

SCOMM

#34:29

**COMMITTEE REPORT**  
**HOUSE**

FURTHER:

(11)

Date: 4-27-84

3/21/84

The Committee on FINANCE has had HB 664

"An Act making appropriations to the Alaska Housing Finance Corporation; providing for an effective date."

under consideration and recommends:

- ☐ do pass ☐ do not pass
- ☐ do pass with attached amendments(s)
- ☒ replace with CS for HB 664 (Fin) ☒ same title  
☐ new title
- and recommends DO PASS
- ☐ AND attaches a "Letter of Intent" ☐ New Fiscal Note
- ☐ reports it back without recommendation ☒ Zero Fiscal Note Attached
- ☐ referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Arthur Adams  
R. Bettisworth  
Walt Furnace  
Ben Singsend  
J. Duncan  
W. H. Fritz

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

901. [Signature] - No Rec  
[Signature]  
Paul F. Zboroff (Rural Funding??)

Arthur Adams  
CHAIRMAN

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

025

Revision Date \_\_\_\_\_

REQUEST

Bill/Resolution No: CSHB 664 (7in)

Title: An Act making appropriations to AHFC.

Sponsor: Governor

Requestor: \_\_\_\_\_

Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Revenue

Program Category Affected: \_\_\_\_\_

Alaska Housing Finance Corporation

DRU, Program of Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

|                        | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 | FY 89 |
|------------------------|-------|-------|-------|-------|-------|-------|
| OPERATING              |       |       |       |       |       |       |
| 100 PERSONAL SERVICES  | -     | -     | -     | -     | -     | -     |
| 200 TRAVEL             | -     | -     | -     | -     | -     | -     |
| 300 CONTRACTUAL        | -     | -     | -     | -     | -     | -     |
| 400 SUPPLIES           | -     | -     | -     | -     | -     | -     |
| 500 EQUIPMENT          | -     | -     | -     | -     | -     | -     |
| 600 LANDS & STRUCTURES | -     | -     | -     | -     | -     | -     |
| 700 GRANTS, CLAIMS     | -     | -     | -     | -     | -     | -     |
| 800 MISCELLANEOUS      | -     | -     | -     | -     | -     | -     |
| TOTAL OPERATING        | -0-   | -0-   | -0-   | -0-   | -     | -     |
| CAPITAL                | -     | -     | -     | -     | -     | -     |
| REVENUE                | -     | -     | -     | -     | -     | -     |

FUNDING: (Thousands of Dollars)

|               |     |     |     |     |   |   |
|---------------|-----|-----|-----|-----|---|---|
| GENERAL FUND  | -   | -   | -   | -   | - | - |
| FEDERAL FUNDS | -   | -   | -   | -   | - | - |
| OTHER         | -   | -   | -   | -   | - | - |
| TOTAL         | -0- | -0- | -0- | -0- | - | - |

POSITIONS:

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL-TIME | - | - | - | - | - | - |
| PART-TIME | - | - | - | - | - | - |
| TEMPORARY | - | - | - | - | - | - |

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis.

Prepared By: Michael S. Lynch  
Division: Alaska Housing Finance Corporation

Phone: 276-5599  
Date: \_\_\_\_\_

Approved by Commissioner: [Signature]  
Agency: DOR

Date: 2/2/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Apr 23 2 14B 1664

Analysis for Governor's Bill on AHFC Appropriations:

Section 1 of this bill responds to a question which has been raised by the Attorney General's Office concerning the possibility that retention of some revenues and receipts of the Corporation may be in conflict with the "dedicated funds" provisions of the State Constitution. The Attorney General's Office has not yet answered that question. The bill removes any doubt as to the proper retention of revenues and receipts of the Corporation.

Section 2 of this bill transfers all assets of the Home Ownership Fund to the Alaska Housing Finance revolving fund which was established by the Legislature in 1983 to alleviate some of the "dedicated funds" questions and to facilitate a continuity of programs of the Corporation.

Original sponsor: Rules/Governor

IN THE HOUSE

BY THE FINANCE COMMITTEE

CS FOR HOUSE BILL NO. 664 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act making appropriations to the Alaska Housing Finance Corporation, and providing for an effective date."

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

\* Section 1. All unrestricted mortgage loan interest payments and all other receipts, including, without limitation, mortgage loan commitment fees, received by or accrued to the Alaska Housing Finance Corporation during the period of July 1, 1984 through June 30, 1985, and all income earned on assets of the corporation during that period, are appropriated to the Alaska Housing Finance revolving fund (AS 18.56.082) for the purposes described in AS 18.56.

\* Sec. 2. All assets of the home ownership fund (AS 18.56.091), including all outstanding loans on mobile homes purchased with assets of the fund, are transferred to the Alaska Housing Finance revolving fund (AS 18.56.082) for the purposes described in AS 18.56. Amounts in the home ownership fund which are the subject of agreements with bondholders shall be deposited and maintained in a separate account within the revolving fund to the extent required by the agreements.

\* Sec. 3. Section 1 of this act takes effect July 1, 1984.

\* Sec. 4. Section 2 of this Act takes effect on the effective date of an amendment to AS 18.56.091 which has the effect of repealing the home ownership fund, contained in a bill entitled "An Act relating to certain state housing loan programs; and providing for an effective date."

# Alaska State Legislature

POUCH V  
JUNEAU, ALASKA 99811  
907/465-4821



REPRESENTATIVE RICK UEHLING  
CHAIRMAN  
REPRESENTATIVE WALT FURNACE  
REPRESENTATIVE NILO KOPONEN  
REPRESENTATIVE JERRY WARD  
REPRESENTATIVE RON WENDTE

## House Special Committee on State Loans

### MEMORANDUM

Date: March 15, 1984  
To: Members, House Special Committee on State Loans  
From: Rep. Rick Uehling *RU*  
Subject: HB664, HB666

I have requested staff to prepare the following analysis of HB664, and HB666.

HB664 is the second of four bills introduced by the Governor on behalf of the AHFC. Section 1 of HB664 appropriates the 1985 program receipts of AHFC back to the Alaska Housing Finance Revolving Fund. This transfer is necessary in order to avoid the appearance of any conflict with "dedicated funds" provision of the State Constitution. AHFC's FY85 Capital Budget Request of \$16,000,000 is based on the retention of program receipts.

Section 2 of HB664 transfers all assets of the Home Ownership Fund to the Alaska Housing Finance Revolving Fund. This section relates to Section 2 of HB663 in which the Housing Ownership Fund is eliminated from statute. AHFC has stated that this is necessary to provide legal certainty for their Mobile Home Program.

HB666 is the fourth of four bills introduced on behalf of the Governor. Section 1 would increase the FY84 authorization for AHFC to issue bonds by \$100,000,000. The Corporation is requesting this additional authorization in order to implement a bonding program for mobile homes in the current year.

BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

1413 663  
664  
665  
1266  
Letter of Transmittal  
& Fiscal notes

February 13, 1984

The Honorable Joe Hayes  
Alaska House of Representatives  
Pouch V  
Juneau, AK 99811

Dear Representative Hayes:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting four bills which relate to the Alaska Housing Finance Corporation (AS 18.56).

The first bill includes several substantive proposals. Section 1 enables the Board of Directors to delegate to the executive director the authority to sell an issue of bonds, if the Board establishes the maximum true interest cost for the issue. This proposal will enable the corporation to respond more rapidly to the capital markets. Section 2, in conjunction with the related appropriation provision in an accompanying bill, is intended to clarify the statutory basis for the home ownership assistance program and to repeal the current separate fund for the program. (AS 18.56.091) Section 3 precludes the corporation from purchasing a loan if the borrower has an outstanding housing loan under a state loan program. Section 3 also amends AS 18.56.096 to specify, in accordance with the present practice of the corporation, that the loan-to-value limitation does not apply to a qualified loan which is federally insured or guaranteed. Section 4 amends AS 18.56.098(g)(6) to provide that the interest rate on the first \$90,000 of a qualified mortgage loan will be the same for all borrowers, regardless of whether the loan is purchased with proceeds from a taxable or tax-exempt bond issue. Section 5 makes a technical modification to a financial provision, and sec. 6 authorizes the corporation to issue \$1.5 billion in bonds during FY 85.

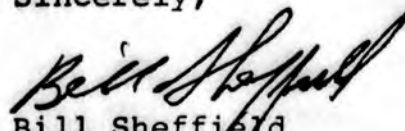
To remove any possible legal concerns, the second bill appropriates to the corporation unrestricted interest repayments as well as certain program receipts which may accrue to the corporation during the next fiscal year. In addition, sec. 2 of the bill transfers the assets of the home ownership fund (AS 18.56.091) to the Alaska Housing Finance revolving fund. (AS 18.56.082.) As proposed in the companion bill, the home ownership fund is abolished. The transfer of assets to the revolving fund, subject to bondholder agreements, will provide the requisite flexibility for the corporation to continue to implement the home ownership assistance program.

The third bill proposes the presentation to the voters of the question of whether to authorize the issuance of \$700,000,000 in state-guaranteed veterans' bonds. Since state-guaranteed veterans' bonds are tax-exempt, the corporation is able to provide benefits to veterans at a substantial savings to the state.

The fourth bill proposes a \$100,000,000 increase in the corporation's bond issuance authorization limit for this fiscal year (FY 84). When the current debt authority limit of \$980,000,000 was established, the purchase of mobile home loans was financed exclusively with state appropriations. The corporation has now designed a program under which the purchase of qualified mobile home loans may be financed through bond proceeds, and the proposed increase in the debt authorization level is necessary to implement this program.

These four bills present a balanced approach to the operations of the corporation. I therefore urge you to consider the legislation relating to the corporation as an integrated package. I add, also, that prompt legislative review and approval is important. In particular, please note that pending federal legislation may restrict, if not preclude, the issuance of tax-exempt veterans' bonds. Legislative approval before any Congressional action may thus allow the state to realize a substantial savings in providing benefits to qualified veterans.

Sincerely,

  
Bill Sheffield  
Governor

**STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date

**REQUEST**

Bill/Resolution No: HB 663  
 Title: Relating to Alaska Housing  
Finance Corporation  
 Sponsor: Governor  
 Requestor: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Revenue  
 Program Category Affected: \_\_\_\_\_  
 BRU, Program of Subprogram(s) Affected:  
Alaska Housing Finance Corporation

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

|                        | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 | FY 89 |
|------------------------|-------|-------|-------|-------|-------|-------|
| <b>OPERATING</b>       |       |       |       |       |       |       |
| 100 PERSONAL SERVICES  | -     | -     | -     | -     | -     | -     |
| 200 TRAVEL             | -     | -     | -     | -     | -     | -     |
| 300 CONTRACTUAL        | -     | -     | -     | -     | -     | -     |
| 400 SUPPLIES           | -     | -     | -     | -     | -     | -     |
| 500 EQUIPMENT          | -     | -     | -     | -     | -     | -     |
| 600 LANDS & STRUCTURES | -     | -     | -     | -     | -     | -     |
| 700 GRANTS, CLAIMS     | -     | -     | -     | -     | -     | -     |
| 800 MISCELLANEOUS      | -     | -     | -     | -     | -     | -     |
| <b>TOTAL OPERATING</b> | -0-   | -0-   | -0-   | -     | -     | -     |
| <b>CAPITAL</b>         | -     | -     | -     | -     | -     | -     |
| <b>REVENUE</b>         | -     | -     | -     | -     | -     | -     |

**FUNDING: (Thousands of Dollars)**

|               |     |     |     |   |   |   |
|---------------|-----|-----|-----|---|---|---|
| GENERAL FUND  | -   | -   | -   | - | - | - |
| FEDERAL FUNDS | -   | -   | -   | - | - | - |
| OTHER         | -   | -   | -   | - | - | - |
| <b>TOTAL</b>  | -0- | -0- | -0- | - | - | - |

**POSITIONS:**

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL-TIME | - | - | - | - | - | - |
| PART-TIME | - | - | - | - | - | - |
| TEMPORARY | - | - | - | - | - | - |

**SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:**

**ANALYSIS:** Attach a separate page for analysis.

Prepared By: Michael S. Lynch  
 Division: Alaska Housing Finance Corporation

Phone: 276-5599  
 Date: 2/7/84

Approved by Commissioner: [Signature]  
 Agency: D&R

Date: 2/7/84

Distribution (by Agency preparing fiscal note):

Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

025

Revision Date

REQUEST

Bill/Resolution No: **HB 664**  
Title: An Act making appropriations to AHFC.

Sponsor: Governor

Requestor:

Date of Request:

FISCAL DETAIL

Agency Affected: Revenue

Program Category Affected:

Alaska Housing Finance Corporation

DRU, Program of Subprogram(s) Affected:

EXPENDITURES/REVENUES: (Thousands of Dollars)

|                        | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 | FY 89 |
|------------------------|-------|-------|-------|-------|-------|-------|
| OPERATING              |       |       |       |       |       |       |
| 100 PERSONAL SERVICES  | -     | -     | -     | -     | -     | -     |
| 200 TRAVEL             | -     | -     | -     | -     | -     | -     |
| 300 CONTRACTUAL        | -     | -     | -     | -     | -     | -     |
| 400 SUPPLIES           | -     | -     | -     | -     | -     | -     |
| 500 EQUIPMENT          | -     | -     | -     | -     | -     | -     |
| 600 LANDS & STRUCTURES | -     | -     | -     | -     | -     | -     |
| 700 GRANTS, CLAIMS     | -     | -     | -     | -     | -     | -     |
| 800 MISCELLANEOUS      | -     | -     | -     | -     | -     | -     |
| TOTAL OPERATING        | -0-   | -0-   | -0-   | -0-   | -     | -     |
| CAPITAL                | -     | -     | -     | -     | -     | -     |
| REVENUE                | -     | -     | -     | -     | -     | -     |

FUNDING: (Thousands of Dollars)

|               |     |     |     |     |   |   |
|---------------|-----|-----|-----|-----|---|---|
| GENERAL FUND  | -   | -   | -   | -   | - | - |
| FEDERAL FUNDS | -   | -   | -   | -   | - | - |
| OTHER         | -   | -   | -   | -   | - | - |
| TOTAL         | -0- | -0- | -0- | -0- | - | - |

POSITIONS:

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL-TIME | - | - | - | - | - | - |
| PART-TIME | - | - | - | - | - | - |
| TEMPORARY | - | - | - | - | - | - |

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis.

Prepared By: Michael S. Lynch  
Division: Alaska Housing Finance Corporation

Phone: 276-5599

Date:

Approved by Commissioner: *R. H. D. H. H.*  
Agency: *DOR*

Date: 2/2/84

Distribution (by Agency preparing fiscal note):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

Page 232 HB 664

**Analysis for Governor's Bill on AHFC Appropriations:**

Section 1 of this bill responds to a question which has been raised by the Attorney General's Office concerning the possibility that retention of some revenues and receipts of the Corporation may be in conflict with the "dedicated funds" provisions of the State Constitution. The Attorney General's Office has not yet answered that question. The bill removes any doubt as to the proper retention of revenues and receipts of the Corporation.

Section 2 of this bill transfers all assets of the Home Ownership Fund to the Alaska Housing Finance revolving fund which was established by the Legislature in 1983 to alleviate some of the "dedicated funds" questions and to facilitate a continuity of programs of the Corporation.

STATE OF ALASKA-1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date \_\_\_\_\_

**REQUEST**

Bill/Resolution No: 666  
Title: Increasing Bond Authorization level.  
Sponsor: Governor  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Revenue  
Program Category Affected: \_\_\_\_\_  
BRU, Program of Subprogram(s) Affected:  
Alaska Housing Finance Corporation

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

|                        | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 | FY 89 |
|------------------------|-------|-------|-------|-------|-------|-------|
| <b>OPERATING</b>       |       |       |       |       |       |       |
| 100 PERSONAL SERVICES  | -     | -     | -     | -     | -     | -     |
| 200 TRAVEL             | -     | -     | -     | -     | -     | -     |
| 300 CONTRACTUAL        | -     | -     | -     | -     | -     | -     |
| 400 SUPPLIES           | -     | -     | -     | -     | -     | -     |
| 500 EQUIPMENT          | -     | -     | -     | -     | -     | -     |
| 600 LANDS & STRUCTURES | -     | -     | -     | -     | -     | -     |
| 700 GRANTS, CLAIMS     | -     | -     | -     | -     | -     | -     |
| 800 MISCELLANEOUS      | -     | -     | -     | -     | -     | -     |
| <b>TOTAL OPERATING</b> | -0-   | -0-   | -0-   | -     | -     | -     |
| <b>CAPITAL</b>         | -     | -     | -     | -     | -     | -     |
| <b>REVENUE</b>         | -     | -     | -     | -     | -     | -     |

**FUNDING: (Thousands of Dollars)**

|               |     |     |     |   |   |   |
|---------------|-----|-----|-----|---|---|---|
| GENERAL FUND  | -   | -   | -   | - | - | - |
| FEDERAL FUNDS | -   | -   | -   | - | - | - |
| OTHER         | -   | -   | -   | - | - | - |
| <b>TOTAL</b>  | -0- | -0- | -0- | - | - | - |

**POSITIONS:**

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL-TIME | - | - | - | - | - | - |
| PART-TIME | - | - | - | - | - | - |
| TEMPORARY | - | - | - | - | - | - |

**SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:**

**ANALYSIS:** Attach a separate page for analysis.

Prepared By: Michael S. Lynch  
Division: Alaska Housing Finance Corporation

Phone: 276-5599  
Date: 2/7/84

Approved by Commissioner: [Signature]  
Agency: DOR

Date: 2/7/84

Distribution (by Agency preparing fiscal note):

Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

# COMMITTEE REPORT

## HOUSE

(6)

FURTHER: FINANCE

2/13/84

Date:

3/20/84

HOUSE SPECIAL COMMITTEE  
ON STATE LOANS

The Committee on \_\_\_\_\_ has had HB 664

"An Act making appropriations to the Alaska Housing Finance Corporation; and providing for an effective date."

under consideration and recommends:

- ☒ do pass ☐ do not pass
- ☐ do pass with attached amendments(s)
- ☐ replace with CS for \_\_\_\_\_ ☐ same title  
☐ new title
- and recommends \_\_\_\_\_
- ☐ AND attaches a "Letter of Intent" ☐ New Fiscal Note
- ☐ reports it back without recommendation ☒ Zero Fiscal Note Attached
- ☐ referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

*Paul Vahl*  
\_\_\_\_\_  
*Sam F. Steingard*  
\_\_\_\_\_  
*John Korman*  
\_\_\_\_\_  
*Walt F. Abner*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Paul Vahl*  
\_\_\_\_\_  
CHAIRMAN

Introduced: 2/13/84  
Referred: House Special Committee  
on State Loans and Finance

IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

HOUSE BILL NO. 664

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act making appropriations to the Alaska Housing Finance Corporation; and providing for an effective date."

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

\* Section 1. All unrestricted mortgage loan interest payments and all other receipts, including, without limitation, mortgage loan commitment fees, received by or accrued to the Alaska Housing Finance Corporation during the period of July 1, 1984 through June 30, 1985, and all income earned on assets of the corporation during that period, are appropriated to the Alaska Housing Finance revolving fund (AS 18.56.082) for the purposes described in AS 18.56.

\* Sec. 2. All assets of the home ownership fund (AS 18.56.091), including all outstanding loans on mobile homes purchased with assets of the fund, are transferred to the Alaska Housing Finance revolving fund (AS 18.56.082) for the purposes described in AS 18.56. Amounts in the home ownership fund which are the subject of agreements with bondholders shall be deposited and maintained in a separate account within the revolving fund to the extent required by the agreements.

\* Sec. 3. Section 1 of this act takes effect July 1, 1984.

\* Sec. 4. Section 2 of this Act takes effect on the effective date of an amendment to AS 18.56.091 which has the effect of repealing the home ownership fund, contained in a bill entitled "An Act relating to the Alaska Housing Finance Corporation; and providing for an effective date."

ALASKA HOUSING FINANCE CORPORATION  
HB 664

Section 1 of this bill responds to a question which has been raised by the Attorney General's Office concerning the possibility that retention of some revenues and receipts of the Corporation may be in conflict with the "dedicated funds" provisions of the State Constitution. The bill removes any doubt as to the proper retention of revenues and receipts of the Corporation. The FY '85 Capitol Budget request of the Corporation of \$16 million is based on retention of these funds.

Section 2 of this bill transfers all assets of the Home Ownership Fund to the Alaska Housing Finance revolving fund which was established by the Legislature in 1983 to alleviate some of the "dedicated funds" questions and to provide legal certainty for the Corporation's mobile home program.