

HOUSE
COMMITTEE REPORT

(11)

Date referred: 4/30/86

FURTHER REFERRALS:

DATE: 5-10-86

The FINANCE Committee has considered CSSB 333 (Fin)
"An Act relating to the Alaska State Building Authority."

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with HCS CSSB 333 (LOANS) same title
- new title

and recommends do pass

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note 2/24

SIGNING DO PASS:

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

SIGNING / OTHER RECOMMENDATIONS:

[Signature]

[Signature]

Chairman

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST HCS CSSB 333 (LOANS) FISCAL DETAIL

Bill/Resolution No. CSSB 333 (Fin) Agency Affected: Commerce and Economic Dev.
 Title: An Act changing the name BRU: ASHA
of ASHA

Sponsor: Kerttula Components: _____
 Requester: _____
 Date of Request: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

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

POSITIONS:

FULLTIME	-0-	-0-	-0-	-0-	-0-	-0-
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Prepared by: Barbara Morse-Quinn
 Division: Alaska State Housing Authority
 Approved by Commissioner: *William H. Lombardy*
 Agency: Commerce and Economic Development

Phone: 562-2813
 Date: February 24, 1986
 Date: February 24, 1986

Distribution (by Agency preparing fiscal note):

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

Offered: 4/30/86
Referred: Finance

Original sponsor: Kerttula

1 IN THE SENATE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 333 (Loans)
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 Alaska State Building Author-
7 ity."
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10 (a) There is created in the Department of Commerce and Economic
11 Development the Alaska State Building [HOUSING] Authority consisting
12 of the commissioner of commerce and economic development or the com-
13 missioner's [HIS] designee and four residents of the state.
14 * Sec. 2. AS 18.55.100 is amended by adding a new subsection to read:
15 (d) Notwithstanding (a)(7) and (15) of this section, a proposed
16 public building project shall be submitted by the authority to the
17 legislature for review. The authority may proceed with the public
18 building project only if it is approved by law. An appropriation does
19 not constitute approval by law for purposes of this subsection.
20 * Sec. 3. To be consistent with the change made by sec. 1 of this Act,
21 wherever in the Alaska Statutes and in regulations adopted under those
22 statutes "Alaska State Housing Authority" is used, it shall be read as
23 referring to the Alaska State Building Authority. Under AS 01.05.031 the
24 revisor of statutes shall implement this section in the statutes, and,
25 under AS 44.62.125(b)(6), the regulations attorney shall implement this
26 section in the administrative regulations.

SYNOPSIS OF SB-333

SB-333 would change the name of the Alaska State Housing Authority to the Alaska State Building Authority. This was one of the recommendaitons that the Governor's Task Force on State Office Complex Financing made in their October, 1985, report to the Governor (page four of the Task Force letter).

ASHA has said that it is supportive of the name change.

There is a zero fiscal note on SB-333.

SB-333 is a measure to more correctly identify what ASHA can do and, at no cost to the state, give it a stronger image with the national bond-rating agencies.

Under the amended version of SB-333, the Building Authority would be required to get a ~~concurrent resolution~~ before financing a public project.

House CS made this
a requirement to
get a Law Passed



Alaska State Legislature

Senate

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

DATE: May 1, 1986

TO: Representative Al Adams, Chair House Finance Committee

FROM: Senator Jay Kerttula

Re: SB-333

Dear Representative Adams:

The House Special Committee on Loans passed HCSCSSB-333 out of committee and into House Finance on Tuesday, April 29, 1986.

I would appreciate your scheduling this bill for a hearing as soon as possible.

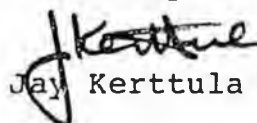
HCSCSSB-333 would change ASHA's name to the Alaska Building Authority. ASHA has the power to finance public buildings and did so until 1974. The new name would more correctly identify the program. The name change was one of the recommendations that the Governor's Task Force on State Office Complex Financing made in their October, 1985, report, along with recommending that "ASHA" be utilized for public building.

Testimony during Task Force meetings noted that the name change could also give "ASHA" a stronger image with the national bond market.

I have included a back-up packet with this request. If you need any further information please call me, or Beth Kerttula in my office.

Thank you for your consideration of this bill.

Sincerely,


Jay Kerttula

encl.
JK/bk

ASIA

Juneau, Alaska 99811

ALASKA'S PUBLIC CORPORATIONS
A FRAMEWORK FOR ASSESSMENT

A REPORT TO
THE LEGISLATIVE BUDGET AND AUDIT COMMITTEE
ALASKA STATE LEGISLATURE

January 1982

INSTITUTE OF PUBLIC ADMINISTRATION

55 WEST 44 STREET
NEW YORK, N.Y. 10036

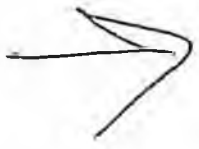
1717 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20036

*Put into
Back up
on Sam's*

and Economic Development and 4 additional members appointed by the Governor for 3-year terms. It is, however, the Department of Community and Regional Affairs whose activities are now most closely related to those of the Housing Authority.

Involvement in housing programs in Alaska includes, together with the Housing Authority and Department of Community and Regional Affairs, the Alaska Housing Finance Corporation and the 13 regional housing authorities. An assessment of housing policy, performance and the distribution of benefits in Alaska would be difficult without some framework for reporting on or considering the achievements of all these agencies together.

The Reagan Administration is developing proposals to phase out existing housing rent subsidies and perhaps replace them with a housing block grant to the states. Operating assistance for public housing may also be cut back. If housing block grants are adopted, state government will become responsible for developing priorities and allocating funds among various housing programs. Coordination and state policy guidance may therefore become more important in the future of the Alaska State Housing Authority, and may require clarification and redefinition of its mission. With reduced reliance on federally controlled subsidies, the Authority's relationship to state housing policy, to the state budget, and to state oversight mechanisms should be strengthened.



The Alaska Housing Finance Corporation

The Housing Finance Corporation (AHFC) operates a subsidized

REPORT TO THE GOVERNOR

STATE OF ALASKA

STATE OFFICE COMPLEX FINANCING

TASK FORCE



on, the Task Force adopted the principle that its recommendation should have the least effect on the State's general obligation rating. Finally, the State has utilized lease-revenue bonds in the past to finance State office complexes. Thus, administratively, the use of lease-revenue bonds is simple, straight-forward and has an acceptable track record, as demonstrated by the previous debt sold by the Alaska State Housing Authority.

The major features of our recommendation are as follows. First, the State would sell lease-revenue bonds for the purposes identified above through an existing State authority. Second, the debt sold by the authority to finance the obligations would be secured by periodic lease payments made by the State to the authority. If the Alaska State Housing Authority (ASHA) were selected for the financing of State office buildings, we would propose that ASHA be identified as the Alaska State Building Authority; the Task Force received testimony and concluded that there should be interest rate benefits with this slight modification because of the greater acceptance in the credit markets of State office building bonds than of housing securities. While we at present envision that lease-revenue securities would be the most cost-effective form of financing of buildings to meet our criteria, we recommend that the issuing authority also have the ability to sell certificates of participation. Finally, we propose that the

page 4 of task force's transmittal
letter for Report to GOV.

DEPT. OF ADMINISTRATION

§ 37.05.250

ALASKA STATUTES

§ 37.05.290

Title 35
Public Buildings, Works,

Title 36
Public Contracts

Title 37
Public Finance

Sec. 37.05.250. Delegation of duties. The department may delegate the duties imposed by this chapter to an employee of the state normally stationed in a town or location distant from the state capital. Agents so designated shall perform the duties as the department requires and in accordance with regulations established by the department. (§ 5 art IV ch 82 SLA 1955)

Sec. 37.05.260. Preference for Alaska products. This chapter does not modify, amend, or alter AS 36.15.010 and 36.15.020 regarding preference for Alaska forest products, or AS 36.20.010 regarding preference to producers or dealers in Alaska except as provided in AS 37.05.230(1). (§ 6 art IV ch 82 SLA 1955)

Sec. 37.05.270. Purchases through General Services Administration. This chapter does not prevent the department from purchasing through the General Services Administration as provided by law. (§ 7 art IV ch 82 SLA 1955; added by § 11 ch 186 SLA 1957)

Sec. 37.05.280. Leases. DEPT. OF ADMIN. The department shall lease necessary space, and contract for the lease of space for the use of the state or an agency of the state, wherever it is necessary and feasible, subject to compliance with the requirements of AS 37.05.220 — 37.05.280. No lease or contract for a lease may provide for a period of occupancy greater than 40 years. An agency of the state requiring office, warehouse or other space shall lease the space through the department. No contract or lease executed after January 1, 1966, which provides for a payment or payments by the state in excess of \$12,000 annually is valid unless the use of the space to be provided for by such contract or lease has been expressly approved by the legislature by concurrent resolution. (§ 8 art IV ch 82 SLA 1955; added by § 1 ch 81 SLA 1959, am § 1 ch 94 SLA 1961; am § 16 ch 99 SLA 1965)

Article 4. General Provisions.

Section	Section
290. Purpose	318. Further regulations prohibited
300. Interpretation of chapter	325. Definitions for AS 37.05.315 — 37.05.317
305. Applicability to University of Alaska	400. Definitions for chapter
310. Fiscal year	410. Short title
315. Grants to municipalities	
316. Grants to named recipients	
317. Grants to unincorporated communities	

Sec. 37.05.290. Purpose. The purpose of this chapter is to provide uniform financial procedures for all state agencies with respect to accounting, purchasing, post auditing, and related financial procedures; and to revise financial procedures to obtain economy, efficiency, and integrity in handling public money. (§ 2 art I ch 82 SLA 1955; am § 2 ch 188 SLA 1970)

COMMITTEE REPORT

SENATE

Finance

FURTHER:

1/13/86

Date 5 MARCH 86

Mr. President

The Committee on Labor & Commerce considered SB 333 changing the name of the Alaska State Housing Authority.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
do pass with attached amendment(s)
replace with/or adopt CS for
new title
same title and recommends
and attached a "LETTER OF INTENT"
reports it back without recommendation
recommends referral to Committee

MEMBERS SIGNING

DO PASS

Handwritten signatures of committee members who support the bill.

MEMBERS HAVING

OTHER RECOMMENDATIONS

Blank lines for members with other recommendations.

Handwritten signature of the Chairman.

Chairman

Do Pass

Chairman recommendation

Offered: 4/30/86
Referred: Finance

Original sponsor: Kerttula

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24 revisor of statutes shall implement this section in the statutes, and,
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Offered: 3/25/86
Referred: Rules

Original sponsor: Kerttula

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Introduced: 1/13/86
Referred: Labor and Commerce
and Finance

1 IN THE SENATE

BY KERTTULA

2 SENATE BILL NO. 333

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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