

Leg. Finance - House & Senate Finance Comte Files (1973-74) 8879

SB 225 cont. , 226, 228, 232, 235, 289 289

ALASKA STATE LEGISLATURE

EIGHTH Legislature FIRST Session

SENATE BILL NO. 225
 By GROH AND THOMAS

"An Act relating to assistance and care for the aged, blind, and disabled; and providing for an effective date."

Assistance for aged, blind & disabled

Introduced in the Senate 3/22, 19 73

HISTORY IN THE SENATE

19 73

3 22

Read first time and referred to Committee on

Health, Education and Social Services and Finance

Reported back with recommendation that

3/23 HESS et pass in Finance

Read second time and

Read third time and

PASS : Yeas
 : Nays
 : Absent
 : Excused

Effective Date

PASS : Yeas
 : Nays
 : Absent
 : Excused

Reported correctly engrossed
 Signed by President
 Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
 : Nays
 : Absent
 : Excused

Effective Date

PASS : Yeas
 : Nays
 : Absent
 : Excused

Reported correctly engrossed
 Signed by Speaker
 Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Lt. Governor

Chapter No.

Introduced: 3/22/73
Referred: Health, Education
and Social Services and
Finance

1 IN THE SENATE

BY GROH AND THOMAS

2 SENATE BILL NO. 225

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to assistance and care for the aged,
7 blind, and disabled; and providing for an effective
8 date."

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

10 * Section 1. It is the purpose of this Act to authorize the Department
11 of Health and Social Services, on an interim basis, to maintain current
12 standards of assistance to adult public assistance recipients and to comple-
13 ment Title XVI of the Social Security Act as amended by P.L. 92-603.

14 * Sec. 2. The Department of Health and Social Services may provide for
15 state administration of supplemental financial assistance to recipients of
16 supplemental security income for the aged, blind, and disabled under Title XVI
17 of the Social Security Act, as amended by P.L. 92-603, or to those appli-
18 cants for supplemental security income who would be eligible but for their
19 income.

20 * Sec. 3. The Department of Health and Social Services may contract with
21 agencies, departments and officials of the federal government to provide
22 for federal administration of supplemental financial assistance to recipi-
23 ents of supplemental security income for the aged, blind, and disabled under
24 Title XVI of the Social Security Act, as amended by P.L. 92-603, or to those
25 applicants who would be eligible but for their income.

26 * Sec. 4. The Department of Health and Social Services may continue the
27 program of assistance under AS 47.25.430 - 47.25.970 for those who are
28 eligible or become eligible under the standards established under those
29 sections but who are not eligible for supplemental security income for the

1 aged, blind, and disabled under Title XVI of the Social Security Act, as
2 amended by P.L. 92-603, after December 31, 1973. In exercising its authority
3 under this section the department may use 100 per cent state funds in the
4 event federal funds are not available.

5 * Sec. 5. The Department of Health and Social Services may contract with
6 agencies, departments and officials of the federal government to provide for
7 federal administration of medicaid eligibility of recipients of supplemental
8 security income for the aged, blind, and disabled.

9 * Sec. 6. The Department of Health and Social Services shall establish
10 eligibility and budget standards for recipients of adult public assistance
11 after December 31, 1973, which will provide a person with the same total
12 of state and federal adult public assistance that he would have received if
13 the standards in effect on December 31, 1972 were applicable.

14 * Sec. 7. The Department of Health and Social Services shall report to
15 the Second Session of the Eighth Legislature not later than March 15, 1974,
16 on the adult public assistance program of Alaska and the federal government,
17 recommend any legislative changes appropriate, and provide a fiscal analysis
18 of the alternatives to the state under the existing law and under proposed
19 changes in the law.

20 * Sec. 8. This Act takes effect on the day after its passage and approval
21 or on the day it becomes law without approval.

FISCAL NOTE
First Session - Eighth Legislature

I. REQUEST

Bill Identification: Senate Bill 225
 Title: Assistance and Care for the Aged, Blind and Disabled
 Requested by: House Finance Committee Date: March 22, 1973
 Return Date Requested: ASAP
 Agency: Health & Social Services Program: HR-1 (P.L.92-603)

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES	18,000	290,500				
200 TRAVEL	1,000	49,000				
300 CONTRACTUAL	3,000	24,000				
400 COMMODITIES	500	6,500				
500 EQUIPMENT	500	2,500				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	23,000	372,500	**	**	**	**

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	-0-				
FEDERAL FUNDS	23,000	372,500				
OTHER	-0-	-0-				

C. POSITIONS:

PERMANENT/TEMPORARY	0 / 3	/ 45	/	/	/	/
MAN MONTHS (P./T.)	0 / 9	0 / 305	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- * The cost of conversion is 100% Federal money. It is anticipated that for the last quarter of FY73 expenditures will be for start up and planning costs for the project director, EDP programmer and clerical support. The major part of the expenditures will occur after 7/1/73. (See continuation sheet.)

IV. ATTACHMENTS

** See attached.

V. DATE: March 22, 1973

PREPARED BY: _____

[Signature]
Director of Family & Children Svcs.

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

(CONTINUATION SHEET)

After 7/1/73 we expect that we will have to place one temporary eligibility worker in each of 17 small offices. We anticipate that converting records will require two (2) eligibility workers in Ketchikan, Kenai, Juneau, Nome, Kotzebue and Bethel; four (4) eligibility workers in Fairbanks; and six (6) in Anchorage. It will require a supervisor in both Anchorage and Fairbanks and approximately six (6) temporary clerks in various locations. Because of Federal requirements it may be necessary to travel extensively to get the necessary client information to complete the conversion. All related costs such as space, equipment, communications and other identifiable items will be 100% Federal.

All of the positions but three (3) will expire the end of December 1973, as the conversion will be complete by that time. The project director, EDP programmer, and one clerk will continue for another three (3) months to complete the coordination with Social Security Administration.

SPH:csd

Analysis of Proposed Legislation for the
DEPARTMENT OF HEALTH AND SOCIAL SERVICES
Regarding Federalization of Adult Payment Program

Section 1. Federal changes in Title XVI of the Social Security Act made by P.L. 92-603 (better known as HR-1) will mandate federal administration of federal funds for money payments for the aged, blind, and disabled. Implementing federal regulations have not been promulgated to date.

This federalization of adult public assistance programs is effective January 1, 1974. Under the federal law the state may provide a supplement to the basic federal payment, and under certain circumstances the Federal Government will administer the supplement for the state, if the state so chooses.

The maximum monthly grant payment the Federal Government will make to an eligible individual is \$130. In order for the individual to continue to receive assistance at the level in effect on December 31, 1973 it will be necessary for the payment to be supplemented by the state.

Under the federal law persons who are eligible for and receiving assistance on December 31, 1973 will be determined eligible for the federal program on January 1, 1974 in accordance with the state eligibility standards in effect on December 31, 1973. In other words, the present caseload will be "grandfathered" in.

After January 1, 1974, a new applicant will be required to meet new federal eligibility standards. Broadly stated, the new federal eligibility standards will greatly restrict the value of resources (such as homestead) that an applicant is allowed. Also, the standards will severely restrict the definition of the disabled and limit the persons who will be able to meet the disability standard.

At the present time the Federal Government has not established the rules and regulations for implementing the new system of adult assistance created by HR-1. Part of this rule making will include the establishment by the Federal Government of "adjusted payment levels" for each state. These "adjusted payment levels" will play a large role in determining whether it is in the state's best interest to utilize federal administration of a supplemental payment to adult recipients.

The purpose section of the proposed state legislation is intended to establish as state policy the principle of maintenance of current standards on an interim basis pending action by the legislature on proposals to be submitted not later than March 15, 1974. This temporary act is designed to cover the period January 1, 1974 to the date new legislation may be enacted and effective.

Section 2. This section gives the Department the authority and the option to

provide during the interim for state administration of the supplemental payment to recipients and applicants, if it is determined to be in the best interest of the state and the aged, blind and disabled Alaskans.

Section 3. The purpose of this section is to allow the department to enter into a contract with the Social Security Administration to administer the Title XVI program, including state supplemental funds, if it is determined to be in the best interest of the state to do so.

This section would provide also the authority to channel state money payments to the Social Security Administration, if necessary to protect the state and aged, blind and disabled applicants and recipients.

Section 4. The purpose of this section is to provide assistance for those persons who will be excluded because of the stricter definition of resources and disability. It is the intention of the state to maintain benefits at least for the present to those persons at the present level of eligibility and payment standards.

Section 5. The purpose of this section is to give the department interim authority to exercise the option of HR-1 which allows a state to contract with the Social Security Administration for determination of individual eligibility for Medicaid. Under such an arrangement the state would pay the Social Security Administration one-half of the cost of determining eligibility for Title XIX (Medicaid). This would be accomplished only if it can be clearly shown to be in the best interest of the state and recipients and applicants of Title XVI benefits.

Section 6. The purpose of this section is to insure that aged, blind and disabled applicants will not have their grants reduced below the December 1972 level because of HR-1. In other words the total money available to a recipient will be based on the department's assistance and eligibility standards in effect on December 31, 1972. This date (December 31, 1972) is chosen to avoid potential confusion created by Alaska's longevity bonus.

Section 7. The purpose of this section is to establish a point at which the department will present the legislature with the information it has been able to obtain during the interim and during the first two months of operation of the federal program. It also provides the mechanism by which the legislature can insure the opportunity for complete review of the options available to the state and the fiscal and statutory implications associated with each option.

Section 8. This section provides the maximum amount of time to the department to take actions necessary to implement this act. This is essential as conversion to the new adult public assistance system will be a massive undertaking.

FISCAL DATA

START-UP COSTS

The Social Security Administration has given the State verbal and written assurances that all costs associated with the conversion to the Federalized program of assistance to the aged, blind and disabled will be borne by the Federal Government. This assurance includes Federal funding for staff, space, travel, commodities, data processing time and other identifiable related expenses.

GRANT COSTS

For the first six months of FY 1974 the State will be operating on the current system with no contemplated changes in program or payment levels. Therefore, it is expected that approximately one half of the total recommended Governor's allowance will be spent by December 31, 1973. If \$7,020,200 is appropriated, a balance of \$3,510,100 should remain on December 31, 1973, which is a combination of one half Federal/State funds. However, the current aged, blind and disabled programs will cease to exist on January 1, 1974 so that the 50% Federal money will not be available, therefore, the balance in the Adult Public Assistance account will consist only of the remaining State General Fund of \$1,755,000 for the balance of the fiscal year.

There are many Federal and State decisions to be made in order to determine the cost or savings to the Department associated with HR-1. It is anticipated that the \$1,755,000 remaining in the account will carry the State at least through the 3rd quarter of FY 1974 regardless of the requirements in the final Federal rules, regulations and guidelines. By that time the Legislature will be back in session and the full fiscal impact of HR-1 legislation should be known and can be presented to the Legislature.

There will be approximately \$100,000 State General Funds needed to cover persons who are eligible under Alaska law but ineligible under the more limiting Federal eligibility standards in HR-1. However, we feel that the \$100,000 can be absorbed from the remaining State General Funds account as of January 1, 1974.

COMMITTEE REPORT

3/23/73

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had SB 225
assistance and care for the aged, blind and disabled
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 _____ AND THAT
CS FOR _____ DO PASS
- () "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- () reports it back WITHOUT RECOMMENDATION
- () "other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:

_____ Chairman

3/22/73

COMMITTEE REPORT

Ref: Finance

SENATE

Mr. President:

Date 3/23/73

The Committee on H.E.S.S. has had SB 225 assistance and care for the aged, blind and disabled 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 _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Charles D. [Signature] _____

John [Signature] _____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

L. Thomas, Jr. Chairman



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

4/26/89
Date

Introduced: 3/22/73
Referred: State Affairs
and Finance

1 IN THE SENATE

BY K. MILLER

2 SENATE BILL NO. 226

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the state employee aid fund; and
7 providing for an effective date."

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

9 * Section 1. AS 39.20 is amended by adding new sections to read:

10 ARTICLE 5. STATE EMPLOYEE AID FUND.

11 Sec. 39.20.450. DECLARATION OF PURPOSE. The purpose of the state
12 employee aid fund is to financially assist fellow state employees who
13 are unable to continue gainful employment with the state due to injury
14 or illness and who cannot continue to meet necessary household expen-
15 ditures for a prolonged period of time.

16 Sec. 39.20.460. FUND CREATED. There is created an employee aid
17 fund as a special account within the state general fund. The fund
18 shall be used to provide financial assistance to persons selected under
19 the provisions of secs. 450 - 530 of this chapter.

20 Sec. 39.20.470. LIMITS ON AID. A grant or loan to a recipient
21 may not exceed \$1,500 in any fiscal year.

22 Sec. 39.20.480. CONDITIONS OF GRANTS OR LOANS. (a) A grant or
23 loan may only be given to a person who holds, or held immediately before
24 the illness or disability, a permanent or probationary status under
25 employment with the state.

26 (b) A recipient's financial status must be such that benefits
27 received from all sources are not adequate to provide minimal household
28 maintenance for himself and dependents.

29 Sec. 39.20.490. REPAYMENT. (a) The administering authority

1 under sec. 520 of this chapter will decide, based upon a recipient's
2 financial capability, if a loan will have to be repaid and provide a
3 plan of repayment consistent with the ability of the employee to meet
4 the obligation.

5 (b) In the case of the death of the recipient before repaying a
6 loan, the full amount of the loan shall be forgiven.

7 (c) If a loan is in default, the administering authority may
8 notify the recipient that repayment of the balance is accelerated or
9 due upon notice by sending the recipient notice by registered or
10 certified mail.

11 (d) Loans are interest free and do not require security but
12 provision shall be made for the payment of attorney fees and court
13 costs if either or both are incurred in the collection of the unpaid
14 balance on a loan.

15 Sec. 39.20.500. SELECTION CRITERIA. In selecting a recipient
16 from among eligible applicants the administering authority shall take
17 into consideration the following:

- 18 (1) applicant's earning power;
- 19 (2) applicant's current financial obligations;
- 20 (3) applicant's income from all sources;
- 21 (4) applicant's minimal household expenses;
- 22 (5) applicant's other personal resources; and
- 23 (6) other pertinent items as determined by the administering
24 authority to determine eligibility to receive a loan or grant.

25 Sec. 39.20.510. DISCRIMINATION PROHIBITED. Race, creed, sex,
26 color, national origin or membership in fraternal or political organi-
27 zations may not be considered in determining an applicant's eligibility
28 for a loan or grant or in any other determinations made by the admin-
29 istering authority under secs. 450 - 530 of this chapter.

1 Sec. 39.20.520. ADMINISTERING AUTHORITY. (a) The provisions of
2 secs. 450 - 530 of this chapter shall be administered by an uncompen-
3 sated board consisting of three state employees appointed by the
4 director of personnel. Terms of office are for three years and one
5 member shall be selected from each of the three major geographical
6 regions of the state.

7 (b) The commissioner of administration may adopt regulations
8 necessary to carry out the intent and purposes of secs. 450 - 530 of
9 this chapter.

10 Sec. 39.20.530. FUNDING. (a) The state employee aid fund
11 provided for under secs. 450 - 530 of this chapter shall be funded
12 solely by voluntary contributions by state employees who may contribute
13 not more than one day of annual leave a year to the fund.

14 (b) The Department of Administration shall pay to the account of
15 the state employee aid fund an amount equal to the actual value of the
16 total number of days of annual leave contributed under (a) of this
17 section.

18 * Sec. 2. This Act takes effect on the day after its passage and approval
19 or on the day it becomes law without approval.
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ALASKA STATE LEGISLATURE

EIGHTH Legislature FIRST Session

SENATE BILL..... NO. 226..

By BY K. MILLER.....

"An Act creating the state employee aid fund: and providing for an effective date."

state employee aid fund

Introduced in the Senate 3/22, 19 73

HISTORY IN THE SENATE

19 73

Read first time and referred to Committee on State Affairs and Finance

3 22

Reported back with recommendation that *S.A. increase To Finance*

4 18

Read second time and

Read third time and

PASS : Yeas
: Nays
: Absent
Excused

Effective Date

PASS : Yeas
: Nays
: Absent
Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
: Nays
: Absent
Excused

Effective Date

PASS : Yeas
: Nays
: Absent
Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Lt. Governor

Chapter No.

Introduced: 3/22/73
Referred: State Affairs
and Finance

1 IN THE SENATE

BY K. MILLER

2 SENATE BILL NO. 226

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the state employee aid fund; and
7 providing for an effective date."

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

9 * Section 1. AS 39.20 is amended by adding new sections to read:

10 ARTICLE 5. STATE EMPLOYEE AID FUND.

11 Sec. 39.20.450. DECLARATION OF PURPOSE. The purpose of the state
12 employee aid fund is to financially assist fellow state employees who
13 are unable to continue gainful employment with the state due to injury
14 or illness and who cannot continue to meet necessary household expen-
15 ditures for a prolonged period of time.

16 Sec. 39.20.460. FUND CREATED. There is created an employee aid
17 fund as a special account within the state general fund. The fund
18 shall be used to provide financial assistance to persons selected under
19 the provisions of secs. 450 - 530 of this chapter.

20 Sec. 39.20.470. LIMITS ON AID. A grant or loan to a recipient
21 may not exceed \$1,500 in any fiscal year.

22 Sec. 39.20.480. CONDITIONS OF GRANTS OR LOANS. (a) A grant or
23 loan may only be given to a person who holds, or held immediately before
24 the illness or disability, a permanent or probationary status under
25 employment with the state.

26 (b) A recipient's financial status must be such that benefits
27 received from all sources are not adequate to provide minimal household
28 maintenance for himself and dependents.

29 Sec. 39.20.490. REPAYMENT. (a) The administering authority

1 under sec. 520 of this chapter will decide, based upon a recipient's
2 financial capability, if a loan will have to be repaid and provide a
3 plan of repayment consistent with the ability of the employee to meet
4 the obligation.

5 (b) In the case of the death of the recipient before repaying a
6 loan, the full amount of the loan shall be forgiven.

7 (c) If a loan is in default, the administering authority may
8 notify the recipient that repayment of the balance is accelerated or
9 due upon notice by sending the recipient notice by registered or
10 certified mail.

11 (d) Loans are interest free and do not require security but
12 provision shall be made for the payment of attorney fees and court
13 costs if either or both are incurred in the collection of the unpaid
14 balance on a loan.

15 Sec. 39.20.500. SELECTION CRITERIA. In selecting a recipient
16 from among eligible applicants the administering authority shall take
17 into consideration the following:

- 18 (1) applicant's earning power;
- 19 (2) applicant's current financial obligations;
- 20 (3) applicant's income from all sources;
- 21 (4) applicant's minimal household expenses;
- 22 (5) applicant's other personal resources; and
- 23 (6) other pertinent items as determined by the administering
24 authority to determine eligibility to receive a loan or grant.

25 Sec. 39.20.510. DISCRIMINATION PROHIBITED. Race, creed, sex,
26 color, national origin or membership in fraternal or political organi-
27 zations may not be considered in determining an applicant's eligibility
28 for a loan or grant or in any other determinations made by the admin-
29 istering authority under secs. 450 - 530 of this chapter.

1 Sec. 39.20.520. ADMINISTERING AUTHORITY. (a) The provisions of
2 secs. 450 - 530 of this chapter shall be administered by an uncompen-
3 sated board consisting of three state employees appointed by the
4 director of personnel. Terms of office are for three years and one
5 member shall be selected from each of the three major geographical
6 regions of the state.

7 (b) The commissioner of administration may adopt regulations
8 necessary to carry out the intent and purposes of secs. 450 - 530 of
9 this chapter.

10 Sec. 39.20.530. FUNDING. (a) The state employee aid fund
11 provided for under secs. 450 - 530 of this chapter shall be funded
12 solely by voluntary contributions by state employees who may contribute
13 not more than one day of annual leave a year to the fund.

14 (b) The Department of Administration shall pay to the account of
15 the state employee aid fund an amount equal to the actual value of the
16 total number of days of annual leave contributed under (a) of this
17 section.

18 * Sec. 2. This Act takes effect on the day after its passage and approval
19 or on the day it becomes law without approval.

COMMITTEE REPORT

4/18/74

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had SB 226
creating the state employee aid fund
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 _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:

_____ Chairman

COMMITTEE REPORT

3/22/73

SENATE

Mr. President:

Date April 18, 1974

The Committee on STATE AFFAIRS has had SB 226
creating the state employee aid fund
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 _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

<u><i>A. Kentub</i></u>	_____	_____
<u><i>R. J. Kelly</i></u>	<u><i>No Rec</i></u>	_____
<u><i>Keith H. Miller</i></u>	<u><i>To Pass</i></u>	_____
_____	_____	_____

Members NOT concurring in the Majority report:

- _____ recommends:
- _____ recommends:
- _____ recommends:
- _____ recommends:
- _____ recommends:

Keith H. Miller Chairman



RECORDS



CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

4/26/89
Date

Introduced: 3/26/73
Referred: Finance

1 IN THE SENATE

BY ZIEGLER

2 SENATE BILL NO. 228

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Public Works; and providing for an effective
8 date."

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

10 * Section 1. The sum of \$30,000 is appropriated from the general fund to
11 the Department of Public Works for the purpose of preparing a preliminary
12 engineering study for the Ketchikan superfloat waterfront improvement project.

13 * Sec. 2. The unexpended and unobligated portion of this appropriation
14 lapses into the general fund June 30, 1974.

15 * Sec. 3. This Act takes effect July 1, 1973.
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The Legislature of the State of Alaska
FISCAL NOTE
First Session - Eighth Legislature

I. REQUEST

Bill Identification: SB 228
 Title: An Act making Special Appropriation to the Department of Public Works.
 Requested by: Legislative Finance Date: March 28, 1973
 Return Date Requested: Expedite
 Agency: Department of Public Works Program: Development

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Water and Harbors Facilities

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		30,000				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		30,000				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		30,000				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The subject funds would be used for the purpose of conducting an engineering study on the feasibility of constructing certain waterfront and port related improvements at Ketchikan. The study would include long range planning, engineering feasibility, cost, possible sources of funding, and would make recommendations for evaluation by both the State and the City of Ketchikan. It is anticipated that the department would contract with a private engineering firm for these services and as a result the impact of this project on the existing Water and Harbors program would be negligible.

IV. ATTACHMENTS

V. DATE: March 28, 1973

PREPARED BY:


Don Statter, Director

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

COMMITTEE REPORT

3/26/73

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had SB 228 approp. Dept. Public Works study Ketchikan superfloater waterfront improvement project 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 _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:

_____ Chairman

Introduced: 3/26/73
Referred: Finance

1 IN THE SENATE

BY ZIEGLER

2 SENATE BILL NO. 228

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Public Works; and providing for an effective
8 date."

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

10 * Section 1. The sum of \$30,000 is appropriated from the general fund to
11 the Department of Public Works for the purpose of preparing a preliminary
12 engineering study for the Ketchikan superfloat waterfront improvement project

13 * Sec. 2. The unexpended and unobligated portion of this appropriation
14 lapses into the general fund June 30, 1974.

15 * Sec. 3. This Act takes effect July 1, 1973.

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ALASKA STATE LEGISLATURE

EIGHTH Legislature FIRST Session

SENATE BILL..... NO. 228..

By ZIEGLER.....

"An Act making a special appropriation to the Department of Public Works; and providing for an effective date."

approx. Dept. Public Works
Ketchikan superfloat

Introduced in the Senate 3/26, 19 73

HISTORY IN THE SENATE

19 73

3 26

Read first time and referred to Committee on

Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
: Nays
: Absent
: Excused

Effective Date

PASS : Yeas
: Nays
: Absent
: Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
: Nays
: Absent
: Excused

Effective Date

PASS : Yeas
: Nays
: Absent
: Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Lt. Governor

Chapter No.



RECORDS



CERTIFICATION

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James O. Smith
Signature of Camera Operator

4/26/89
Date

COMMITTEE REPORT

SENATE

3/27/73

Mr. President:

Date 4/3/73

The Committee on FINANCE has had SB 232
fringe benefits for certain public employees
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 _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

[Signature] _____

[Signature] _____

[Signature] _____

[Signature] _____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

1 IN THE SENATE

BY T. MILLER

2 SENATE BILL NO. 232

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to fringe benefits for certain public
7 employees; and providing for an effective date."

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

9 * Section 1. AS 39.20.310(7) is amended to read:

10 (7) temporary employees hired for periods of less than 12
11 consecutive months, except that upon conversion to permanent, full-time
12 status the time served as a temporary employee preceding conversion shall
13 be used in determining the accrual rate of annual leave benefits under
14 sec. 200 of this chapter;

15 * Sec. 2. AS 39.35.680(5)(C)(ii) is amended to read:

16 (ii) casual or part-time workers in a position
17 having duties which will not permit at least six months of
18 service during a calendar year, except that upon conversion
19 to permanent, full-time status all time served in casual,
20 part-time or temporary service may be used for all determina-
21 tions under this chapter upon application, verification of
22 prior service, and payment of appropriate back-contributions,

23 * Sec. 3. This Act takes effect on the day after its passage and approval
24 or on the day it becomes law without approval.

The Legislature of the State of Alaska
 FISCAL NOTE
 First Session - Eighth Legislature

I. REQUEST

Bill Identification: SB-232
 Title: "An Act relating to fringe benefits for certain public employees"
 Requested by: Legislative Finance Date: 3-28-73
 Return Date Requested: A. S. A. P.
 Agency: Budget & Management Program: _____

II. FISCAL DETAIL

Budget Request Unit(s) Affected: All
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

SEE ATTACHED

IV. ATTACHMENTS

V. DATE: 3-30-73 PREPARED BY: M.R. [Signature]

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Since it must be assumed that all time worked since territorial days will be credited towards the accrual rate of annual leave and retirement, SB-232, if enacted, would carry an extremely high administrative cost in addition to a cost impact of the employer contribution rate for retirement benefits. However, it is impossible to place an exact figure on these costs because time-sheet records of casual and part-time employees are not available except for the past two years. To place a cost figure on the performance of an impossible task would be futile.

If time-worked records were available, high administrative costs would be attributable to:

1. Hand auditing of records to determine creditable time.
2. Adjusting present permanent employee rates of annual leave accrual if prior casual or part-time service is creditable and increasing available annual leave accordingly.
3. Calculating individual applicable rates of retirement contributions based on the applicable time period in which the hours were worked.



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

4/26/89
Date

Introduced: 3/28/73
Referred: Finance

BY GROH, RADER, KERTTULA
AND T. MILLER

1 IN THE SENATE

2 SENATE BILL NO. 235

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Alaska State Electric and Telephone
7 Authority, prescribing its organization, powers and
8 duties; and providing for an effective date."

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

10 * Section 1. AS 42 is amended by adding a new chapter to read:

11 CHAPTER 21. ALASKA STATE ELECTRIC AND TELEPHONE AUTHORITY.

12 ARTICLE 1. LEGISLATIVE DECLARATION OF PURPOSE.

13 Sec. 42.21.010. FINDINGS, PURPOSE. The legislature finds and
14 declares that the availability of adequate electric and telephone service
15 and facilities in the state is a proper matter of public concern and
16 that

17 (1) the ability of nonprofit municipally and cooperatively
18 owned electric and telephone utilities in the state to finance capital
19 improvement requirements on reasonable terms and conditions is seriously
20 impaired by the unavailability of low-cost private financing and the
21 elimination of low-cost loans available from the Rural Electrification
22 Administration of the United States Department of Agriculture;

23 (2) the state should as a matter of public policy, to ensure
24 the sound development of the state and its resources and to provide
25 an acceptable level of electric and telephone service to its residents,
26 assist these utilities, under the terms and conditions specified in this
27 chapter, to acquire the capital funds that are essential to finance
28 economically feasible projects for the construction of electric genera-
29 tion, transmission, distribution and associated facilities and telephone

1 communication and service facilities.

2 ARTICLE 2. ORGANIZATION AND ADMINISTRATION.

3 Sec. 42.21.020. AUTHORITY CREATED. There is created within the
4 Department of Commerce the Alaska State Electric and Telephone Authority.
5 The authority is a public corporate authority of the state and a govern-
6 ment instrumentality, but it has a legal existence independent of and
7 separate from the state. The authority may not be terminated or dis-
8 solved as long as it has bonds or other obligations outstanding. Upon
9 termination or dissolution of the authority, its rights and property
10 pass to the state.

11 Sec. 42.21.030. AUTHORITY GOVERNING BODY. (a) The authority is
12 governed by a board consisting of the commissioner of commerce and four
13 other residents of the state appointed by the governor.

14 (b) The appointees of the governor, other than the commissioner
15 of commerce, hold office at the pleasure of the governor, serve
16 three-year staggered terms, and are subject to confirmation by the
17 legislature in joint session. One initial appointee of the governor
18 shall serve for one year, one for two years and two for three years.
19 The governor shall designate the term to which he is appointing each
20 board member. Upon the expiration of his term, a member of the board
21 shall continue to hold office until his successor is appointed and
22 qualified.

23 Sec. 42.21.040. REMOVAL OF AUTHORITY MEMBERS; VACANCIES. (a) The
24 governor may remove a member of the authority board for good cause.

25 (b) A vacancy shall be filled in the same manner as original
26 appointment, and an appointee to fill a vacancy shall hold office for
27 the balance of the term for which his predecessor on the authority was
28 appointed.

29 (c) A vacancy on the board does not impair the authority of a

1 quorum of the board members to exercise all the powers and perform all
2 the duties of the authority.

3 Sec. 42.21.050. OFFICERS. At the first meeting following initial
4 appointment and confirmation, the authority board shall elect a chairman
5 and vice-chairman from among its membership, other than the commissioner.

6 Sec. 42.21.060. EXECUTIVE OFFICER; STAFF. (a) The authority may
7 appoint an executive officer who shall be a member of the exempt service
8 and fix his compensation, or the authority may designate the commissioner
9 of commerce as the executive officer of the authority, ex-officio. The
10 executive officer may appoint persons to staff positions the board auth-
11 orizes and fix their compensation. However, with the approval of the
12 commissioner, the authority may appoint its staff from among the em-
13 ployees of the department.

14 (b) The authority may employ temporary professional technical
15 experts, advisors or consultants and other persons that it may require
16 as employees or independent contractors and fix their duties and
17 compensation.

18 (c) Except for those who are also employees of the Department of
19 Commerce, employees of the authority are exempt from the provisions of
20 the State Personnel Act (AS 39.25).

21 Sec. 42.21.070. COMPENSATION; PER DIEM. (a) Members of the
22 authority board, other than the commissioner, shall be compensated at
23 the same rate of pay as members of the board of the Alaska State Housing
24 Authority and are entitled to per diem and travel expenses authorized by
25 law for members of other boards and commissions.

26 (b) Employees are entitled to per diem and travel expenses
27 authorized by law for other state employees.

28 Sec. 42.21.080. LEGAL COUNSEL. (a) The attorney general is legal
29 counsel for the authority. He shall advise the authority in legal

1 matters arising in the discharge of its duties and represent the author-
2 ity in actions to which it is a party. If, in the opinion of the
3 authority, the public interest is not adequately represented by counsel
4 in a proceeding, the attorney general, upon request of the authority,
5 shall represent the public interest.

6 (b) The authority may employ temporary legal counsel from time
7 to time in matters in which the authority is involved.

8 Sec. 42.21.090. RESTRICTIONS ON AUTHORITY BOARD MEMBERS, EMPLOYEES.
9 No member, officer, agent or other employee of the authority may have
10 an official connection as an officer or employee, or otherwise, or hold
11 stock or securities in, or have a pecuniary interest in, any utility
12 eligible to borrow funds from the authority, or in any supplier of
13 goods, materials or services to an eligible utility, or otherwise have
14 a property interest in an eligible utility or a supplier of goods,
15 materials or services to an eligible utility. However, for the purpose
16 of this section, membership in an electric or telephone cooperative
17 or consumer status with respect to an eligible utility does not consti-
18 tute an official connection with, or a property or pecuniary interest
19 in, an eligible utility.

20 Sec. 42.21.100. MEETINGS, QUORUM, RULES OF PROCEDURE. (a) The
21 authority board shall meet at the call of its chairman, but at least
22 once quarterly, at a time and place determined by the chairman and at
23 other times and places as the chairman or a majority of the members
24 of the authority consider necessary.

25 (b) The authority board shall prescribe its own rules of proce-
26 dure. However, a quorum is a majority of the board members. The votes
27 of the board members shall be recorded and effective action requires
28 the affirmative vote of a majority of the authority board members
29 present. No authority board member may, with respect to any matter

1 before the board, vote for or on behalf of or in any way exercise the
2 vote of another member of the authority.

3 (c) The authority board shall keep minutes of each meeting and
4 send a certified copy to the governor.

5 ARTICLE 3. POWERS AND DUTIES OF THE AUTHORITY.

6 Sec. 42.21.110. POWERS. The authority has all the powers neces-
7 sary to carry out its purposes specified in this chapter, including
8 but not limited to the following:

- 9 (1) sue and be sued;
- 10 (2) adopt a seal;
- 11 (3) have perpetual succession;
- 12 (4) adopt, amend and repeal bylaws and regulations;
- 13 (5) make and execute contracts, mortgages, trust deeds,
14 trust indentures and other instruments;
- 15 (6) invest in property or securities in which banks or trust
16 companies may legally invest any funds held in reserve or bond redemp-
17 tion funds or any funds not required for immediate disbursement;
- 18 (7) issue revenue bonds from time to time in its discretion
19 for any of its corporate purposes and issue refunding bonds for the
20 purpose of paying or retiring bonds previously issued by it;
- 21 (8) purchase its bonds at a price not more than the princi-
22 pal amount plus accrued interest;
- 23 (9) perform those other acts and things that may be neces-
24 sary, convenient or desirable to secure the bonds or which may tend to
25 make the bonds more marketable.

26 Sec. 42.21.120. MANAGEMENT; DELEGATION OF POWERS, DUTIES. The
27 board shall manage the assets and business of the authority and may
28 delegate to officers, agents or employees those powers and duties it
29 considers proper. The board may delegate supervision of the

1 administration and management of the authority to an executive officer
2 or to employees of the Department of Commerce.

3 ARTICLE 4. BONDS.

4 Sec. 42.21.130. ISSUANCE OF REVENUE BONDS AND REFUNDING BONDS.

5 The authority may issue revenue bonds from time to time in its discre-
6 tion for any of its corporate purposes and may issue refunding bonds
7 for the purpose of paying or retiring bonds previously issued by it.

8 Sec. 42.21.140. AUTHORIZATION. Revenue bonds of the authority
9 are authorized by the adoption of a resolution prescribing:

10 (1) the rate of interest, payable annually or semiannually,
11 which the bonds shall bear;

12 (2) whether the bonds shall be in one or more series;

13 (3) the date or dates which the bonds shall bear;

14 (4) the time or times, not exceeding 35 years from their
15 respective dates, when the bonds shall mature;

16 (5) the medium in which the bonds shall be payable;

17 (6) the place or places where the bonds shall be payable;

18 (7) whether the bonds shall carry registration privileges
19 and what the privileges, if any, shall be;

20 (8) the terms of redemption, if any, to which the bonds
21 shall be subject;

22 (9) the manner in which the bonds shall be executed;

23 (10) the terms, covenants and conditions which the bonds
24 shall contain;

25 (11) the form, either coupon or registered, in which the
26 bonds shall be issued.

27 Sec. 42.21.150. VALIDITY. (a) The validity of the bonds shall
28 not be dependent on or be affected by the legality of any proceeding
29 relating to the acquisition, construction, improvement or extension of

1 the facilities financed from the proceeds realized from the issuance
2 and sale of the revenue bonds authorized by this chapter. The bonds
3 shall state that they are regularly issued under this chapter. In a
4 challenge to the validity of the bond or the security for it, that
5 recital shall be conclusive as to the issuance of the bond and the
6 character of the project financed from loans from the proceeds of the
7 sale of the bonds.

8 (b) The signature of a member or an officer of the authority on
9 a bond or coupon is not invalidated by his ceasing to hold office before
10 the delivery of the bond.

11 Sec. 42.21.160. SALE AND ISSUANCE OF BONDS; PROVISIONS. (a) In
12 addition to the provisions prescribed in sec. 140 of this chapter, the
13 bonds shall also provide that:

14 (1) the bond is purchased and taken after complete disclosure
15 of and with full knowledge of all the surrounding relevant facts and
16 circumstances and not on representation, faith, or credit of the State
17 of Alaska or any of its political subdivisions;

18 (2) to obtain payment the bondholder may not compel the
19 state or any agency or political subdivision of it to exercise its
20 appropriation or taxing powers;

21 (3) the bond does not constitute a debt of the state or of
22 a political subdivision of the state and is payable only from revenues
23 of the authority.

24 (b) Bonds shall be signed by the chairman or vice-chairman and
25 secretary of the authority holding office at the time of signing and
26 may be facsimile signatures.

27 (c) Bonds may be sold at public or private sale at not less than
28 par value with accrued interest.

29 (d) Bonds issued under this chapter are negotiable.

1 (e) No amendment to this chapter may ever diminish or impair the
2 remedies and rights of the bondholder.

3 (f) Bonds issued under this chapter may be sold when funds are
4 required for the purpose for which they were issued. Pending the pre-
5 paration or execution of definite bonds, interim receipts or temporary
6 bonds may be delivered to the purchaser or purchasers of bonds.

7 Sec. 42.21.170. LIMITATION ON LIABILITY. In addition to the limi-
8 tation on liability set out in sec. 320 of this chapter, the members of
9 the authority board, the authority's officers, agents and employees are
10 not liable personally on the bonds by reason of their issuance. Bonds
11 are not payable out of funds or properties other than those of the
12 authority, and the authority may not pledge the faith and credit of the
13 state or of any political subdivision for a loan or obligation. Bonds
14 of the authority are not a debt, indebtedness or the borrowing of money
15 within the meaning of any limitation or restriction on the issuance of
16 bonds contained in the constitution or laws of the state.

17 Sec. 42.21.180. POWERS TO SECURE REVENUE BONDS. In connection
18 with the issuance of revenue bonds and in order to secure their payment,
19 the authority, in addition to its other powers, may:

20 (1) pledge all or a part of its revenues to which its right
21 exists or may exist under any loan contract with a borrower from the
22 authority;

23 (2) pledge all or a part of any other revenues to which its
24 right exists or may exist;

25 (3) mortgage all or a part of its real or personal property,
26 owned or later acquired;

27 (4) covenant against pledging all or a part of its revenues,
28 or against mortgaging all or a part of its real or personal property to
29 which its right or title exists or may come into existence, or against

1 permitting or suffering any lien on the revenues or property;

2 (5) provide for reimbursement to the bondholder of all
3 expenses of litigation and attorney fees incurred in collection of the
4 bonds in the event of default;

5 (6) provide for and fix the powers and duties of a trustee
6 if necessary to enforce collection;

7 (7) provide that bondholders, or a trustee designated by the
8 authority at the time of issuing the bonds, may upon proper showing
9 secure by mandamus, or other proper proceedings, an order of court
10 requiring the authority, subject to the provisions of loan contracts
11 with its borrowers then in effect, to fix and collect rates and charges
12 which will produce revenues and income permitting the establishment of
13 adequate annual reserves with which to meet future payments in accor-
14 dance with the terms of the bond;

15 (8) provide that before the delivery or sale the bonds will
16 be submitted to the Department of Law for examination and inquiry into
17 the legality of the proceedings bearing upon their issue and, if the
18 attorney general finds the issue conforms with the constitution and the
19 laws of the state, he shall so certify on the reverse of each bond;

20 (9) confer upon the bondholders all rights, powers and
21 remedies which the bondholders would be entitled to if they were the
22 owners of the notes, mortgages, trust deeds, or other liens or evidences
23 of indebtedness delivered to the authority by its borrower to secure the
24 repayment of the loan or loans made by the authority from funds realized
25 by the sale of the bonds.

26 Sec. 42.21.190. REFUNDING. (a) The bonds or any part of them may
27 be refunded at or before their maturity by the issuance of refunding
28 revenue bonds of the authority if in the opinion of the authority re-
29 funding is advantageous to and in the best interest of the state and its

1 inhabitants.

2 (b) The authority may adopt the resolution or resolutions, pre-
3 pare all other documents and undertake all other proceedings necessary
4 for the sale, issuance, or exchange and delivery of refunding bonds.
5 All provisions of this chapter applicable to revenue bonds are applicable
6 to the refunding bonds and to the sale, issuance or exchange of them,
7 except as otherwise provided in this section.

8 (c) Refunding bonds may be issued in a principal amount sufficient
9 to provide funds for the payment of all bonds to be refunded by them
10 and, in addition, for the payment of all expenses incident to the
11 calling, retiring, or paying of the outstanding bonds, and the issuance
12 of the refunding bonds. These expenses include the difference in amount
13 between the par value of the refunding bonds and any amount less than par
14 for which the refunding bonds are sold, any amount necessary to be made
15 available for the payment of interest upon the refunding bonds from
16 the date of sale of them to the date of payment of the bonds to be re-
17 funded or to the date upon which the bonds to be refunded will be paid
18 in accordance with the call of them or agreement with the holders of
19 them, and the premium, if any, necessary to be paid in order to call or
20 retire the outstanding bonds and the interest accruing on them to the
21 date of the call or retirement.

22 Sec. 42.21.200. OBLIGATIONS AS LEGAL INVESTMENTS. Obligations
23 issued under the provisions of this chapter are securities in which all
24 public officers and public bodies of the state and its political
25 subdivisions, all insurance companies, trust companies, banking associa-
26 tions, investment companies, executors, administrators, trustees and
27 other fiduciaries may properly and legally invest funds, including
28 capital in their control or belonging to them. These obligations may
29 be deposited with any state or municipal officer of any agency or

1 political subdivision of the state for any purpose for which the deposit
2 of bonds, notes or obligations of the state is authorized by law.

3 Sec. 42.21.210. INVESTMENT OF STATE SURPLUS. Notwithstanding other
4 provisions of law, when the commissioner of revenue determines that there
5 is in the state treasury a surplus above an amount sufficient to meet
6 current cash expenditure needs, the surplus may be invested, in addition
7 to the investments permitted by AS 37.10.070(a), in revenue bonds and
8 other obligations issued by the authority and secured by an appropriate
9 security interest within the state. These investments shall be subject
10 to the terms and conditions that the authority and the commissioner of
11 revenue may provide in any contract of sale. Investments allowed by this
12 section shall be made as provided for other investment of the state
13 money under AS 37.10.070(a), (f), (g) and (i). The terms and conditions
14 of any contract of sale authorized to be made under this section may
15 include but are not limited to:

16 (1) the investment by the state in a specified or determinable
17 amount of bonds or other obligations;

18 (2) the existence of a prior lien on and pledge of the bonds
19 or other obligations invested in by the state;

20 (3) provisions relating to the subordination of the state's
21 interest in and application of annual payments of principal and interest
22 or the proceeds of a permitted sale of, or insurance or prepayments on,
23 the bonds or other obligations; and

24 (4) the right of the authority to repurchase the bonds or
25 other obligations at a predetermined price.

26 ARTICLE 5. ELECTRIC AND TELEPHONE LOANS.

27 Sec. 42.21.220. AUTHORIZED LOANS. (a) The authority may make
28 loans to nonprofit electric and telephone cooperative associations and
29 corporations and to municipal corporations owning and operating electric

1 or telephone utilities or systems. The loans shall be made from funds
2 available to the authority from the sale of revenue bonds or otherwise.

3 (b) All loans made under this chapter, whether to nonprofit elec-
4 tric or telephone cooperatives or to a municipal corporation, are solely
5 for the purpose of financing capital investment in additions to, exten-
6 sions of, or improvements in electric or telephone utilities or systems
7 owned and operated by the cooperative or the municipal corporation.

8 (c) The authority shall

9 (1) promulgate under the Administrative Procedure Act
10 (AS 44.62) those regulations that it considers necessary for the admin-
11 istration of the loan program and to carry out the purposes of this
12 chapter.

13 (2) establish criteria and qualifications for the loans and
14 for the security for their repayment;

15 (3) otherwise administer, direct and implement the provisions
16 of this chapter.

17 (d) The term of any loan made under this chapter may not exceed
18 35 years and the interest on the loan may not exceed the cost to the
19 authority of the funds lent plus the cost of administration.

20 Sec. 42.21.230. ECONOMIC FEASIBILITY. (a) No loan may be made
21 under this chapter for any facility or project until an investigation
22 and an economic feasibility study are conducted and, as a result of the
23 investigation and study, the authority determines that the facility or
24 project to be financed by the loan is economically feasible and sound
25 and that the facility or project will be financially self-sustaining
26 and fully amortized within the term of the loan and in accordance with
27 the other terms and conditions of the loan. The economic feasibility
28 study shall be conducted by the authority staff or by consultants, en-
29 gineers or other technical experts approved by the authority in advance

1 of the conduct of the investigation and study and of the submission of
2 an application for a loan under this chapter.

3 (b) To facilitate its determination of economic feasibility and
4 the ability of the facility or project to be fully amortized and finan-
5 cially self-sustaining, the authority shall require the applicant for a
6 loan under this chapter to furnish those system studies, long-range
7 economic forecasts, financial data, engineering studies and other finan-
8 cial and technical information as the authority considers necessary.

9 Sec. 42.21.240. LOAN PROVISIONS. No loan may be made by the
10 authority from the Alaska state electric and telephone authority revolving
11 fund, created by sec. 250 of this chapter, except in accordance with a
12 written agreement which shall include, but is not limited to, the
13 following terms and conditions:

14 (1) the proceeds of the loan shall be used only for the
15 purposes for which the loan is made, as provided in the agreement;

16 (2) the loan shall be repaid in full as provided in the
17 agreement;

18 (3) all repayments in connection with a loan to defray capital
19 investment costs shall be made concurrent with receipt by the borrower
20 of the proceeds of a construction loan or mortgage loan, or at those
21 other times as the authority considers reasonably necessary or practi-
22 cable; and

23 (4) security for repayment shall be specified and shall be
24 upon terms and conditions that the authority considers necessary or
25 practicable to insure all repayments.

26 ARTICLE 6. ALASKA STATE ELECTRIC AND TELEPHONE
27 AUTHORITY REVOLVING FUND.

28 Sec. 42.21.250. CREATION. (a) There is created a special revolving
29 fund to be known as the Alaska state electric and telephone authority

1 revolving fund consisting of the money appropriated and other money
2 made available to the authority, including any money allotted to the
3 authority by the federal government, to be administered by the authority
4 as a trust fund separate and distinct from any other money or funds
5 administered by the authority. The fund shall be continuous and shall
6 be used to carry out the operations and meet the expenses authorized
7 by this chapter.

8 (b) Withdrawals from the fund for the account of the authority are
9 made on requisitions, signed by the executive officer or his authorized
10 representative, addressed to the Department of Administration quarterly,
11 or otherwise as the members of the authority board may direct.

12 (c) It is the intent and purpose that money requisitioned to meet
13 periodic financial requirements will be deposited under suitable banking
14 arrangements for appropriate disbursement and will be subject to audit
15 under state law or regulation of the members of the authority board.

16 (d) Consistent with the provisions of this chapter, the authority
17 may make temporary or permanent loans from the fund, at the interest
18 rate determined by the authority and with the security for repayment
19 that is necessary and practicable, to defray capital investment costs
20 of projects or facilities for additions to, extensions of or improvements
21 in electric or telephone utilities or systems owned and operated by
22 nonprofit electric and telephone cooperative associations and corpora-
23 tions and to municipal corporations owning and operating electric or
24 telephone utilities or systems.

25 (e) To the credit of the fund shall be deposited:

26 (1) grants and contributions to the fund and the proceeds of
27 the sale of revenue bonds issued and sold under this chapter;

28 (2) all receipts of the authority on account of repayment
29 of principal and interest on loans made under this chapter or sale or

1 other disposition of the security for any loans made under this chapter.

2 (f) The authority may receive and accept from any source whatever
3 grants or contributions for the fund.

4 Sec. 42.21.260. FUND NOTES. (a) The authority may provide for
5 the issuance, at one time or from time to time, of fund notes for the
6 purpose of providing funds for the fund. The commissioner of revenue
7 may purchase fund notes with surplus funds in the state treasury.
8 Before submission of the executive budget to the legislature, the
9 commissioner of revenue shall annually recommend to the governor the
10 anticipated amounts of surplus funds available for purchase of fund notes
11 in the fiscal year encompassed by the budget. In making his recommenda-
12 tion to the governor, the commissioner of revenue shall consider the
13 expenditure and revenue projections contained in the most recent revenue
14 source document prepared for and submitted to the legislature by the
15 administration. If the governor agrees with the recommendation of the
16 commissioner of revenue he shall forward the recommendation to the
17 authority.

18 (b) The principal and interest on fund notes is payable solely
19 from the fund. The authority shall determine the date of the fund notes
20 of each issue, the maturity of the notes, the redemption provisions, if
21 any, including redemption prices, terms and conditions, the form and
22 manner of execution of the notes, including any interest coupons to be
23 attached to them, the denomination and the place of payment of principal
24 and interest. The place may be any bank, trust company, or agent,
25 including the purchaser of any fund notes. The fund notes may be issued
26 in coupon or in registered form or both. The authority may provide for
27 the registration of any coupon fund notes as to principal or interest,
28 or both, and for the reconversion into coupon fund notes of any fund
29 notes registered as to both principal and interest and for the exchange

1 of registered and coupon fund notes. The authority may provide for
2 the replacement of fund notes which are mutilated, destroyed, lost or
3 stolen.

4 (c) Fund notes shall bear interest at the rate and shall be sold
5 in the manner and for the price the authority determines.

6 (d) If an officer whose signature or a facsimile of whose signature
7 appears on any fund notes or coupons attached to them ceases to be an
8 officer before the delivery of the fund notes or coupons, his signature
9 or facsimile is valid for all purposes as if he had remained in office
10 until delivery.

11 (e) The proceeds of sale of fund notes shall be used solely for the
12 purposes for which issued and shall be disbursed in the manner and under
13 the restrictions the authority provides in the resolution authorizing the
14 issuance of fund notes.

15 (f) Fund notes may be issued without the consent of any government
16 agency and without any other proceedings or conditions other than those
17 which are specifically required by this chapter and the provisions of the
18 resolution authorizing the issuance of the fund notes.

19 ARTICLE 7. MISCELLANEOUS

20 Sec. 42.21.270. COOPERATION WITH OTHER AGENCIES. The authority
21 shall cooperate with other agencies of the state and federal governments
22 with private lending agencies or institutions, and with other persons to
23 assist those applicants otherwise eligible for loans under this chapter
24 to meet their capital investment requirements. To accomplish this
25 purpose, the authority may enter into those joint financing statements,
26 mortgages, trust deeds or other security agreements that may be required
27 by their respective security and other requirements.

28 Sec. 42.21.280. INTERDEPARTMENTAL COOPERATION. All departments,
29 agencies and public corporations of the state shall provide information,

1 services, facilities and loans to the authority upon its request. The
2 authority shall reimburse departments, agencies and public corporations
3 of the state for loans advanced or for expenses incurred on the
4 authority's behalf.

5 Sec. 42.21.290. APPLICATION OF OTHER LAWS; CONSTRUCTION. (a) Not-
6 withstanding AS 37.10.085 and any other provision of law, the provisions
7 of this chapter constitute full authority for the sale and issuance of
8 bonds and the making of loans for the purposes set out in this chapter.
9 No other law with regard to the authorization or issuance of obligations,
10 nor a law which in any way impedes or restricts the performance of acts
11 authorized by this chapter, shall be construed as applicable to any pro-
12 ceedings or acts under this chapter, unless otherwise expressly provided
13 in this chapter.

14 (b) The provisions of this chapter shall be liberally construed to
15 carry out the purposes for which they were enacted.

16 Sec. 42.21.300. CREDIT OF THE STATE NOT PLEDGED. Obligations
17 issued under the provisions of this chapter do not constitute a debt,
18 liability or obligation of the state or of any political subdivision of
19 the state or a pledge of the faith and credit of the state or of any of
20 its political subdivisions but are payable solely from the revenues or
21 assets of the authority. Each obligation issued under this chapter shall
22 contain on its face a statement that the authority is not obligated to
23 pay it nor the interest on it except from the revenues or assets pledged
24 for it and that neither the faith and credit nor the taxing power of the
25 state or of any of its political subdivisions is pledged to the payment
26 of the principal or of the interest on the obligation.

27 Sec. 42.21.310. ADMINISTRATIVE, OPERATING EXPENSES. Except for
28 the first year of the authority's operation, expenses incurred by the
29 authority in carrying out the provisions of this chapter are payable

1 from the funds provided under this chapter and no liability may be
2 incurred by the authority in excess of these funds.

3 Sec. 42.21.320. OFFICERS, EMPLOYEES NOT LIABLE. No member or other
4 officer or employee of the authority is subject to personal liability or
5 accountability by reasons of his execution of any obligation or the
6 issuance of them.

7 Sec. 42.21.330. NEGOTIABLE INSTRUMENTS. All obligations issued
8 under this chapter and interest coupons attached to them are negotiable
9 instruments under the laws of this state, subject only to any applicable
10 provisions for registration.

11 Sec. 42.21.340. EXEMPTION OF PROPERTY OF AUTHORITY FROM EXECUTION
12 OR OTHER PROCESS. All property of the authority is exempt from levy and
13 sale by execution. No execution or other judicial process may issue
14 against it, and no judgment against the authority may be a charge or a
15 lien upon its property. However, this section does not limit the right
16 of an obligee to foreclose or otherwise enforce a mortgage of the
17 authority or to pursue any remedy for the enforcement of a pledge or
18 lien given by the authority on its revenues.

19 Sec. 42.21.350. TAX EXEMPTION. (a) The property of the authority
20 is public property used for essential public and governmental purposes,
21 and this property and the authority are exempt from all taxes and special
22 assessments of the state or its political subdivisions.

23 (b) All obligations issued under this chapter are hereby declared
24 to be issued by a body corporate and public of the state and for an
25 essential public and governmental purpose, and the obligations and the
26 interest and income on and from the obligations, and all fees, charges,
27 funds, revenues, income and other money pledged or available to pay or
28 secure the payment of the obligations or interest on the obligations
29 are exempt from taxation except for transfer, inheritance and estate

1 taxes.

2 Sec. 42.21.360. VALIDITY OF ANY PLEDGE. The pledge of assets or
3 revenues of the authority to the payment of the principal or interest
4 on any obligations of the authority is valid and binding from the time
5 the pledge is made and any assets or revenues are immediately subject to
6 the lien of the pledge without physical delivery or further act. The
7 lien of any pledge is valid and binding against all parties having claims
8 of any kind in tort, contract or otherwise against the authority,
9 irrespective of whether those parties have notice of the lien of the
10 pledge. Nothing in this section prohibits the authority from selling
11 assets subject to any pledge, except that any sale may be restricted by
12 the trust agreement or resolution providing for the issuance of the
13 obligations.

14 Sec. 42.21.370. REMEDIES. A holder of obligations or coupons
15 attached to them issued under the provisions of this chapter, and a
16 trustee under any trust agreement or resolution authorizing the issuance
17 of the obligations, except as restricted by a trust agreement or resolu-
18 tion, either at law or in equity, may enforce all rights granted under
19 this section or under the trust agreement or resolution or under any
20 other contract executed by the authority under this chapter and may
21 enforce and compel the performance of all duties required by this chapter
22 or by the trust agreement or resolution to be performed by the authority
23 or by an officer of it.

24 Sec. 42.21.380. REPORTS, RECOMMENDATIONS. The authority shall
25 file with the governor, the legislature and with the Department of
26 Commerce an annual report of its activities and shall make recommenda-
27 tions for legislation or other action it considers necessary to carry
28 out the purposes of this chapter.

29 Sec. 42.21.390. DEFINITIONS. In this chapter

1 (1) "authority" means the Alaska State Electric and Telephone
2 Authority;

3 (2) "board" means the board of directors of the Alaska State
4 Electric and Telephone Authority;

5 (3) "capital investment" or "capital investment costs" means
6 those expenditures so classified according to the system of accounts of
7 the Federal Power Commission, of the Rural Electrification Administration
8 of the United States Department of Agriculture, or of the Public Utilities
9 Commission of the state, or other generally accepted system of accounts
10 approved by the authority;

11 (4) "commissioner" means the commissioner of commerce;

12 (5) "department" means the Department of Commerce;

13 (6) "economic feasibility" includes, but is not limited to,
14 financial and engineering feasibility;

15 (7) "fund" means the Alaska state electric and telephone
16 authority revolving fund.

17 Sec. 42.21.400. SHORT TITLE. This chapter may be cited as the
18 Alaska State Electric and Telephone Authority Act.

19 * Sec. 2. AS 39.25.110 is amended by adding a new paragraph to read:

20 (14) the executive officer and employees of the Alaska State
21 Electric and Telephone Authority, other than those employees who are
22 also employees of the Department of Commerce.

23 * Sec. 3. This Act takes effect July 1, 1973.
24
25
26
27
28
29

The Legislature of the State of Alaska
 FISCAL NOTE
 First Session - Eighth Legislature

I. REQUEST

Bill Identification: SB 235
 Title: Creating the Alaska State Electric and Telephone Authority
 Requested by: J. H. Hogan Date: 3/30/73
 Return Date Requested: Rush - 4/4/73
 Agency: Department of Commerce Program: Public Protection
Alaska Public Utilities Commission

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Regulation of Public Service

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES		37,224	82,699			
200 TRAVEL		3,000	8,000			
300 CONTRACTUAL		29,500	31,462			
400 COMMODITIES		1,000	2,000			
500 EQUIPMENT		2,455	1,990			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		73,179	126,151			

B. FUNDING: (Thousands of dollars)

GENERAL FUND		73,179	126,151			
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	2 /	4 /	/	/	/
MAN MONTHS (P./T.)	/	24 /	48 /	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

300 Contractual Includes \$25,000 for consultant services, plus office space, travel, postage, duplicating machine, etc., for both FY 74 and FY 75

IV. ATTACHMENTS

NONE

V. DATE: 4/4/73

PREPARED BY: Emmitt Wilson

Emmitt Wilson
 Deputy Commissioner
 Department of Commerce

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

COMMITTEE REPORT

SENATE

3/28/73

Mr. President:

Date _____

The Committee on FINANCE has had SB 235 creating the Alaska State Electric and Telephone Authority 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 _____ AND THAT
CS FOR _____ DO PASS
- () "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- () reports it back WITHOUT RECOMMENDATION
- () "other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

Introduced: 3/28/73
Referred: Finance

BY GROH, RADER, KERTTULA
AND T. MILLER

1 IN THE SENATE

2 SENATE BILL NO. 235

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Alaska State Electric and Telephone
7 Authority, prescribing its organization, powers and
8 duties; and providing for an effective date."

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

10 * Section 1. AS 42 is amended by adding a new chapter to read:

11 CHAPTER 21. ALASKA STATE ELECTRIC AND TELEPHONE AUTHORITY.

12 ARTICLE 1. LEGISLATIVE DECLARATION OF PURPOSE.

13 Sec. 42.21.010. FINDINGS, PURPOSE. The legislature finds and
14 declares that the availability of adequate electric and telephone service
15 and facilities in the state is a proper matter of public concern and
16 that

17 (1) the ability of nonprofit municipally and cooperatively
18 owned electric and telephone utilities in the state to finance capital
19 improvement requirements on reasonable terms and conditions is seriously
20 impaired by the unavailability of low-cost private financing and the
21 elimination of low-cost loans available from the Rural Electrification
22 Administration of the United States Department of Agriculture;

23 (2) the state should as a matter of public policy, to ensure
24 the sound development of the state and its resources and to provide
25 an acceptable level of electric and telephone service to its residents,
26 assist these utilities, under the terms and conditions specified in this
27 chapter, to acquire the capital funds that are essential to finance
28 economically feasible projects for the construction of electric genera-
29 tion, transmission, distribution and associated facilities and telephone

COMMITTEE COPY

1 communication and service facilities.

2 ARTICLE 2. ORGANIZATION AND ADMINISTRATION.

3 Sec. 42.21.020. AUTHORITY CREATED. There is created within the
4 Department of Commerce the Alaska State Electric and Telephone Authority.
5 The authority is a public corporate authority of the state and a govern-
6 ment instrumentality, but it has a legal existence independent of and
7 separate from the state. The authority may not be terminated or dis-
8 solved as long as it has bonds or other obligations outstanding. Upon
9 termination or dissolution of the authority, its rights and property
10 pass to the state.

11 Sec. 42.21.030. AUTHORITY GOVERNING BODY. (a) The authority is
12 governed by a board consisting of the commissioner of commerce and four
13 other residents of the state appointed by the governor.

14 (b) The appointees of the governor, other than the commissioner
15 of commerce, hold office at the pleasure of the governor, serve
16 three-year staggered terms, and are subject to confirmation by the
17 legislature in joint session. One initial appointee of the governor
18 shall serve for one year, one for two years and two for three years.
19 The governor shall designate the term to which he is appointing each
20 board member. Upon the expiration of his term, a member of the board
21 shall continue to hold office until his successor is appointed and
22 qualified.

23 Sec. 42.21.040. REMOVAL OF AUTHORITY MEMBERS; VACANCIES. (a) The
24 governor may remove a member of the authority board for good cause.

25 (b) A vacancy shall be filled in the same manner as original
26 appointment, and an appointee to fill a vacancy shall hold office for
27 the balance of the term for which his predecessor on the authority was
28 appointed.

29 (c) A vacancy on the board does not impair the authority of a

1 quorum of the board members to exercise all the powers and perform all
2 the duties of the authority.

3 Sec. 42.21.050. OFFICERS. At the first meeting following initial
4 appointment and confirmation, the authority board shall elect a chairman
5 and vice-chairman from among its membership, other than the commissioner.

6 Sec. 42.21.060. EXECUTIVE OFFICER; STAFF. (a) The authority may
7 appoint an executive officer who shall be a member of the exempt service
8 and fix his compensation, or the authority may designate the commissioner
9 of commerce as the executive officer of the authority, ex-officio. The
10 executive officer may appoint persons to staff positions the board auth-
11 orizes and fix their compensation. However, with the approval of the
12 commissioner, the authority may appoint its staff from among the em-
13 ployees of the department.

14 (b) The authority may employ temporary professional technical
15 experts, advisors or consultants and other persons that it may require
16 as employees or independent contractors and fix their duties and
17 compensation.

18 (c) Except for those who are also employees of the Department of
19 Commerce, employees of the authority are exempt from the provisions of
20 the State Personnel Act (AS 39.25).

21 Sec. 42.21.070. COMPENSATION; PER DIEM. (a) Members of the
22 authority board, other than the commissioner, shall be compensated at
23 the same rate of pay as members of the board of the Alaska State Housing
24 Authority and are entitled to per diem and travel expenses authorized by
25 law for members of other boards and commissions.

26 (b) Employees are entitled to per diem and travel expenses
27 authorized by law for other state employees.

28 Sec. 42.21.080. LEGAL COUNSEL. (a) The attorney general is legal
29 counsel for the authority. He shall advise the authority in legal

1 matters arising in the discharge of its duties and represent the author-
2 ity in actions to which it is a party. If, in the opinion of the
3 authority, the public interest is not adequately represented by counsel
4 in a proceeding, the attorney general, upon request of the authority,
5 shall represent the public interest.

6 (b) The authority may employ temporary legal counsel from time
7 to time in matters in which the authority is involved.

8 Sec. 42.21.090. RESTRICTIONS ON AUTHORITY BOARD MEMBERS, EMPLOYEES.
9 No member, officer, agent or other employee of the authority may have
10 an official connection as an officer or employee, or otherwise, or hold
11 stock or securities in, or have a pecuniary interest in, any utility
12 eligible to borrow funds from the authority, or in any supplier of
13 goods, materials or services to an eligible utility, or otherwise have
14 a property interest in an eligible utility or a supplier of goods,
15 materials or services to an eligible utility. However, for the purpose
16 of this section, membership in an electric or telephone cooperative
17 or consumer status with respect to an eligible utility does not consti-
18 tute an official connection with, or a property or pecuniary interest
19 in, an eligible utility.

20 Sec. 42.21.100. MEETINGS, QUORUM, RULES OF PROCEDURE. (a) The
21 authority board shall meet at the call of its chairman, but at least
22 once quarterly, at a time and place determined by the chairman and at
23 other times and places as the chairman or a majority of the members
24 of the authority consider necessary.

25 (b) The authority board shall prescribe its own rules of proce-
26 dure. However, a quorum is a majority of the board members. The votes
27 of the board members shall be recorded and effective action requires
28 the affirmative vote of a majority of the authority board members
29 present. No authority board member may, with respect to any matter

1 before the board, vote for or on behalf of or in any way exercise the
2 vote of another member of the authority.

3 (c) The authority board shall keep minutes of each meeting and
4 send a certified copy to the governor.

5 ARTICLE 3. POWERS AND DUTIES OF THE AUTHORITY.

6 Sec. 42.21.110. POWERS. The authority has all the powers neces-
7 sary to carry out its purposes specified in this chapter, including
8 but not limited to the following:

- 9 (1) sue and be sued;
- 10 (2) adopt a seal;
- 11 (3) have perpetual succession;
- 12 (4) adopt, amend and repeal bylaws and regulations;
- 13 (5) make and execute contracts, mortgages, trust deeds,
14 trust indentures and other instruments;
- 15 (6) invest in property or securities in which banks or trust
16 companies may legally invest any funds held in reserve or bond redemp-
17 tion funds or any funds not required for immediate disbursement;
- 18 (7) issue revenue bonds from time to time in its discretion
19 for any of its corporate purposes and issue refunding bonds for the
20 purpose of paying or retiring bonds previously issued by it;
- 21 (8) purchase its bonds at a price not more than the princi-
22 pal amount plus accrued interest;
- 23 (9) perform those other acts and things that may be neces-
24 sary, convenient or desirable to secure the bonds or which may tend to
25 make the bonds more marketable.

26 Sec. 42.21.120. MANAGEMENT; DELEGATION OF POWERS, DUTIES. The
27 board shall manage the assets and business of the authority and may
28 delegate to officers, agents or employees those powers and duties it
29 considers proper. The board may delegate supervision of the

1 administration and management of the authority to an executive officer
2 or to employees of the Department of Commerce.

3 ARTICLE 4. BONDS.

4 Sec. 42.21.130. ISSUANCE OF REVENUE BONDS AND REFUNDING BONDS.

5 The authority may issue revenue bonds from time to time in its discre-
6 tion for any of its corporate purposes and may issue refunding bonds
7 for the purpose of paying or retiring bonds previously issued by it.

8 Sec. 42.21.140. AUTHORIZATION. Revenue bonds of the authority
9 are authorized by the adoption of a resolution prescribing:

10 (1) the rate of interest, payable annually or semiannually,
11 which the bonds shall bear;

12 (2) whether the bonds shall be in one or more series;

13 (3) the date or dates which the bonds shall bear;

14 (4) the time or times, not exceeding 35 years from their
15 respective dates, when the bonds shall mature;

16 (5) the medium in which the bonds shall be payable;

17 (6) the place or places where the bonds shall be payable;

18 (7) whether the bonds shall carry registration privileges
19 and what the privileges, if any, shall be;

20 (8) the terms of redemption, if any, to which the bonds
21 shall be subject;

22 (9) the manner in which the bonds shall be executed;

23 (10) the terms, covenants and conditions which the bonds
24 shall contain;

25 (11) the form, either coupon or registered, in which the
26 bonds shall be issued.

27 Sec. 42.21.150. VALIDITY. (a) The validity of the bonds shall
28 not be dependent on or be affected by the legality of any proceeding
29 relating to the acquisition, construction, improvement or extension of

1 the facilities financed from the proceeds realized from the issuance
2 and sale of the revenue bonds authorized by this chapter. The bonds
3 shall state that they are regularly issued under this chapter. In a
4 challenge to the validity of the bond or the security for it, that
5 recital shall be conclusive as to the issuance of the bond and the
6 character of the project financed from loans from the proceeds of the
7 sale of the bonds.

8 (b) The signature of a member or an officer of the authority on
9 a bond or coupon is not invalidated by his ceasing to hold office before
10 the delivery of the bond.

11 Sec. 42.21.160. SALE AND ISSUANCE OF BONDS; PROVISIONS. (a) In
12 addition to the provisions prescribed in sec. 140 of this chapter, the
13 bonds shall also provide that:

14 (1) the bond is purchased and taken after complete disclosure
15 of and with full knowledge of all the surrounding relevant facts and
16 circumstances and not on representation, faith, or credit of the State
17 of Alaska or any of its political subdivisions;

18 (2) to obtain payment the bondholder may not compel the
19 state or any agency or political subdivision of it to exercise its
20 appropriation or taxing powers;

21 (3) the bond does not constitute a debt of the state or of
22 a political subdivision of the state and is payable only from revenues
23 of the authority.

24 (b) Bonds shall be signed by the chairman or vice-chairman and
25 secretary of the authority holding office at the time of signing and
26 may be facsimile signatures.

27 (c) Bonds may be sold at public or private sale at not less than
28 par value with accrued interest.

29 (d) Bonds issued under this chapter are negotiable.

1 (e) No amendment to this chapter may ever diminish or impair the
2 remedies and rights of the bondholder.

3 (f) Bonds issued under this chapter may be sold when funds are
4 required for the purpose for which they were issued. Pending the pre-
5 paration or execution of definite bonds, interim receipts or temporary
6 bonds may be delivered to the purchaser or purchasers of bonds.

7 Sec. 42.21.170. LIMITATION ON LIABILITY. In addition to the limi-
8 tation on liability set out in sec. 320 of this chapter, the members of
9 the authority board, the authority's officers, agents and employees are
10 not liable personally on the bonds by reason of their issuance. Bonds
11 are not payable out of funds or properties other than those of the
12 authority, and the authority may not pledge the faith and credit of the
13 state or of any political subdivision for a loan or obligation. Bonds
14 of the authority are not a debt, indebtedness or the borrowing of money
15 within the meaning of any limitation or restriction on the issuance of
16 bonds contained in the constitution or laws of the state.

17 Sec. 42.21.180. POWERS TO SECURE REVENUE BONDS. In connection
18 with the issuance of revenue bonds and in order to secure their payment,
19 the authority, in addition to its other powers, may:

20 (1) pledge all or a part of its revenues to which its right
21 exists or may exist under any loan contract with a borrower from the
22 authority;

23 (2) pledge all or a part of any other revenues to which its
24 right exists or may exist;

25 (3) mortgage all or a part of its real or personal property,
26 owned or later acquired;

27 (4) covenant against pledging all or a part of its revenues,
28 or against mortgaging all or a part of its real or personal property to
29 which its right or title exists or may come into existence, or against

1 permitting or suffering any lien on the revenues or property;

2 (5) provide for reimbursement to the bondholder of all
3 expenses of litigation and attorney fees incurred in collection of the
4 bonds in the event of default;

5 (6) provide for and fix the powers and duties of a trustee
6 if necessary to enforce collection;

7 (7) provide that bondholders, or a trustee designated by the
8 authority at the time of issuing the bonds, may upon proper showing
9 secure by mandamus, or other proper proceedings, an order of court
10 requiring the authority, subject to the provisions of loan contracts
11 with its borrowers then in effect, to fix and collect rates and charges
12 which will produce revenues and income permitting the establishment of
13 adequate annual reserves with which to meet future payments in accor-
14 dance with the terms of the bond;

15 (8) provide that before the delivery or sale the bonds will
16 be submitted to the Department of Law for examination and inquiry into
17 the legality of the proceedings bearing upon their issue and, if the
18 attorney general finds the issue conforms with the constitution and the
19 laws of the state, he shall so certify on the reverse of each bond;

20 (9) confer upon the bondholders all rights, powers and
21 remedies which the bondholders would be entitled to if they were the
22 owners of the notes, mortgages, trust deeds, or other liens or evidences
23 of indebtedness delivered to the authority by its borrower to secure the
24 repayment of the loan or loans made by the authority from funds realized
25 by the sale of the bonds.

26 Sec. 42.21.190. REFUNDING. (a) The bonds or any part of them may
27 be refunded at or before their maturity by the issuance of refunding
28 revenue bonds of the authority if in the opinion of the authority re-
29 funding is advantageous to and in the best interest of the state and its

1 inhabitants.

2 (b) The authority may adopt the resolution or resolutions, pre-
3 pare all other documents and undertake all other proceedings necessary
4 for the sale, issuance, or exchange and delivery of refunding bonds.
5 All provisions of this chapter applicable to revenue bonds are applicable
6 to the refunding bonds and to the sale, issuance or exchange of them,
7 except as otherwise provided in this section.

8 (c) Refunding bonds may be issued in a principal amount sufficient
9 to provide funds for the payment of all bonds to be refunded by them
10 and, in addition, for the payment of all expenses incident to the
11 calling, retiring, or paying of the outstanding bonds, and the issuance
12 of the refunding bonds. These expenses include the difference in amount
13 between the par value of the refunding bonds and any amount less than par
14 for which the refunding bonds are sold, any amount necessary to be made
15 available for the payment of interest upon the refunding bonds from
16 the date of sale of them to the date of payment of the bonds to be re-
17 funded or to the date upon which the bonds to be refunded will be paid
18 in accordance with the call of them or agreement with the holders of
19 them, and the premium, if any, necessary to be paid in order to call or
20 retire the outstanding bonds and the interest accruing on them to the
21 date of the call or retirement.

22 Sec. 42.21.200. OBLIGATIONS AS LEGAL INVESTMENTS. Obligations
23 issued under the provisions of this chapter are securities in which all
24 public officers and public bodies of the state and its political
25 subdivisions, all insurance companies, trust companies, banking associa-
26 tions, investment companies, executors, administrators, trustees and
27 other fiduciaries may properly and legally invest funds, including
28 capital in their control or belonging to them. These obligations may
29 be deposited with any state or municipal officer of any agency or

1 political subdivision of the state for any purpose for which the deposit
2 of bonds, notes or obligations of the state is authorized by law.

3 Sec. 42.21.210. INVESTMENT OF STATE SURPLUS. Notwithstanding other
4 provisions of law, when the commissioner of revenue determines that there
5 is in the state treasury a surplus above an amount sufficient to meet
6 current cash expenditure needs, the surplus may be invested, in addition
7 to the investments permitted by AS 37.10.070(a), in revenue bonds and
8 other obligations issued by the authority and secured by an appropriate
9 security interest within the state. These investments shall be subject
10 to the terms and conditions that the authority and the commissioner of
11 revenue may provide in any contract of sale. Investments allowed by this
12 section shall be made as provided for other investments of the state
13 money under AS 37.10.070(a), (f), (g) and (i). The terms and conditions
14 of any contract of sale authorized to be made under this section may
15 include but are not limited to:

16 (1) the investment by the state in a specified or determinable
17 amount of bonds or other obligations;

18 (2) the existence of a prior lien on and pledge of the bonds
19 or other obligations invested in by the state;

20 (3) provisions relating to the subordination of the state's
21 interest in and application of annual payments of principal and interest
22 or the proceeds of a permitted sale of, or insurance or prepayments on,
23 the bonds or other obligations; and

24 (4) the right of the authority to repurchase the bonds or
25 other obligations at a predetermined price.

26 ARTICLE 5. ELECTRIC AND TELEPHONE LOANS.

27 Sec. 42.21.220. AUTHORIZED LOANS. (a) The authority may make
28 loans to nonprofit electric and telephone cooperative associations and
29 corporations and to municipal corporations owning and operating electric

1 or telephone utilities or systems. The loans shall be made from funds
2 available to the authority from the sale of revenue bonds or otherwise.

3 (b) All loans made under this chapter, whether to nonprofit elec-
4 tric or telephone cooperatives or to a municipal corporation, are solely
5 for the purpose of financing capital investment in additions to, exten-
6 sions of, or improvements in electric or telephone utilities or systems
7 owned and operated by the cooperative or the municipal corporation.

8 (c) The authority shall

9 (1) promulgate under the Administrative Procedure Act
10 (AS 44.62) those regulations that it considers necessary for the admin-
11 istration of the loan program and to carry out the purposes of this
12 chapter.

13 (2) establish criteria and qualifications for the loans and
14 for the security for their repayment;

15 (3) otherwise administer, direct and implement the provisions
16 of this chapter.

17 (d) The term of any loan made under this chapter may not exceed
18 35 years and the interest on the loan may not exceed the cost to the
19 authority of the funds lent plus the cost of administration.

20 Sec. 42.21.230. ECONOMIC FEASIBILITY. (a) No loan may be made
21 under this chapter for any facility or project until an investigation
22 and an economic feasibility study are conducted and, as a result of the
23 investigation and study, the authority determines that the facility or
24 project to be financed by the loan is economically feasible and sound
25 and that the facility or project will be financially self-sustaining
26 and fully amortized within the term of the loan and in accordance with
27 the other terms and conditions of the loan. The economic feasibility
28 study shall be conducted by the authority staff or by consultants, en-
29 gineers or other technical experts approved by the authority in advance

1 of the conduct of the investigation and study and of the submission of
2 an application for a loan under this chapter.

3 (b) To facilitate its determination of economic feasibility and
4 the ability of the facility or project to be fully amortized and finan-
5 cially self-sustaining, the authority shall require the applicant for a
6 loan under this chapter to furnish those system studies, long-range
7 economic forecasts, financial data, engineering studies and other finan-
8 cial and technical information as the authority considers necessary.

9 Sec. 42.21.240. LOAN PROVISIONS. No loan may be made by the
10 authority from the Alaska state electric and telephone authority revolving
11 fund, created by sec. 250 of this chapter, except in accordance with a
12 written agreement which shall include, but is not limited to, the
13 following terms and conditions:

14 (1) the proceeds of the loan shall be used only for the
15 purposes for which the loan is made, as provided in the agreement;

16 (2) the loan shall be repaid in full as provided in the
17 agreement;

18 (3) all repayments in connection with a loan to defray capital
19 investment costs shall be made concurrent with receipt by the borrower
20 of the proceeds of a construction loan or mortgage loan, or at those
21 other times as the authority considers reasonably necessary or practi-
22 cable; and

23 (4) security for repayment shall be specified and shall be
24 upon terms and conditions that the authority considers necessary or
25 practicable to insure all repayments.

26 ARTICLE 6. ALASKA STATE ELECTRIC AND TELEPHONE
27 AUTHORITY REVOLVING FUND.

28 Sec. 42.21.250. CREATION. (a) There is created a special revolving
29 fund to be known as the Alaska state electric and telephone authority

1 revolving fund consisting of the money appropriated and other money
2 made available to the authority, including any money allotted to the
3 authority by the federal government, to be administered by the authority
4 as a trust fund separate and distinct from any other money or funds
5 administered by the authority. The fund shall be continuous and shall
6 be used to carry out the operations and meet the expenses authorized
7 by this chapter.

8 (b) Withdrawals from the fund for the account of the authority are
9 made on requisitions, signed by the executive officer or his authorized
10 representative, addressed to the Department of Administration quarterly,
11 or otherwise as the members of the authority board may direct.

12 (c) It is the intent and purpose that money requisitioned to meet
13 periodic financial requirements will be deposited under suitable banking
14 arrangements for appropriate disbursement and will be subject to audit
15 under state law or regulation of the members of the authority board.

16 (d) Consistent with the provisions of this chapter, the authority
17 may make temporary or permanent loans from the fund, at the interest
18 rate determined by the authority and with the security for repayment
19 that is necessary and practicable, to defray capital investment costs
20 of projects or facilities for additions to, extensions of or improvements
21 in electric or telephone utilities or systems owned and operated by
22 nonprofit electric and telephone cooperative associations and corpora-
23 tions and to municipal corporations owning and operating electric or
24 telephone utilities or systems.

25 (e) To the credit of the fund shall be deposited:

26 (1) grants and contributions to the fund and the proceeds of
27 the sale of revenue bonds issued and sold under this chapter;

28 (2) all receipts of the authority on account of repayment
29 of principal and interest on loans made under this chapter or sale or

1 other disposition of the security for any loans made under this chapter.

2 (f) The authority may receive and accept from any source whatever
3 grants or contributions for the fund.

4 Sec. 42.21.260. FUND NOTES. (a) The authority may provide for
5 the issuance, at one time or from time to time, of fund notes for the
6 purpose of providing funds for the fund. The commissioner of revenue
7 may purchase fund notes with surplus funds in the state treasury.
8 Before submission of the executive budget to the legislature, the
9 commissioner of revenue shall annually recommend to the governor the
10 anticipated amounts of surplus funds available for purchase of fund notes
11 in the fiscal year encompassed by the budget. In making his recommenda-
12 tion to the governor, the commissioner of revenue shall consider the
13 expenditure and revenue projections contained in the most recent revenue
14 source document prepared for and submitted to the legislature by the
15 administration. If the governor agrees with the recommendation of the
16 commissioner of revenue he shall forward the recommendation to the
17 authority.

18 (b) The principal and interest on fund notes is payable solely
19 from the fund. The authority shall determine the date of the fund notes
20 of each issue, the maturity of the notes, the redemption provisions, if
21 any, including redemption prices, terms and conditions, the form and
22 manner of execution of the notes, including any interest coupons to be
23 attached to them, the denomination and the place of payment of principal
24 and interest. The place may be any bank, trust company, or agent,
25 including the purchaser of any fund notes. The fund notes may be issued
26 in coupon or in registered form or both. The authority may provide for
27 the registration of any coupon fund notes as to principal or interest,
28 or both, and for the reconversion into coupon fund notes of any fund
29 notes registered as to both principal and interest and for the exchange

1 of registered and coupon fund notes. The authority may provide for
2 the replacement of fund notes which are mutilated, destroyed, lost or
3 stolen.

4 (c) Fund notes shall bear interest at the rate and shall be sold
5 in the manner and for the price the authority determines.

6 (d) If an officer whose signature or a facsimile of whose signature
7 appears on any fund notes or coupons attached to them ceases to be an
8 officer before the delivery of the fund notes or coupons, his signature
9 or facsimile is valid for all purposes as if he had remained in office
10 until delivery.

11 (e) The proceeds of sale of fund notes shall be used solely for the
12 purposes for which issued and shall be disbursed in the manner and under
13 the restrictions the authority provides in the resolution authorizing the
14 issuance of fund notes.

15 (f) Fund notes may be issued without the consent of any government
16 agency and without any other proceedings or conditions other than those
17 which are specifically required by this chapter and the provisions of the
18 resolution authorizing the issuance of the fund notes.

19 ARTICLE 7. MISCELLANEOUS

20 Sec. 42.21.270. COOPERATION WITH OTHER AGENCIES. The authority
21 shall cooperate with other agencies of the state and federal governments,
22 with private lending agencies or institutions, and with other persons to
23 assist those applicants otherwise eligible for loans under this chapter
24 to meet their capital investment requirements. To accomplish this
25 purpose, the authority may enter into those joint financing statements,
26 mortgages, trust deeds or other security agreements that may be required
27 by their respective security and other requirements.

28 Sec. 42.21.280. INTERDEPARTMENTAL COOPERATION. All departments,
29 agencies and public corporations of the state shall provide information,

1 services, facilities and loans to the authority upon its request. The
2 authority shall reimburse departments, agencies and public corporations
3 of the state for loans advanced or for expenses incurred on the
4 authority's behalf.

5 Sec. 42.21.290. APPLICATION OF OTHER LAWS; CONSTRUCTION. (a) Not-
6 withstanding AC 37.10.085 and any other provision of law, the provisions
7 of this chapter constitute full authority for the sale and issuance of
8 bonds and the making of loans for the purposes set out in this chapter.
9 No other law with regard to the authorization or issuance of obligations,
10 nor a law which in any way impedes or restricts the performance of acts
11 authorized by this chapter, shall be construed as applicable to any pro-
12 ceedings or acts under this chapter, unless otherwise expressly provided
13 in this chapter.

14 (b) The provisions of this chapter shall be liberally construed to
15 carry out the purposes for which they were enacted.

16 Sec. 42.21.300. CREDIT OF THE STATE NOT PLEDGED. Obligations
17 issued under the provisions of this chapter do not constitute a debt,
18 liability or obligation of the state or of any political subdivision of
19 the state or a pledge of the faith and credit of the state or of any of
20 its political subdivisions but are payable solely from the revenues or
21 assets of the authority. Each obligation issued under this chapter shall
22 contain on its face a statement that the authority is not obligated to
23 pay it nor the interest on it except from the revenues or assets pledged
24 for it and that neither the faith and credit nor the taxing power of the
25 state or of any of its political subdivisions is pledged to the payment
26 of the principal or of the interest on the obligation.

27 Sec. 42.21.310. ADMINISTRATIVE, OPERATING EXPENSES. Except for
28 the first year of the authority's operation, expenses incurred by the
29 authority in carrying out the provisions of this chapter are payable

1 from the funds provided under this chapter and no liability may be
2 incurred by the authority in excess of these funds.

3 Sec. 42.21.320. OFFICERS, EMPLOYEES NOT LIABLE. No member or other
4 officer or employee of the authority is subject to personal liability or
5 accountability by reasons of his execution of any obligation or the
6 issuance of them.

7 Sec. 42.21.330. NEGOTIABLE INSTRUMENTS. All obligations issued
8 under this chapter and interest coupons attached to them are negotiable
9 instruments under the laws of this state, subject only to any applicable
10 provisions for registration.

11 Sec. 42.21.340. EXEMPTION OF PROPERTY OF AUTHORITY FROM EXECUTION
12 OR OTHER PROCESS. All property of the authority is exempt from levy and
13 sale by execution. No execution or other judicial process may issue
14 against it, and no judgment against the authority may be a charge or a
15 lien upon its property. However, this section does not limit the right
16 of an obligee to foreclose or otherwise enforce a mortgage of the
17 authority or to pursue any remedy for the enforcement of a pledge or
18 lien given by the authority on its revenues.

19 Sec. 42.21.350. TAX EXEMPTION. (a) The property of the authority
20 is public property used for essential public and governmental purposes,
21 and this property and the authority are exempt from all taxes and special
22 assessments of the state or its political subdivisions.

23 (b) All obligations issued under this chapter are hereby declared
24 to be issued by a body corporate and public of the state and for an
25 essential public and governmental purpose, and the obligations and the
26 interest and income on and from the obligations, and all fees, charges,
27 funds, revenues, income and other money pledged or available to pay or
28 secure the payment of the obligations or interest on the obligations
29 are exempt from taxation except for transfer, inheritance and estate

1 taxes.

2 Sec. 42.21.360. VALIDITY OF ANY PLEDGE. The pledge of assets or
3 revenues of the authority to the payment of the principal or interest
4 on any obligations of the authority is valid and binding from the time
5 the pledge is made and any assets or revenues are immediately subject to
6 the lien of the pledge without physical delivery or further act. The
7 lien of any pledge is valid and binding against all parties having claims
8 of any kind in tort, contract or otherwise against the authority,
9 irrespective of whether those parties have notice of the lien of the
10 pledge. Nothing in this section prohibits the authority from selling
11 assets subject to any pledge, except that any sale may be restricted by
12 the trust agreement or resolution providing for the issuance of the
13 obligations.

14 Sec. 42.21.370. REMEDIES. A holder of obligations or coupons
15 attached to them issued under the provisions of this chapter, and a
16 trustee under any trust agreement or resolution authorizing the issuance
17 of the obligations, except as restricted by a trust agreement or resolu-
18 tion, either at law or in equity, may enforce all rights granted under
19 this section or under the trust agreement or resolution or under any
20 other contract executed by the authority under this chapter and may
21 enforce and compel the performance of all duties required by this chapter
22 or by the trust agreement or resolution to be performed by the authority
23 or by an officer of it.

24 Sec. 42.21.380. REPORTS, RECOMMENDATIONS. The authority shall
25 file with the governor, the legislature and with the Department of
26 Commerce an annual report of its activities and shall make recommenda-
27 tions for legislation or other action it considers necessary to carry
28 out the purposes of this chapter.

29 Sec. 42.21.390. DEFINITIONS. In this chapter

1 (1) "authority" means the Alaska State Electric and Telephone
2 Authority;

3 (2) "board" means the board of directors of the Alaska State
4 Electric and Telephone Authority;

5 (3) "capital investment" or "capital investment costs" means
6 those expenditures so classified according to the system of accounts of
7 the Federal Power Commission, of the Rural Electrification Administration
8 of the United States Department of Agriculture, or of the Public Utilities
9 Commission of the state, or other generally accepted system of accounts
10 approved by the authority;

11 (4) "commissioner" means the commissioner of commerce;

12 (5) "department" means the Department of Commerce;

13 (6) "economic feasibility" includes, but is not limited to,
14 financial and engineering feasibility;

15 (7) "fund" means the Alaska state electric and telephone
16 authority revolving fund.

17 Sec. 42.21.400. SHORT TITLE. This chapter may be cited as the
18 Alaska State Electric and Telephone Authority Act.

19 * Sec. 2. AS 39.25.110 is amended by adding a new paragraph to read:

20 (14) the executive officer and employees of the Alaska State
21 Electric and Telephone Authority, other than those employees who are
22 also employees of the Department of Commerce.

23 * Sec. 3. This Act takes effect July 1, 1973.
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ALASKA STATE LEGISLATURE

EIGHTH Legislature FIRST Session

SENATE BILL..... NO. 235

By GROH, RADER, KERTTULA
AND T. MILLER

"An Act creating the Alaska State Electric and Telephone Authority, prescribing its organization, powers and duties; and providing for an effective date."

Alaska State Electric & Telephone Authority

Introduced in the Senate 3/28, 19 73

HISTORY IN THE SENATE

19 73

3 28

Read first time and referred to Committee on

Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
: Nays
: Absent
: Excused

Effective Date

PASS : Yeas
: Nays
: Absent
: Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

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Read third time and

PASS : Yeas
: Nays
: Absent
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Effective Date

PASS : Yeas
: Nays
: Absent
: Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Lt. Governor

Chapter No.