 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
11 070(c).

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

#

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JULIAU, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 13, 1976

SUBJECT: CS HB 893 - Bonding

TO: State Affairs Committee

FROM: Billy G. Berrier *BGB*
Director, Legal Services Division

I have prepared the committee substitute as directed by the committee. As you are aware I have serious reservation about the workability of the amendment. The problem with the present law is indicated by the objections raised by C. Richard Walker, the State Bond Counsel, in his letter of March 1, 1976 which has been furnished to you. The change to a requirement of "an informative summary" would still leave the drafting problem of the adequacy of the summary.

I realize the objective is to present as much information to the legislature and public as possible but considering the strictness with which requirements relating to bonding are construed and the ambiguity of the phrase "informative summary" I strongly recommend consultation with bond counsel before adoption.

The change in Section 5 while clear in concept uses language that could create difficulties when read with Chapter 26, SLA 76 which has just been adopted. The language here could blur the clear distinction between "allocation" and "appropriation" created in Chapter 26. I would suggest review by Legislative Finance since simply changing "allocation" to "appropriation" would not work.

BGB:smh

TO: Hugh Malone, Chairman
House Finance Committee

DATE: 26 April 1976

FROM: Jim Rhode, AA

SUBJECT: Statutes Governing Bond
Authorizations

This afternoon I phoned C. Richard Walker, state bond counsel, of Orrick, Herrington, Et. Al., San Francisco. He agreed (legally, at least) to revising the statutes that govern bond authorizations in order to:

(1) provide for a statement as to type of project [brief description...scope of each project...] as well as location and dollar amount. This ends the problem of how "brief" a description can be.

(2) appropriate bond proceeds to the relevant agency, but to allocate the funds between projects. Otherwise, any modification of project lists (or even amounts) may require voter approval or, if that is not done, any citizen may have standing to sue.

(3) give due warning that the Legislature can revise allocations. Specifically, he urged language along these lines:

"AS 24.30.037. The statement shall indicate that any part thereof may be changed by subsequent legislative action before or after ratification of the proposed bond issue by the voters. Nothing in this section, in AS 15.15.040 (b) or AS 15.57.010 shall prevent subsequent legislative amendment of the scope, description, or location of, or dollar allocation to, the capital improvement projects except to the extent expressly stated in the question submitted to the voters with respect to the ratification of the proposed bond issue..."

This warning is required (by reference) in the voter pamphlet sent out by the Lieutenant-Governor.

(4) make a specific exception from the requirement for a statement in the case of grant or maintenance programs for which it is not possible to name either locations or individual dollar amounts in advance.