

LEG. FINANCE - BILLS 1977 - 1978 989

SB 553 cont. thru SB 555 289

1 shall be either granted or denied no later than 60 days before the date
2 submitted with the master application. If the permit is neither granted
3 nor denied, it shall be considered to have been granted and may be
4 revoked only with the prior approval of the governor. If a permit is
5 denied, the corporation may appeal the denial directly to the governor
6 who shall receive written submissions from the affected agency and the
7 corporation on an expedited basis and render a decision either reversing
8 the decision of the agency and granting the permit or upholding the
9 decision of the agency. No permit may be denied on the ground that the
10 affected agency has not had a sufficient opportunity to make tests,
11 studies, evaluations or other investigations. The corporation and the
12 Department of Environmental Conservation shall cooperate in expediting
13 the review process to the greatest possible extent by consolidating
14 hearings and otherwise avoiding a multiplicity of written or oral sub-
15 missions. No agency may demand as a condition of commencing its in-
16 vestigations that the corporation bear the agency's costs and expenses
17 in connection with the investigation. The corporation may amend the
18 master application at any time and may seek additional permits. The
19 corporation shall use its best efforts to fully cooperate with all
20 affected agencies and shall give all such agencies complete access to
21 the corporation's relevant documents and records. To the extent that
22 there is an inconsistency or conflict between the provisions of this
23 subsection and the Environmental Procedures Coordination Act (AS 46.35)
24 or with any other statute regarding the issuance of permits, the pro-
25 visions of this subsection shall control.

26 Sec. 44.63.160. ACQUISITION OF REAL PROPERTY. Upon making a
27 finding that it is necessary or convenient to acquire any real property,
28 or an interest in it, located in the capital city area, or any real
29 property located outside the capital city area, for the purpose of

1 providing water, sewer, road, airport or other utility or facility for
2 the capital city area, for its immediate or future use, the corporation
3 may acquire the property in any lawful manner, including the exercise of
4 the power of eminent domain under the provisions of AS 09.55.240 -
5 09.55.460. Any purpose for which the corporation proposes to use the
6 property is declared a public use and the corporation may, in its dis-
7 cretion, file a declaration of taking and have title and right vest in
8 it as provided in AS 09.55.440 and as otherwise provided by law.

9 Sec. 44.63.170. STATE LOANS. The commissioner of revenue may loan
10 to the corporation from surplus money in the general fund a sum not to
11 exceed \$153,000,000. Before any disbursement of the proceeds of the
12 loan, the commissioner of revenue, with the approval of the governor,
13 shall enter into a loan agreement with the corporation providing for the
14 terms of repayment of the loan over the period of years and at the rate
15 or rates of interest as may be fixed in the loan agreement. The loan
16 agreement may also provide for subordination of the terms of repayment
17 of the loan to notes or bonds of the corporation to be issued at a later
18 date or dates, and shall provide for (1) a periodic disbursement sche-
19 dule of the loan proceeds consistent with the progress of the general
20 development plan of the corporation during each fiscal year of the state
21 and consistent with the projected financial ability of the state to
22 disburse loan proceeds in each fiscal year, and (2) an annual or other
23 periodic review procedure by a committee consisting of the commissioner
24 of revenue and four commissioners of principal departments of state
25 government appointed by the governor to determine (A) whether the finan-
26 cial and economic projections contained in the general development plan
27 and specific development plans are being fulfilled, and (B) whether the
28 financial condition of the state will accommodate each annual loan
29 disbursement. The Legislative Budget and Audit Committee shall make the

1 same review provided for in the agreement and report its findings to the
2 committee. The loan agreement shall provide that the recommendations of
3 the committee, based on the determinations made by the committee, shall
4 govern the amount of each loan disbursement.

5 Sec. 44.63.180. DISPOSITION OF PROPERTY. (a) The corporation
6 shall adopt regulations for the sale, lease or other disposal of pro-
7 perty under this chapter. After adoption of regulations and of one or
8 more specific development plans, the corporation may sell, lease or
9 otherwise dispose of, all or any portion of the property encompassed by
10 the plans to any person, either public or private, upon the terms and
11 conditions it determines but only if the board of directors specifically
12 finds that the terms and conditions of the sale, lease or other disposal
13 arrangement are in substantial conformity with the plans. Before the
14 sale, lease or other disposal of any property by the corporation, public
15 notice of the intention of the corporation to do so shall be given by
16 publication of a general description of the terms at least 10 days
17 before the sale, lease or disposal in a newspaper of general circulation
18 in the Third Judicial District.

19 (b) Notwithstanding any other law and subject to any agreement
20 with noteholders or bondholders, any sale, lease or other disposal of
21 property may be made without public bidding or public sale, under a
22 negotiated contract, agreement or lease and containing any terms the
23 corporation determines to be necessary or desirable for the implementa-
24 tion of a specific development plan if public notice is given in accor-
25 dance with (a) of this section.

26 (c) The real property in the capital city area is not subject to
27 the provisions of the Alaska Land Act (AS 38.05).

28 Sec. 44.63.190. TRANSFER OF STATE-OWNED REAL PROPERTY. The com-
29 missioner of natural resources and any other state official having

1 jurisdiction over the conveyance or transfer of state-owned land shall,
2 within 60 days after the written request of the chairman of the cor-
3 poration, convey to the corporation all interest of the state in all of
4 the state land, including land under water, lying within the capital
5 city area. The transfer and conveyance shall contain the reservations
6 to the state of all resources required by federal law and shall provide
7 for access to these resources. Reservation of access may not unneces-
8 sarily impair the owners' use, prevent the control of trespass, or
9 preclude compensation for damages.

10 Sec. 44.63.200. CONSTRUCTION CONTRACTS. (a) The corporation
11 shall adopt regulations under this chapter establishing procedures for
12 entering into contracts for construction of facilities and improvements
13 on all or any part of any development program. The regulations shall
14 provide for procedures for issuing public requests for bids or proposals
15 including the establishment of qualifications for bidders for construc-
16 tion and may provide that (1) any construction contract awarded by the
17 corporation after bidding shall contain terms and conditions as the
18 corporation may fix; (2) the corporation may reject any or all bids if
19 in its sole judgment the business and technical organization, plant,
20 resources, financial standing or experience of the lowest bidder justi-
21 fies the rejection in view of the work to be performed; and (3) the
22 corporation may waive any informality in a bid if it believes that the
23 public interest will be promoted by the waiver. No construction con-
24 tract to which the corporation is a party is subject to the provisions
25 of AS 35.15 (construction procedures). The corporation's interest in
26 any real property is not subject to any claims under AS 34.35 (liens).
27 No construction contract may be entered into requiring the expenditure
28 of borrowed funds unless the funds are in the hands of the corporation.

29 (b) Notwithstanding the provisions of (a) of this section or any

1 other law, and subject to any agreement with noteholders or bond-
2 holders, the corporation may adopt regulations providing that it may,
3 when it finds that the bid process of (a) of this section would impede
4 implementation of a development program or would otherwise be detri-
5 mental to the financial objectives underlying the development program,
6 enter into a construction contract for all or any part of a develop-
7 ment program without public bidding. The negotiated contract may
8 contain any terms the corporation considers necessary or desirable for
9 the implementation of the development program. No contract under this
10 subsection except contracts for personal services or contracts in-
11 volving the expenditure of less than \$20,000 may be entered into unless
12 the corporation has given public notice of its intention to enter into
13 the contract at a meeting at which the proposed contract is available
14 for inspection and an opportunity for members of the public to be heard
15 is afforded.

16 Sec. 44.63.210. MONEY OF THE CORPORATION. (a) The Legislative
17 Budget and Audit Committee may examine all the accounts and books of the
18 corporation and all other records and papers relating to its financial
19 standing. The Legislative Budget and Audit Committee shall conduct an
20 examination at least once every two years or may accept an independent
21 audit of the corporation by a firm of certified public accountants made
22 at the request of the corporation in satisfaction of the examination
23 requirement.

24 (b) Any money of the corporation, including the proceeds of bonds
25 or notes not required for immediate use, may be invested in the same
26 manner and on the same conditions as permitted for the investment of
27 funds of the state or held in the treasury under AS 37.10.070. The
28 corporation may agree with bondholders or noteholders to further limit
29 investments.

1 (c) The corporation may contract with holders of any of its bonds
2 or notes as to the custody, collection, securing, investment and payment
3 of any money of the corporation or of any money held for the payment of
4 bonds or notes, and may carry out that contract. Money held for the
5 payment of bonds or notes or in any way to secure bonds or notes and
6 deposits of the money may be secured in the same manner as money of the
7 corporation, and all banks and trust companies may give security for
8 these deposits.

9 Sec. 44.63.220. TAX EXEMPTION. The real and personal property of
10 the corporation and its assets, income and receipts are declared to be
11 property of a political subdivision of the state and shall be exempt
12 from all taxes and special assessments of the state or a political sub-
13 division of the state. All bonds of the corporation are issued by a
14 political subdivision of the state and for an essential public and
15 governmental purpose, and the bonds, and the interest income on and from
16 them, the transfer of the bonds, and all assets, income and receipts
17 pledged to pay or secure the payment of the bonds, or interest on them,
18 are exempt from taxation except for estate taxes.

19 ARTICLE 4. CAPITAL DEVELOPMENT FINANCE.

20 Sec. 44.63.230. BONDS AND NOTES OF THE CORPORATION. (a) The
21 corporation may issue its bonds and notes in the principal amounts
22 which, in the opinion of the corporation, are necessary to provide
23 sufficient funds for carrying out any of its corporate purposes, in-
24 cluding but not limited to, the undertaking and completion of develop-
25 ment programs, the payment of interest on bonds and notes of the cor-
26 poration, the receipt of funds in anticipation of the sale of bonds of
27 the corporation, the refunding of bonds for the purpose of paying or
28 retiring bonds previously issued by it, the establishment of reserves to
29 secure such bonds or notes and all other expenditures of the corporation

1 incident to and necessary or convenient to carry out its corporate
2 purposes and powers. No bonds or notes may be issued by the corporation
3 unless the state bond committee (AS 37.15.110) files its written consent
4 to the issuance of the bonds or notes. The limitation in this subsec-
5 tion does not apply to the issuance of notes or other evidences of
6 indebtedness issued by the corporation under sec. 170 of this chapter.

7 (b) Principal and interest on bonds and notes issued by the cor-
8 poration may be payable

9 (1) exclusively from the income and receipts or other money
10 derived from the project financed with the proceeds of the bonds and
11 notes;

12 (2) exclusively from the income and receipts or other money
13 derived from designated projects whether or not they are financed in
14 whole or in part with the proceeds of the bonds or notes; or

15 (3) from its income and receipts or other assets generally,
16 or a designated part or parts of them.

17 (c) Bonds and notes shall be authorized by resolution of the board
18 of directors, and be dated and shall mature as the resolution may pro-
19 vide. Bonds and notes shall bear interest at the rate or rates, be in
20 the denominations, be in the form, carry the registration privileges,
21 have the rank and priority, be executed in the manner, be payable in the
22 medium of payment, at the place or places, and be subject to the terms
23 of redemption which the resolution or a subsequent resolution may pro-
24 vide.

25 (d) Bonds or notes of the corporation may be sold at the price, at
26 public or private sale, and in the manner as may be determined by the
27 corporation. The corporation may pay all expenses, premiums and com-
28 missions, and give any discounts which it considers necessary or advan-
29 tageous in connection with the issuance and sale of its bonds and notes.

1 (e) Issuance by the corporation of one or more series of bonds or
2 notes for one or more purposes does not prevent it from issuing other
3 bonds or notes in connection with the same development program or any
4 other development program, but the proceedings in which subsequent bonds
5 or notes are issued shall recognize and protect any prior pledge or
6 mortgage made for any prior issue of bonds or notes unless in the pro-
7 ceedings authorizing the prior issue the right is reserved to issue
8 subsequent bonds or notes on a parity with or superior to the prior
9 issue.

10 (f) The corporation may issue its bonds or notes for the purpose
11 or refunding any bonds or notes of the corporation then outstanding,
12 including the payment of any redemption premium and any interest accrued
13 or to accrue to the earliest or subsequent date of redemption, purchase
14 or maturity of the bonds or notes, and, if the corporation considers
15 advisable, for the additional purpose of paying all or any part of the
16 cost of undertaking, acquiring, constructing, reconstructing, or im-
17 proving a development program, or the making of a mortgage loan on a
18 development program. The corporation, in its discretion, may apply the
19 proceeds of any bonds or notes issued for the purpose of refunding
20 outstanding bonds or notes to the purchase or retirement at maturity or
21 redemption of the outstanding bonds or notes either on their earliest or
22 any subsequent redemption date, and, pending the application, may place
23 the proceeds in escrow to be applied to the purchase or retirement at
24 maturity or redemption at the date the corporation determines. Any
25 escrowed proceeds, pending their use, may be invested and reinvested in
26 obligations, securities and other investments as provided in the reso-
27 lution or resolutions authorizing the refunding bonds or notes. The
28 interest, income and profits, if any, realized on any such investment
29 may also be applied to the payment of the outstanding bonds or notes to

1 be refunded. After the terms of the escrow have been fully satisfied,
2 any balance of the proceeds, and interest, income and profits, if any,
3 earned or realized on the investments, may be returned to the corpora-
4 tion for its use. The bonds or notes shall be issued and secured and
5 shall be subject to the provisions of this chapter in the same manner
6 and to the same extent as any other bonds or notes issued under this
7 chapter.

8 (g) The resolution authorizing the issuance of bonds or notes may
9 contain provisions with respect to any of the matters referred to in
10 this section, as well as any other matters which in any way affect the
11 security or protection of the bonds or notes. The resolution may be
12 made a part of the contract with the holders of the bonds or notes.

13 Sec. 44.63.240. SECURITY FOR BONDS OR NOTES. (a) The principal
14 of and interest on any bonds or notes issued by the corporation may be
15 secured by a pledge of any revenues and receipts of the corporation and
16 may be secured by a mortgage or other instrument covering all or any
17 part of any real or personal property or all or any part of a develop-
18 ment program, including any additions, improvements, extensions to or
19 enlargements of any development program.

20 (b) Bonds or notes issued for the acquisition, construction,
21 reconstruction, or improvement of all or any part of a development
22 program may also be secured by assignment of a lease of, or sales con-
23 tract or mortgage on, all or any part of the development program and by
24 an assignment of the revenues and receipts derived by the corporation
25 from the lease, sales contract, or mortgage.

26 (c) The resolution under which the bonds or notes are authorized
27 to be issued and any mortgage, lease, sales contract, or other instru-
28 ment may contain agreements and provisions respecting the maintenance of
29 the development program or programs, the fixing and collection of rents

1 or other revenues, including money received in repayment of mortgage
2 loans and interest, the creation and maintenance of special funds from
3 rents or other revenues, and the rights and remedies available in the
4 event of default, as the corporation considers advisable.

5 (d) In connection with the issuance of bonds or notes, and in
6 order to further secure the payment of obligations, the corporation, in
7 addition to its other powers, may

8 (1) covenant against pledging all or a part of its rents,
9 receipts and other revenues, or against mortgaging all or a part of its
10 real or personal property, to which its right or title exists or may
11 come into existence or against permitting or suffering any lien on the
12 revenues or property or as to the use and disposition of the revenues;

13 (2) covenant with respect to limitations on its right to
14 sell, lease or otherwise dispose of personal or real property, improved
15 or unimproved, or any part of the property;

16 (3) covenant as to what other or additional debts or obliga-
17 tions may be incurred by it;

18 (4) covenant as to the bonds or notes to be issued and as to
19 the issuance of the bonds or notes in escrow or otherwise, and as to the
20 use and disposition of the proceeds of bonds or notes;

21 (5) provide for the replacement of lost, destroyed or muti-
22 lated bonds or notes;

23 (6) covenant against extending the time for the payment of
24 its bonds or interest on the bonds or notes;

25 (7) prescribe the procedure by which the terms of a contract
26 with bondholders or noteholders may be amended or abrogated, the amount
27 of bonds or notes the holders of which must consent, and the manner in
28 which the consent may be given;

29 (8) covenant as to the rights, liabilities, powers and duties

1 arising upon the breach by it of a covenant, condition, or obligation;
2 covenant and prescribe as to events of default and terms and conditions
3 upon which any or all of its bonds or notes shall become or may be
4 declared due before maturity; and covenant as to the terms and condi-
5 tions upon which this declaration and its consequences may be waived;

6 (9) vest in a trustee or trustees or the holders of bonds or
7 notes or a specified proportion of them, the right to enforce the pay-
8 ment of the bonds or notes or covenants securing or relating to the
9 bonds or notes;

10 (10) vest in one or more trustees the right, in the event of
11 a default by the corporation, to take possession of any real property or
12 improvements constituting all or any part of a development program, and
13 so long as the corporation continues in default to retain possession and
14 to use, operate and manage the real property and improvements, to col-
15 lect the rents and revenues, and to dispose of the money according to an
16 agreement between the corporation and the trustees;

17 (11) provide for the powers and duties of the trustees, and
18 limit the liability of the trustees;

19 (12) provide the terms and conditions upon which the trustee
20 or trustees or the holders of bonds or notes, or portions of bonds or
21 notes, may enforce a covenant or right securing or relating to the bonds
22 or notes; and

23 (13) make covenants other than and in addition to the cove-
24 nants expressly authorized in this subsection, of like or different
25 character, and make covenants to do or refrain from doing acts and
26 things as may be necessary, or convenient and desirable, in order to
27 better secure bonds or notes or which, in the discretion of the corpor-
28 ation, will tend to make bonds or notes more marketable, notwithstanding
29 that the covenants, acts or things may not be enumerated in this sub-

1 section.

2 (e) Each pledge, agreement, mortgage or other instrument made for
3 the benefit or security of any of the bonds or notes of the corporation
4 shall continue to be effective until the principal of and interest on
5 the bonds or notes are fully paid, or until provision is made for pay-
6 ment in the manner provided in the resolution or resolutions under which
7 the bonds or notes are authorized. The pledge of assets or revenues of
8 the corporation to the payment of the principal or interest on any bonds
9 or notes is valid and binding from the time the pledge is made, and the
10 assets or revenues are immediately subject to the lien of the pledge
11 without physical delivery or further act. The lien of any pledge is
12 valid and binding against all parties having claims of any kind in tort,
13 contract or otherwise against the corporation, irrespective of whether
14 those parties have notice of the lien of the pledge.

15 (f) The corporation may provide in any proceedings under which
16 bonds or notes may be authorized that all or any part of a development
17 program may be constructed, reconstructed or improved by the corpora-
18 tion, any lessee, or any purchaser from or any designee of the corpora-
19 tion, and may also provide in the proceedings for the time and manner of
20 and requisites for disbursements to be made for the cost of the con-
21 struction, and for all such certificates and approvals of construction
22 and disbursement as the corporation considers necessary and provides for
23 in the proceedings.

24 (g) If the corporation considers it advisable, the corporation may
25 retain, in the proceedings under which any of its bonds or notes are
26 authorized to be issued, an option to redeem all or any part of the
27 bonds or notes as specified in the proceedings, at the price or prices,
28 after any notice or notices, and on the terms and conditions as are set
29 out in the proceedings and as are stated on the face of the bonds or

1 notes. Nothing in this subsection shall be construed to give the cor-
2 poration any right or option to redeem any bonds or notes except as is
3 provided in the proceedings under which they are issued.

4 Sec. 44.63.250. RESERVE FUNDS. (a) To assure the continued
5 operation and solvency of the corporation for the carrying out of the
6 public purposes of this chapter, the corporation may establish one or
7 more reserve funds to be known as debt service reserve funds and may pay
8 into these reserve funds (1) any proceeds of sale of bonds and notes to
9 the extent provided in the resolution of the corporation authorizing
10 their issuance, and (2) any other money which is available to the cor-
11 poration, for the purposes of the funds, from the state or from any
12 other source or sources. The money held in or credited to a debt ser-
13 vice reserve fund established under this section, except as otherwise
14 provided, shall be used solely for the payment of the principal of bonds
15 of the corporation secured by the reserve fund as the bonds mature, the
16 purchase of the bonds of the corporation, the payment of interest on the
17 bonds of the corporation, or the payment of any redemption premium
18 required to be paid when the bonds are redeemed before maturity. Money
19 in a debt service reserve fund may not be withdrawn from the fund in an
20 amount which would reduce the amount of the fund to less than the re-
21 quired debt service reserve, except for the purpose of paying principal
22 and interest on the bonds of the corporation secured by the reserve fund
23 maturing and becoming due and for the payment of which other money of
24 the corporation is not available. Any income or interest earned by, or
25 increment to, a debt service reserve fund may be transferred to any
26 other fund or account of the corporation to the extent it does not
27 reduce the amount of the debt service reserve fund below the required
28 debt service reserve. As used in this section, "required debt service
29 reserve" means, as of the date of computation, the amount required to be

1 on deposit in the reserve fund as provided by resolution of the cor-
2 poration.

3 (b) The corporation may not issue bonds unless there is in the
4 reserve fund the required debt service reserve for all bonds then issued
5 and outstanding and for the bonds to be issued unless the corporation,
6 at the time of issuance of the bonds, deposits in the reserve fund from
7 the proceeds of the bonds to be issued, or otherwise, an amount which
8 together with the amount then in the reserve fund will be not less than
9 the required debt service reserve.

10 (c) In order to further assure the maintenance of the required
11 debt service reserve, there may be annually paid by the state to the
12 corporation for deposit in each debt service reserve fund a sum certi-
13 fied by the chairman of the board of directors to the governor as
14 necessary to restore the reserve fund to the required debt service
15 reserve. The chairman of the board of directors shall annually, on or
16 before January 1, make and deliver to the governor and to the chairmen
17 of the house and senate finance committees, his certificate stating the
18 sum required to restore each debt service reserve fund to the required
19 debt service reserve, and the sum may be appropriated by the legislature
20 and paid to the corporation during the then current state fiscal year.
21 Nothing in this subsection creates a debt or liability of the state.

22 (d) In computing any debt service reserve fund for the purposes of
23 this section, securities in which all or a portion of the reserve fund
24 are invested shall be valued at par, or if purchased at less than par,
25 at their cost to the corporation.

26 (e) Whenever the corporation has established a debt service re-
27 serve fund, the commissioner of revenue may lend surplus money in the
28 general fund to the corporation for deposit in a debt service reserve
29 fund in an amount equal to the required debt service reserve. The loans

1 shall be made on such terms and conditions as may be agreed upon by the
2 commissioner of revenue and the corporation, including without limita-
3 tion, terms and conditions providing that the loans need not be repaid
4 until the obligations of the corporation secured and to be secured by
5 the debt service reserve fund are no longer outstanding.

6 (f) The corporation may establish additional reserves or other
7 funds or accounts as may be, in its discretion, necessary, desirable, or
8 convenient to further the accomplishment of its purposes or to comply
9 with the provisions of any of its agreements or resolutions.

10 Sec. 44.63.260. AGREEMENTS OF THE STATE WITH RESPECT TO BONDS.
11 The state pledges to and agrees with the holders of any bonds or notes
12 issued under this chapter, that the state will not limit or alter the
13 rights vested in the corporation to fulfill the terms of any agreements
14 made with the holders of the bonds or notes, or in any way impair the
15 rights and remedies of the holders until the bonds or notes, together
16 with interest, with interest on any unpaid installments of interest, and
17 all costs and expenses in connection with any action or proceeding by or
18 on behalf of the holders, are fully met and discharged. The corporation
19 may include this pledge and agreement of the state in any agreement with
20 the holders of bonds or notes.

21 Sec. 44.63.270. CREDIT OF STATE NOT PLEDGED. The bonds or notes
22 of the corporation do not constitute a debt, liability or obligation of
23 the state or any political subdivision of the state, and each bond or
24 note shall so state on its face. The obligations of the corporation are
25 payable solely from the pledged funds and properties of the corporation,
26 and the corporation may not pledge the faith and credit or the taxing
27 power of the state or of any political subdivision of the state to the
28 payment of any principal or interest on any obligation of the cor-
29 poration. Bonds and notes of the corporation do not constitute a debt,

1 indebtedness or the borrowing of money within the meaning of any limi-
2 tation or restriction on the issuance of bonds contained in the consti-
3 tution or laws of the state.

4 Sec. 44.63.280. BONDS AND NOTES AS LEGAL INVESTMENTS. The bonds
5 and notes of the corporation are securities in which all public offi-
6 cers, bodies, and municipalities of the state, all insurance companies
7 and associations, and other persons carrying on an insurance business,
8 all banks, trust companies, savings banks and savings associations,
9 investment companies and other persons carrying on a banking business,
10 all administrators, guardians, executors, trustees and other fiduci-
11 aries, and all other persons who are authorized to invest in bonds or
12 other obligations of the state may properly and legally invest funds
13 including capital in their control or belonging to them.

14 ARTICLE 5. GENERAL PROVISIONS.

15 Sec. 44.63.290. EXECUTIVE BUDGET ACT. The corporation is not
16 subject to the provisions of the Executive Budget Act (AS 37.07).

17 Sec. 44.63.300. ANNUAL BUDGET. The board of directors shall
18 review and approve, by a two-thirds vote of members of the board, the
19 annual operational and capital program and budget for the corporation
20 and may, by two-thirds vote, amend the program and budget. No corporate
21 funds may be expended or money borrowed except in accordance with an
22 approved annual operational or capital program and budget.

23 Sec. 44.63.310. ANNUAL REPORT. The corporation shall submit to
24 the governor, the Legislative Budget and Audit Committee, and the com-
25 mittee established by sec. 170 of this chapter, within three months
26 after the end of the corporation's fiscal year, a complete financial
27 report audited by a certified public accountant or firm of certified
28 public accountants, which shows

29 (1) its receipts and expenditures during its fiscal year;

1 (2) its assets and liabilities at the end of its fiscal year,
2 including a schedule of its leases and mortgages and the status of
3 reserve, special and other funds; and

4 (3) a schedule of its bonds and notes outstanding at the end
5 of its fiscal year, together with a statement of the amounts redeemed
6 and incurred during its fiscal year, and which also sets out statements
7 in detail of

8 (A) the progress of fulfillment of the financial and
9 economic projections contained in the general development and
10 specific development plans, and

11 (B) its operations and accomplishments and any material
12 problems encountered in implementing the development plan.

13 Sec. 44.63.320. CONFLICTS OF INTEREST. No director or employee of
14 the corporation or member of the advisory board may participate in any
15 decision of the corporation relating to a private firm in which he has a
16 direct or indirect financial interest.

17 Sec. 44.63.330. LIMITATION OF LIABILITY. No person executing a
18 bond or note of the corporation is liable personally on such obligations
19 by reason of their issuance.

20 Sec. 44.63.340. TERMINATION OF CORPORATION. The corporation shall
21 continue until (1) it determines that its general development plan has
22 been completed; or (2) the capital city attains a population of 37,500
23 as certified by the Department of Community and Regional Affairs, which-
24 ever occurs first. Not later than one year before the anticipated
25 occurrence of either, the corporation shall recommend to the legislature
26 whether its existence shall continue beyond either of the events for
27 further development of the capital city, and the terms and conditions of
28 the corporation's proposed continued existence. The legislature shall
29 review the question of the existence of the corporation not later than

1 the year 2010 if it has not earlier done so in connection with either of
2 the events. No law which terminates the corporation's existence or
3 materially alters its powers in a manner which adversely affects its
4 capacity to repay bonds, notes or other obligations outstanding may take
5 effect so long as any bonds, notes or obligations remain outstanding,
6 unless adequate provision has been made for their payment as provided in
7 the documents securing them. Upon the adoption of a resolution to
8 terminate its existence in accordance with this section at a meeting
9 held in accordance with the procedure set out in sec. 100(b) of this
10 chapter for adoption or repeal of a regulation, all of the rights,
11 properties and assets of the corporation shall pass to and be vested in
12 the state except that adequate provision shall be made for all out-
13 standing liabilities.

14 Sec. 44.63.350. DEFINITIONS. In this chapter, unless the context
15 requires otherwise,

16 (1) "bonds" and "notes" mean the bonds and notes, respec-
17 tively, issued by the corporation under this chapter;

18 (2) "capital city area" or "capital city site" means the area
19 specified in AS 29.18.520;

20 (3) "capital city" means the municipality created under AS
21 29.18.500 - 29.18.660;

22 (4) "corporation" means the Alaska Capital City Development
23 Corporation created by sec. 20 of this chapter;

24 (5) "advisory board" means the Development Advisory Board
25 created under sec. 110 of this chapter;

26 (6) "development program" means one or more works, under-
27 takings or improvements (surface, subsurface, or overhead) or buildings
28 constructed, reconstructed, or improved or to be constructed, recon-
29 structed, or improved by the corporation within the capital city area,

1 under one or more specific development plans, as the corporation con-
2 sidered necessary or appropriate;

3 (7) "facility" means any utility or infra-structure plant and
4 any system or improvement, whether used or useful for residential,
5 educational, commercial, institutional, community, private, semi-private
6 or public purposes, including, without limitation, facilities such as
7 roads and public transportation systems, parks and recreational facili-
8 ties, water, sewer and drainage systems, electric, telephone and other
9 energy or communications systems or utilities and health, educational
10 and community facilities, and private facilities such as housing, com-
11 mercial and industrial enterprises, in each case of whatever kind or
12 character and under whatever form of ownership, and all necessary real
13 or personal property;

14 (8) "general development plan" means a general land use and
15 land development plan for the capital city area which contains the
16 elements set out in sec. 30 of this chapter;

17 (9) "improved real property" means land on which there are
18 structures to be used for purposes under the general development plan
19 and land used in connection with the structures;

20 (10) "real property" or "land" includes any right, title or
21 interest in real property of any kind, including, but without limita-
22 tion, land under water and subsurface or air rights separated from
23 surface rights;

24 (11) "municipality" means a home rule or general law city or
25 borough including but not limited to the capital city and a unified
26 municipality organized under AS 29.68.240 - 29.68.440;

27 (12) "private firm" means any private person, partnership,
28 corporation, foundation, trust, or other business entity whether orga-
29 nized for profit or not for profit;

1 (13) "public agency" means any officer, department, board,
2 commission, bureau, division, public corporation, agency or instru-
3 mentality of the state, the United States, or any municipality;

4 (14) "regulations" means actions of the corporation to imple-
5 ment secs. 120(21), 180 and 200 of this chapter adopted in accordance
6 with sec. 20(h) of this chapter and any other action by the corporation
7 which it determines to take in the manner provided in sec. 100 of this
8 chapter to implement any other provision of this chapter;

9 (15) "specific development plans" means the various plans for
10 the implementation of each phase or segment of the general development
11 plan, which contain the elements more particularly set out in secs. 130
12 and 140 of this chapter.

13 * Sec. 2. AS 29.18 is amended by adding new sections to read:

14 ARTICLE 5. CAPITAL CITY INCORPORATION.

15 Sec. 29.18.500. LEGISLATIVE FINDINGS. The legislature finds that

16 (1) the relocation of the capital site of the State of Alaska
17 to the capital city area, as mandated by the people of the state, and
18 incorporation of a municipality encompassing the capital city area in
19 order to implement that relocation are subjects of special concern;

20 (2) there is a need for a municipality encompassing the
21 capital city area, before the arrival of any resident population, in
22 order to assist in the planning and development of the capital city
23 area, apply for grants, loans, technical assistance or other available
24 forms of aid, negotiate and enter into cooperative agreements with other
25 governmental entities, and prepare to provide services to the antici-
26 pated population;

27 (3) the present absence of a resident population and the
28 projected arrival of a large resident population at the capital city
29 area create unique circumstances requiring the creation of a special

1 governmental framework to prepare for the initial governance of the
2 capital city area, and to assist the Alaska Capital City Development
3 Corporation (AS 44.63.020) in the implementation of the general de-
4 velopment plan and specific development plans for the capital city;

5 (4) it is in the best interest of the citizens of the state
6 to incorporate a capital city in the capital city area at this time and
7 to invest it with the powers and duties specified by law in order to
8 assure a well-planned and well-governed community; and

9 (5) there is no generally applicable statute which would
10 adequately carry out the purposes of this chapter.

11 Sec. 29.18.510. INCORPORATION. There is created and incorporated
12 a city of the state as the capital city of Alaska which is a city of the
13 second class within the Matanuska-Susitna Borough. The name of the city
14 shall be determined in accordance with AS 44.06.170. No action of the
15 Local Boundary Commission (AS 44.19.250 - 44.19.340) is required in
16 connection with the incorporation of the capital city under this chap-
17 ter. The residents of the capital city may petition to change the
18 classification of the capital city as a municipality in the manner
19 provided by law; however, the capital city may not dissolve without the
20 approval of the governor and the legislature.

21 Sec. 29.18.520. BOUNDARIES. The boundaries of the capital city
22 shall include all of that area of land designated by the voters of
23 Alaska as the new capital site of the state. No change in boundaries is
24 effective without the approval of the legislature and the governor.

25 Sec. 29.18.530. CITY COUNCIL. (a) Until council members elected
26 by the residents of the capital city take office as provided in sec. 570
27 of this chapter, the council of the capital city shall have five mem-
28 bers, four of whom shall be appointed by the governor and shall serve at
29 the pleasure of the governor. The development corporation shall desig-

1 nate one person to serve as a member of the council. The council mem-
2 bers appointed by the governor or designated by the development corpora-
3 tion shall serve an initial term which expires on the Monday following
4 the first Tuesday in October of the calendar year following the calendar
5 year of initial appointment or designation. Council members may be
6 reappointed by the governor or redesignated by the development corpora-
7 tion. Except as provided in sec. 570 of this chapter, the successors of
8 the initial appointees and designee shall serve for a term of two years
9 commencing on the date the initial appointments and designation expire.
10 Each appointee and designee shall hold office for the term of his ap-
11 pointment and until his successor has been appointed or designated and
12 has qualified.

13 (b) Council members appointed by the governor or designated by the
14 development corporation need not be residents of the capital city.

15 (c) The council shall elect a chairman from among its membership.
16 The chairman presides at council meetings, determines the agenda for
17 council meetings, and carries out the other duties specified by ordi-
18 nance.

19 Sec. 29.18.540. FILLING A VACANCY. If a vacancy occurs among the
20 members appointed by the governor, the governor shall designate the
21 replacement who shall serve for the unexpired portion of the term.

22 Sec. 29.18.550. APPOINTMENT OF CITY OFFICIALS. (a) Until a mayor
23 is elected in accordance with sec. 570 of this chapter, the council
24 shall appoint a city manager for the capital city to serve at the
25 pleasure of the council. The city manager may not be a council member.

26 (b) Except to the extent that the council assigns functions or
27 duties to the other city officials, and except that the city manager may
28 neither preside nor vote at council meetings, the city manager has the
29 powers and duties of all executive and administrative city officials set

1 out in this title.

2 (c) The council may appoint additional city officials who shall
3 assume the duties specified by ordinance.

4 Sec. 29.18.560. PROCEDURES. Until council members elected by the
5 residents of the capital city take office as provided in sec. 570 of
6 this chapter,

7 (1) the council shall meet at least once every month, at the
8 location of its choice, unless otherwise provided by ordinance; special
9 meetings may be held on the call of the chairman or two council members
10 upon not less than 24 hours written or oral notice communicated to each
11 member;

12 (2) the council shall determine its own rules and provide for
13 keeping a journal of its proceedings;

14 (3) three council members constitute a quorum and three
15 affirmative votes are required for the passage of an ordinance, resolu-
16 tion, or motion;

17 (4) the final vote on each ordinance, resolution, or sub-
18 stantive motion shall be a recorded roll call vote; all council members
19 present shall vote unless the council, for special reasons, permits a
20 member to abstain;

21 (5) the council may provide for meetings to be held and
22 formal action to be taken by conference telephone;

23 (6) whenever the council is required by law to provide public
24 notice or to publish notice in a newspaper of general circulation within
25 the municipality, that element of notice shall be satisfied if

26 (A) the notice is published in a newspaper of general
27 circulation in the Matanuska-Susitna Borough, and

28 (B) when the notice is given in connection with a
29 planned public hearing in a municipality outside the Matanuska-

1 Susitna Borough, if the notice is also published in a newspaper of
2 general circulation in that municipality.

3 Sec. 29.18.570. TRANSITION. (a) When the capital city attains a
4 population of 25 permanent residents, as certified by the lieutenant
5 governor based on the best information available, the lieutenant gover-
6 nor shall notify the council of this determination. The lieutenant
7 governor shall specify an election date which shall be the first Tuesday
8 of October following the notification, except that if it is less than
9 six months from the date of the certification to the first Tuesday of
10 October then the election date shall be the first Tuesday of October of
11 the year following. The elected members shall take office on the Monday
12 following the election.

13 (b) After the lieutenant governor has specified the election date,
14 the council shall make arrangements for an election at which five
15 council members shall be elected in the manner prescribed by ordinance.
16 The expenses of the election shall be borne by the state. The council
17 of the capital city shall have seven members. The governor shall desig-
18 nate two council members holding office on the date of the election to
19 remain members of the council for a two-year term commencing on the date
20 the elected council members take office. The successors to the ap-
21 pointed council members shall be elected by the residents, except that
22 if either of the appointed council members leaves office during the two
23 years, the governor may appoint a successor. The terms of all other
24 appointed or designated council members expire when the elected council
25 members take office. The council shall by ordinance adopted before the
26 election provide for the manner of nominating candidates for office and
27 for the election procedures. The term of elected council members is two
28 years; however, three of the members are elected for an initial term of
29 one year and the remainder for two years. A mayor shall be chosen from

1 among the members of the council in the manner provided by law and
2 ordinance.

3 Sec. 29.18.580. POWERS. The capital city is a second class city
4 and, except as otherwise provided in this chapter, has all of the powers
5 of a second class city. The Matanuska-Susitna Borough may not, without
6 the approval of the legislature, assume or exercise an areawide power
7 within the capital city area for a period of five years from the date of
8 the election described in sec. 570(b) of this chapter except as provided
9 in an agreement with the capital city and the development corporation
10 entered into under sec. 630 of this chapter, and except for those powers
11 being exercised on an areawide basis on January 1, 1978.

12 Sec. 29.18.590. PUBLIC SCHOOLS. The capital city and the
13 Matanuska-Susitna Borough shall enter into a cooperative agreement, to
14 which the development corporation and the state may be a party, for the
15 timely provision of public schools in the capital city area in accor-
16 dance with the general development plan. Payments to fund the annual
17 cost of repayment of principal, and accrued interest, obligated by the
18 borough for construction of public schools included in the general
19 development plan in the capital city area shall be made to the borough
20 by the state in each year at the times necessary for the borough to meet
21 its applicable repayment dates. The capital costs, in the amounts and
22 when required in accordance with the general and applicable specific
23 development plans, shall be provided to the borough by the state with
24 the proceeds of general obligation bonds.

25 Sec. 29.18.600. TAXING POWER. So long as it is a second class
26 city, the capital city may by referendum levy real and personal property
27 taxes at a rate not to exceed the maximum rate then permitted by law for
28 first class cities.

29 Sec. 29.18.610. PLANNING AND ZONING AUTHORITY. The capital city

1 and the Matanuska-Susitna Borough shall, within nine months after incor-
2 poration of the capital city, enter into an agreement by which the
3 capital city shall exercise the planning, zoning, building and housing
4 code powers and functions it considers necessary and desirable in order
5 to assure coordination with and preservation of the general development
6 plan and specific development plans. The agreement shall consider the
7 need and desirability for coordination among the development corpora-
8 tion, the capital city, and the borough, and shall provide for a sharing
9 of planning, zoning, building and housing code powers and functions
10 between the capital city and the borough which ensures an orderly de-
11 velopment of the general development plan and specific development plans
12 and a maximum of control by the residents of the capital city over local
13 community development and affairs, consistent with the general regional
14 concerns of the borough. The development corporation may be a party to
15 this agreement. The general development plan and specific development
16 plans constitute the land use plan for the capital city area and super-
17 sede all planning, zoning, subdivision, building code, or other similar
18 enactments of the Matanuska-Susitna Borough in the capital city area
19 with respect to land not owned by the development corporation. With
20 respect to land not owned by the development corporation, the general
21 development plan and specific development plans shall continue to super-
22 sede enactments of the Matanuska-Susitna Borough until after the land
23 has been fully developed. After full development of any parcel of land,
24 the Matanuska-Susitna Borough may not exercise any areawide power in a
25 manner which conflicts with the general development plan or specific
26 development plans until the development corporation is dissolved or
27 January 1, 2000, whichever comes first.

28 Sec. 29.18.620. TRANSFER OF UTILITIES TO CAPITAL CITY. The
29 development corporation, in cooperation with the capital city, shall

1 arrange for and agree to an orderly schedule for transferring to the
2 capital city ownership of, and financial and operational responsibility
3 for utilities and any other facilities which the development corporation
4 considers to be integral parts of the capital city infra-structure.
5 Before January 1, 1985, the development corporation and the council of
6 the capital city shall jointly retain independent consultants to study
7 and determine an orderly schedule for transfer of these utilities and
8 facilities to the capital city. The study shall consider the capabili-
9 ties of the capital city and its existing and anticipated residents to
10 finance the cost of these utilities and other facilities and their
11 operating expenses. The consultants shall propose a recommended
12 schedule for and terms of transfer which are commensurate with the
13 capital city's existing and anticipated population, tax base and any
14 other factors relating to its capability to finance and operate these
15 facilities as they consider appropriate. The development corporation
16 shall, after considering the consultants' report, propose a schedule of
17 and terms and conditions of the transfer to the capital city, which
18 shall, upon review and approval by the council, be included in an
19 agreement between the development corporation and the capital city. If
20 the development corporation and the capital city are unable to agree
21 within six months after the development corporation submits its pro-
22 posal, the development corporation shall submit the proposal to the
23 Legislative Budget and Audit Committee which shall consider the pro-
24 posal, and if the committee considers it appropriate to do so, shall
25 recommend to the legislature legislation it considers desirable for the
26 disposition of the utilities and other facilities. If no recommendation
27 is made to the legislature or if the legislature does not enact legis-
28 lation regarding the disposition during the legislative session at which
29 the recommendation is made, the development corporation may at any time

1 thereafter sell or dispose of the utilities and facilities or any of
2 them to a private person or entity or government body, or continue to
3 operate them.

4 Sec. 29.18.630. AGREEMENTS. The development corporation, the
5 capital city, the Matanuska-Susitna Borough, the state and any agency or
6 instrumentality of the state, as well as all other entities permitted by
7 law, may enter into agreements for the cooperative or joint administra-
8 tion of any functions or powers. An agreement, whenever entered into,
9 shall be binding and enforceable upon the parties in accordance with its
10 terms. This section shall continue to apply to the capital city and the
11 Matanuska-Susitna Borough if either adopts a home rule charter.

12 Sec. 29.18.640. APPLICABILITY OF OTHER PROVISIONS OF LAW. All
13 applicable provisions of law consistent with the provisions of this
14 article apply to the capital city. When there is an inconsistency
15 between secs. 500 - 660 of this chapter and any other provision of law,
16 the provisions of secs. 500 - 660 of this chapter prevail. The provi-
17 sions of secs. 520, 580, 610, 620 and 630 of this chapter authorizing
18 agreements to be entered into by the capital city and limiting boundary
19 changes (AS 29.18.540) and action of the Matanuska-Susitna Borough (AS
20 29.18.610 and AS 29.18.640) shall continue in effect notwithstanding a
21 change in the municipal classification of the capital city or the adop-
22 tion of a home rule charter.

23 Sec. 29.18.650. DEFINITIONS. In secs. 500 - 660 of this chapter,
24 unless the context requires otherwise,

25 (1) "capital city area" means the area described in sec. 520
26 of this chapter;

27 (2) "capital city" means the municipality incorporated by
28 this chapter;

29 (3) "development corporation" means the Alaska Capital City

1 Development Corporation;

2 (4) "general development plan" has the same meaning as pro-
3 vided in AS 44.63.030 and includes amendments to the general development
4 plan;

5 (5) "specific development plan" has the same meaning as pro-
6 vided in AS 44.63.035 and includes amendments to each specific develop-
7 ment plan.

8 Sec. 29.18.660. SHORT TITLE. Sections 500 - 660 of this chapter
9 may be cited as the Capital City Incorporation Act.

10 * Sec. 3. AS 18.56.210 is amended by adding a new paragraph to read:

11 (13) "underdeveloped area" includes, in addition to those
12 areas described in (12) of this section, the capital city area as de-
13 fined in AS 29.18.520 until its population exceeds 37,500 as determined
14 by the Department of Community and Regional Affairs.

15 * Sec. 4. AS 44.58.270 is amended by adding a new subsection to read:

16 (i) All references to the "reserve fund" in this section include
17 special accounts within the reserve fund which may be created by the
18 authority to secure the payment of particular bonds, including, without
19 limitation, bonds issued by the capital city established under AS 29.-
20 18.510. The commissioner of revenue may lend surplus money in the
21 general fund to the corporation for deposit to any account in the re-
22 serve fund in an amount equal to the required debt service reserve. The
23 loans shall be made on such terms and conditions as may be agreed upon
24 by the commissioner of revenue and the authority, including, without
25 limitation, terms and conditions providing that the loans need not be
26 repaid until the obligations of the corporation secured and to be
27 secured by the account in the reserve fund are no longer outstanding.

28 * Sec. 5. The commissioner of revenue may loan an amount not to exceed
29 \$96,200,000 from surplus money in the general fund to the Alaska State

1 Housing Authority (AS 18.55.010 - 18.55.290) for the purpose of providing
2 housing for persons of lower income in the capital city area. The amounts
3 loaned shall be used by the authority for that purpose in accordance with the
4 provisions of AS 18.55.300 - 18.55.370. The loan or loans by the commis-
5 sioner of revenue to the authority shall be made at the rate or rates of
6 interest and upon the terms and conditions as the commissioner of revenue and
7 the authority may agree upon.

8 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
9 10.070(c).

ALASKA STATE LEGISLATURE

TENTH Legislature SECOND Session

SENATE BILL NO. 553

By THE STATE AFFAIRS COMMITTEE

"An Act relating to planning a for and development of the new Alaska capital; and providing for an effective date."

5084 Vassor

new Alaska Capital

Introduced in the Senate 3/17, 19.../73

HISTORY IN THE SENATE

19 78

Read first time and referred to Committee on

3 17 State Affairs and Finance

Reported back with recommendation that

F. J. w/ 5 of 2 de passed bill by pres. act of 10:00 to 2:00

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused 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 Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused 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

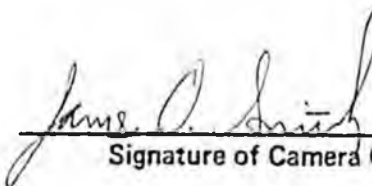
Chapter No.



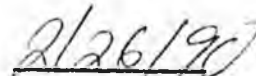
RECORDS CERTIFICATION



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Signature of Camera Operator



Date

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

JAY S. HAMMOND, GOVERNOR

June 12, 1978

The Honorable John Sackett
Chairman
Senate Finance Committee
Alaska State Legislature
Juneau, AK 99801

Dear Senator Sackett:

Re: Capitol Relocation
Impact on State Bonding Capacity

In their analysis of the impact of the bonding required to relocate the state capitol from Juneau to Willow, both Dean, Witter - Reynolds, Inc. and White, Weld & Co., Inc. have stated that through proper timing and placement of general obligation bonds the State of Alaska could finance the move successfully. The key limiting factor of both analyses, and its impact on the State's bonding capacity, is debt service as a percentage of general fund revenues. Since 1972 debt service has averaged 5-1/4% of general fund revenues.

Dean Witter-Reynolds sets forth two scenarios to determine, in nominal dollars, what effect the general obligation bonding for the capitol move would have on bonding for other state programs. Using a 5½% and 8% as the level for debt service, they have found that at a 5½% level the state would be limited to \$40 million per year for other state programs and at the 8% level the dollar amount would be \$100 million. Dean Witter-Reynolds states "... in our judgement, when considered in conjunction with the value which result for the other criteria, this (8% level) represents an upper limit which the State could probably reach gradually without having to pay significantly higher interest costs on its bonds.

June 12, 1978

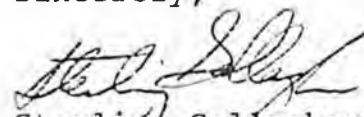
There are two other states in the union which currently have a debt service level above 5% and both of these states are not well received in the market place. For White, Weld to indicate in their analysis that the State of Alaska cannot be measured in the traditional method and that debt service could increase to as much as 16% of general fund revenues is seriously misleading. Any significant changes in the historical patterns of borrowing would not go unnoticed by investors and would result in higher interest costs to the State.

Given the financing plans projections of required debt service for the move and other state programs, it can be seen that debt service more than doubles to 105.7 million in 1982, triples to 148.4 million in 1985, and quadruples to 209.9 million in 1990. This short but rapid growth in needed dollars to retire debt has serious implications both in matching the borrowing against future revenues and the expending of cash on hand to pay for past borrowing.

White, Weld & Co., Inc. site various projects of magnitude that are currently or have been successfully financed. No doubt many obstacles had to be overcome and an intense marketing program had to be adopted as the State of Alaska would have to do in this endeavor. However, care should be taken not to associate this move too closely to those projects. The billion dollar projects are primarily energy or conservation related and revenue producing. Being site specific, they lend themselves to different investor analysis and market acceptance.

I recommend serious consideration be given to the projections of revenues that the State is anticipating. Lacking these revenues will necessitate a reduction in total program spending in order to facilitate the move.

Sincerely,



Sterling Gallagher
Commissioner

cc: Senator Rader
Senator Ray

SB 554



Official Business

Alaska State Legislature

Senate

Committee on State Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

A handwritten signature in dark ink, appearing to be "Barney Eberhardt".

DATE: May 20, 1978
TO: Senate Finance Committee
FROM: Barney Eberhardt, AA Senate State Affairs Committee
RE: CSSB 554

The adjustments to two of the bonding categories were inadvertently left out of the final draft of the Committee Substitute for SB 554. However, the total of \$296,700,000 and the year by year listing on page one are not effected.

The amount on lines 16 and 20 of page 2 should be \$5,900,000.

The amount on line 20, page 3 should be \$45,100,000.

COMMITTEE REPORT

SENATE

FURTHER: FINANCE

3/17/78

Date: May 18, 1978

Mr. President:

The Committee on STATE AFFAIRS has had SB 554

general obligation bonds in the amount of \$966,000,000 for the purpose of paying capital construction costs of the new Alaska capital under consideration and (a majority of the committee) (the committee reports it back as follows)

- 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 as follows new title same title

- AND attaches a Letter of Intent New Fiscal Note
- reports it back without ^{individual} recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS: DO NOT PASS OUT OF COMMITTEE

1 Brad Bradley

2 John P. ...

E. ...
Chairman

Original sponsor: State Affairs Committee

Offered: 5/19/78
Referred: Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 554

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-
7 tion bonds in the amount of \$296,700,000 for the
8 purpose of paying capital construction costs of the new
9 Alaska capital; and providing for an effective date."

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

11 * Section 1. For the purpose of paying the costs of capital improvements
12 for the new state capital, general obligation bonds of the state in the
13 principal amount of not more than \$296,700,000 shall be issued and sold. The
14 full faith, credit and resources of the state are pledged to the payment of
15 the principal of and interest and redemption premium, if any, on these bonds.
16 These bonds shall be issued under the provisions of AS 37.15 as those provi-
17 sions read at the time of issuance. It is the intention of the legislature
18 that the bonds be issued by the state bond committee in no greater than the
19 following amounts in the following years: 1978 - none; 1979 - none; 1980 -
20 \$8,800,000; 1981 - \$30,800,000; 1982 - \$58,700,000; 1983 - \$64,400,000;
21 1984 - \$63,300,000; 1985 - \$47,400,000; 1986 - \$10,200,000; 1987 - \$13,100,000.
22 However, if the board of directors of the Alaska Capital City Development
23 Corporation (AS 44.63.020) makes recommendations to the state bond committee
24 as to a different schedule of bonds to be issued for the purpose of this
25 section consistent with the recommendation made by the committee established
26 under AS 44.63.170, the state bond committee shall issue the bonds in accor-
27 dance with the recommendations unless the state bond committee determines
28 that the orderly marketing of state general obligation bonds requires either
29 the above schedule or a new schedule.

1 * Sec. 2. If the qualified voters of the state approve the issuance of
2 these bonds, a special fund of the state to be known as the "1978 New Capital
3 Facilities Construction Fund" shall be established, to which shall be cre-
4 dited \$165,200,000 of proceeds of the sale of the bonds described in sec. 1
5 of this Act, except for the accrued interest and premiums. There is appro-
6 priated from the "1978 New Capital Facilities Construction Fund" to the
7 Alaska Capital City Development Corporation the amount of \$165,200,000. The
8 governor shall allocate the proceeds of these bonds to the corporation for
9 capital facilities projects in accordance with the development program of the
10 corporation.

11 * Sec. 3. If the qualified voters of the state approve the issuance of
12 these bonds, a special fund of the state to be known as the "1978 New Capital
13 Water, Sewer and Heating Plant Construction Fund" shall be established, to
14 which shall be credited \$21,900,000 of proceeds of the sale of the bonds
15 described in sec. 1 of this Act, except for the accrued interest and pre-
16 miums. There is appropriated from the "1978 New Capital Water, Sewer and
17 Heating Plant Construction Fund" to the Alaska Capital City Development
18 Corporation the amount of \$21,900,000. The governor shall allocate the
19 proceeds of these bonds to the corporation for water, sewer and heating plant
20 projects in accordance with the development plan of the corporation.

21 * Sec. 4. If the qualified voters of the state approve the issuance of
22 these bonds, a special fund of the state to be known as the "1978 New Capital
23 School Construction Fund" shall be established, to which shall be credited
24 \$66,300,000 of proceeds of the sale of the bonds described in sec. 1 of this
25 Act, except for the accrued interest and premiums. There is appropriated
26 from the "1978 New Capital School Construction Fund" to the Matanuska-Susitna
27 Borough the amount of \$66,300,000. The governor shall allocate the proceeds
28 of these bonds to the Matanuska-Susitna Borough for school projects in accor-
29 dance with the development plan of the Alaska Capital City Development Cor-

1 poration.

2 * Sec. 5. If the qualified voters of the state approve the issuance of
3 these bonds, a special fund of the state to be known as the "1978 New Capital
4 University of Alaska Construction Fund" shall be established, to which shall
5 be credited \$9,200,000 of proceeds of the sale of the bonds described in sec.
6 1 of this Act, except for the accrued interest and premiums. There is appro-
7 priated from the "1978 New Capital University of Alaska Construction Fund" to
8 the Alaska Capital City Development Corporation the amount of \$9,200,000.
9 The governor shall allocate the proceeds of these bonds to University of
10 Alaska projects in accordance with the development program of the corporation
11 and in accordance with agreements between the University of Alaska and the
12 corporation.

13 * Sec. 6. If the qualified voters of the state approve the issuance of
14 these bonds, the following further special funds of the state shall be estab-
15 lished to which shall be credited the following amounts of the sale of bonds
16 described in sec. 1 of this Act, except for the accrued interest and pre-
17 miums:

18	(1) 1978 New Capital Highway Construction Fund	\$65,100,000
19	(2) 1978 New Capital Airport Construction Fund	5,000,000

20 These amounts are appropriated from the funds to the Department of Transpor-
21 tation and Public Facilities for the purpose of highway and airport construc-
22 tion and shall be allocated by the governor for expenditure in accordance
23 with the general development plan of the Alaska Capital City Development
24 Corporation.

25 * Sec. 7. If the qualified voters of the state approve the issuance of
26 these bonds, the amount of \$1,500,000 or as much of that amount as is found
27 necessary is appropriated from the general fund to the state bond committee
28 to carry out the provisions of this section and to pay expenses incident to
29 the sale and issuance of the bonds authorized in this Act. The amounts

1 expended from the appropriation authorized by this section shall be reim-
2 bursed to the general fund from the proceeds of the sale of the bonds autho-
3 rized by this Act.

4 * Sec. 8. Any amount withdrawn from the public facility planning fund for
5 the purpose of advance planning for the improvements financed under this Act
6 shall be reimbursed to the fund from the proceeds of the sale of bonds autho-
7 rized by this section.

8 * Sec. 9. The question whether the bonds authorized in this Act are to be
9 issued shall be submitted to the qualified voters of the state at the next
10 general election and shall read substantially as follows:

11 Proposition

12 State General Obligation New State Capital

13 Construction Bonds \$296,700,000

14 Shall the State of Alaska issue its general obligation bonds
15 in the principal amount of not more than \$296,700,000 for the
16 purpose of paying the costs of capital improvements for the
17 new state capital?

18 Bonds Yes []

19 Bonds No []

20 * Sec. 10. This Act takes effect upon the effective date of a version of
21 an Act entitled "An Act relating to planning for and development of the new
22 Alaska capital."
23
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Introduced: 3/17/78
Referred: State Affairs and
Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 554

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATIVE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-
7 tion bonds in the amount of \$966,000,000 for the
8 purpose of paying capital construction costs of the new
9 Alaska capital; and providing for an effective date."

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

11 * Section 1. For the purpose of paying the costs of capital improvements
12 for the new state capital, general obligation bonds of the state in the
13 principal amount of not more than \$966,000,000 shall be issued and sold. The
14 full faith, credit and resources of the state are pledged to the payment of
15 the principal of and interest and redemption premium, if any, on these bonds.
16 These bonds shall be issued under the provisions of AS 37.15 as those provi-
17 sions read at the time of issuance. It is the intention of the legislature
18 that the bonds be issued by the state bond committee in no greater than the
19 following amounts in the following years: 1978 - none; 1979 - none; 1980 -
20 \$8,800,000; 1981 - \$30,800,000; 1982 - \$58,700,000; 1983 - \$64,400,000;
21 1984 - \$63,300,000; 1985 - \$51,500,000; 1986 - \$63,700,000; 1987 -
22 \$58,400,000; 1988 - \$78,600,000; 1989 - \$83,100,000; 1990 - \$92,800,000;
23 1991 - \$87,800,000; 1992 - \$104,500,000; 1993 - \$80,200,000; and 1994 -
24 \$39,400,000. However, if the board of directors of the Alaska Capital City
25 Development Corporation (AS 44.63.020) makes recommendations to the state
26 bond committee as to a different schedule of bonds to be issued for the
27 purpose of this section consistent with the recommendation made by the com-
28 mittee established under AS 44.63.170, the state bond committee shall issue
29 the bonds in accordance with the recommendations unless the state bond com-

1 mittee determines that the orderly marketing of state general obligation
2 bonds requires either the above schedule or a new schedule.

3 * Sec. 2. If the qualified voters of the state approve the issuance of
4 these bonds, a special fund of the state to be known as the "1978 New Capital
5 Facilities Construction Fund" shall be established, to which shall be
6 credited \$604,100,000 of proceeds of the sale of the bonds described in sec.
7 1 of this Act, except for the accrued interest and premiums. There is appro-
8 priated from the "1978 New Capital Facilities Construction Fund" to the
9 Alaska Capital City Development Corporation the amount of \$604,100,000. The
10 governor shall allocate the proceeds of these bonds to the corporation for
11 capital facilities projects in accordance with the development program of the
12 corporation.

13 * Sec. 3. If the qualified voters of the state approve the issuance of
14 these bonds, a special fund of the state to be known as the "1978 New Capital
15 Water, Sewer and Heating Plant Construction Fund" shall be established, to
16 which shall be credited \$21,900,000 of proceeds of the sale of the bonds
17 described in sec. 1 of this Act, except for the accrued interest and pre-
18 miams. There is appropriated from the "1978 New Capital Water, Sewer and
19 Heating Plant Construction Fund" to the Alaska Capital City Development
20 Corporation the amount of \$21,900,000. The governor shall allocate the
21 proceeds of these bonds to the corporation for water, sewer and heating plant
22 projects in accordance with the development plan of the corporation.

23 * Sec. 4. If the qualified voters of the state approve the issuance of
24 these bonds, a special fund of the state to be known as the "1978 New Capital
25 School Construction Fund" shall be established, to which shall be credited
26 \$260,700,000 of proceeds of the sale of the bonds described in sec. 1 of this
27 Act, except for the accrued interest and premiums. There is appropriated
28 from the "1978 New Capital School Construction Fund" to the Matanuska-Susitna
29 Borough the amount of \$260,700,000. The governor shall allocate the proceeds

1 of these bonds to the Matanuska-Susitna Borough for school projects in accor-
2 dance with the development plan of the Alaska Capital City Development Cor-
3 poration.

4 * Sec. 5. If the qualified voters of the state approve the issuance of
5 these bonds, a special fund of the state to be known as the "1978 New Capital
6 University of Alaska Construction Fund" shall be established, to which shall
7 be credited \$9,200,000 of proceeds of the sale of the bonds described in sec.
8 1 of this Act, except for the accrued interest and premiums. There is appro-
9 priated from the "1978 New Capital University of Alaska Construction Fund" to
10 the Alaska Capital City Development Corporation the amount of \$9,200,000.
11 The governor shall allocate the proceeds of these bonds to University of
12 Alaska projects in accordance with the development program of the corporation
13 and in accordance with agreements between the University of Alaska and the
14 corporation.

15 * Sec. 6. If the qualified voters of the state approve the issuance of
16 these bonds, the following further special funds of the state shall be estab-
17 lished to which shall be credited the following amounts of the sale of bonds
18 described in sec. 1 of this Act, except for the accrued interest and pre-
19 miums:

20	(1) 1978 New Capital Highway Construction Fund	\$65,100,000
21	(2) 1978 New Capital Airport Construction Fund	5,000,000

22 These amounts are appropriated from the funds to the Department of Transpor-
23 tation and Public Facilities for the purpose of highway and airport construc-
24 tion and shall be allocated by the governor for expenditure in accordance
25 with the general development plan of the Alaska Capital City Development
26 Corporation.

27 * Sec. 7. If the qualified voters of the state approve the issuance of
28 these bonds, the amount of \$1,500,000 or as much of that amount as is found
29 necessary is appropriated from the general fund to the state bond committee

1 to carry out the provisions of this section and to pay expenses incident to
2 the sale and issuance of the bonds authorized in this Act. The amounts
3 expended from the appropriation authorized by this section shall be reim-
4 bursed to the general fund from the proceeds of the sale of the bonds autho-
5 rized by this Act.

6 * Sec. 8. Any amount withdrawn from the public facility planning fund for
7 the purpose of advance planning for the improvements financed under this Act
8 shall be reimbursed to the fund from the proceeds of the sale of bonds autho-
9 rized by this section.

10 * Sec. 9. The question whether the bonds authorized in this Act are to be
11 issued shall be submitted to the qualified voters of the state at the next
12 general election and shall read substantially as follows:

13 Proposition

14 State General Obligation New State Capital

15 Construction Bonds \$966,000,000

16 Shall the State of Alaska issue its general obligation bonds
17 in the principal amount of not more than \$966,000,000 for the
18 purpose of paying the costs of capital improvements for the
19 new state capital?

20 Bonds Yes []

21 Bonds No []

22 * Sec. 10. This Act takes effect upon the effective date of a version of
23 an Act entitled "An Act relating to planning for and development of the new
24 Alaska capital."

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29

COMMITTEE REPORT
SENATE

FURTHER: _____

5/19/78

Date: _____

Mr. President:

The Committee on FINANCE has had SB 554 general obligation bonds in amount of \$966,000,000 for the purpose of paying capital construction costs of the new Alaska capital

under consideration and (a majority of the committee) (the committee reports it back as follows)

- 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 _____ new title same title

- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Chairman

COMMITTEE REPORT

SENATE

FURTHER: FINANCE

3/17/78

Date: May 18, 1978

Mr. President:

The Committee on STATE AFFAIRS has had SB 554

general obligation bonds in the amount of \$966,000,000 for the purpose of paying capital construction costs of the new Alaska capital under consideration and (a majority of the committee) (the committee reports it back as follows)

- () 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 as follows _____ for new title () same title

- () AND attaches a Letter of Intent () New Fiscal Note
- () reports it back without ^{individual} recommendation
- () and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1 Brad Bradley

~~DO NOT PASS OUT OF COMMITTEE~~
2 John Jones AND DO NOT PASS

1 Ed Willis - Do Pass
Co' Chairman

Original sponsor: State Affairs Committee

Offered: 5/19/78
Referred: Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 554

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-
7 tion bonds in the amount of \$296,700,000 for the
8 purpose of paying capital construction costs of the new
9 Alaska capital; and providing for an effective date."

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

11 * Section 1. For the purpose of paying the costs of capital improvements
12 for the new state capital, general obligation bonds of the state in the
13 principal amount of not more than \$296,700,000 shall be issued and sold. The
14 full faith, credit and resources of the state are pledged to the payment of
15 the principal of and interest and redemption premium, if any, on these bonds.
16 These bonds shall be issued under the provisions of AS 37.15 as those provi-
17 sions read at the time of issuance. It is the intention of the legislature
18 that the bonds be issued by the state bond committee in no greater than the
19 following amounts in the following years: 1978 - none; 1979 - none; 1980 -
20 \$8,800,000; 1981 - \$30,800,000; 1982 - \$58,700,000; 1983 - \$64,400,000;
21 1984 - \$63,300,000; 1985 - \$47,400,000; 1986 - \$10,200,000; 1987 - \$13,100,000.
22 However, if the board of directors of the Alaska Capital City Development
23 Corporation (AS 44.63.020) makes recommendations to the state bond committee
24 as to a different schedule of bonds to be issued for the purpose of this
25 section consistent with the recommendation made by the committee established
26 under AS 44.63.170, the state bond committee shall issue the bonds in accor-
27 dance with the recommendations unless the state bond committee determines
28 that the orderly marketing of state general obligation bonds requires either
29 the above schedule or a new schedule.

COMMITTEE COPY

* Sec. 2. If the qualified voters of the state approve the issuance of these bonds, a special fund of the state to be known as the "1978 New Capital Facilities Construction Fund" shall be established, to which shall be credited \$165,200,000 of proceeds of the sale of the bonds described in sec. 1 of this Act, except for the accrued interest and premiums. There is appropriated from the "1978 New Capital Facilities Construction Fund" to the Alaska Capital City Development Corporation the amount of \$165,200,000. The governor shall allocate the proceeds of these bonds to the corporation for capital facilities projects in accordance with the development program of the corporation.

* Sec. 3. If the qualified voters of the state approve the issuance of these bonds, a special fund of the state to be known as the "1978 New Capital Water, Sewer and Heating Plant Construction Fund" shall be established, to which shall be credited \$21,900,000 of proceeds of the sale of the bonds described in sec. 1 of this Act, except for the accrued interest and premiums. There is appropriated from the "1978 New Capital Water, Sewer and Heating Plant Construction Fund" to the Alaska Capital City Development Corporation the amount of \$21,900,000. The governor shall allocate the proceeds of these bonds to the corporation for water, sewer and heating plant projects in accordance with the development plan of the corporation.

* Sec. 4. If the qualified voters of the state approve the issuance of these bonds, a special fund of the state to be known as the "1978 New Capital School Construction Fund" shall be established, to which shall be credited \$66,300,000 of proceeds of the sale of the bonds described in sec. 1 of this Act, except for the accrued interest and premiums. There is appropriated from the "1978 New Capital School Construction Fund" to the Matanuska-Susitna Borough the amount of \$66,300,000. The governor shall allocate the proceeds of these bonds to the Matanuska-Susitna Borough for school projects in accordance with the development plan of the Alaska Capital City Development Cor-

1 poration.

2 * Sec. 5. If the qualified voters of the state approve the issuance of
3 these bonds, a special fund of the state to be known as the "1978 New Capital
4 University of Alaska Construction Fund" shall be established, to which shall
5 be credited \$9,200,000 of proceeds of the sale of the bonds described in sec.
6 1 of this Act, except for the accrued interest and premiums. There is appro-
7 priated from the "1978 New Capital University of Alaska Construction Fund" to
8 the Alaska Capital City Development Corporation the amount of \$9,200,000.
9 The governor shall allocate the proceeds of these bonds to University of
10 Alaska projects in accordance with the development program of the corporation
11 and in accordance with agreements between the University of Alaska and the
12 corporation.

13 * Sec. 6. If the qualified voters of the state approve the issuance of
14 these bonds, the following further special funds of the state shall be estab-
15 lished to which shall be credited the following amounts of the sale of bonds
16 described in sec. 1 of this Act, except for the accrued interest and pre-
17 miums:

18 (1) 1978 New Capital Highway Construction Fund \$65,100,000

19 (2) 1978 New Capital Airport Construction Fund 5,000,000

20 These amounts are appropriated from the funds to the Department of Transpor-
21 tation and Public Facilities for the purpose of highway and airport construc-
22 tion and shall be allocated by the governor for expenditure in accordance
23 with the general development plan of the Alaska Capital City Development
24 Corporation.

25 * Sec. 7. If the qualified voters of the state approve the issuance of
26 these bonds, the amount of \$1,500,000 or as much of that amount as is found
27 necessary is appropriated from the general fund to the state bond committee
28 to carry out the provisions of this section and to pay expenses incident to
29 the sale and issuance of the bonds authorized in this Act. The amounts

1 expended from the appropriation authorized by this section shall be reim-
2 bursed to the general fund from the proceeds of the sale of the bonds autho-
3 rized by this Act.

4 * Sec. 8. Any amount withdrawn from the public facility planning fund for
5 the purpose of advance planning for the improvements financed under this Act
6 shall be reimbursed to the fund from the proceeds of the sale of bonds autho-
7 rized by this section.

8 * Sec. 9. The question whether the bonds authorized in this Act are to be
9 issued shall be submitted to the qualified voters of the state at the next
10 general election and shall read substantially as follows:

11 Proposition

12 State General Obligation New State Capital

13 Construction Bonds \$296,700,000

14 Shall the State of Alaska issue its general obligation bonds
15 in the principal amount of not more than \$296,700,000 for the
16 purpose of paying the costs of capital improvements for the
17 new state capital?

18 Bonds Yes []

19 Bonds No []

20 * Sec. 10. This Act takes effect upon the effective date of a version of
21 an Act entitled "An Act relating to planning for and development of the new
22 Alaska capital."

SB 554

Introduced: 3/17/78
Referred: State Affairs and Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 554

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-
7 tion bonds in the amount of \$966,000,000 for the
8 purpose of paying capital construction costs of the new
9 Alaska capital; and providing for an effective date."

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

11 * Section 1. For the purpose of paying the costs of capital improvements
12 for the new state capital, general obligation bonds of the state in the
13 principal amount of not more than \$966,000,000 shall be issued and sold. The
14 full faith, credit and resources of the state are pledged to the payment of
15 the principal of and interest and redemption premium, if any, on these bonds.
16 These bonds shall be issued under the provisions of AS 37.15 as those provi-
17 sions read at the time of issuance. It is the intention of the legislature
18 that the bonds be issued by the state bond committee in no greater than the
19 following amounts in the following years: 1978 - none; 1979 - none; 1980 -
20 \$8,800,000; 1981 - \$30,800,000; 1982 - \$58,700,000; 1983 - \$64,400,000;
21 1984 - \$63,300,000; 1985 - \$51,500,000; 1986 - \$63,700,000; 1987 -
22 \$58,400,000; 1988 - \$78,600,000; 1989 - \$83,100,000; 1990 - \$92,800,000;
23 1991 - \$87,800,000; 1992 - \$104,500,000; 1993 - \$80,200,000; and 1994 -
24 \$39,400,000. However, if the board of directors of the Alaska Capital City
25 Development Corporation (AS 44.63.020) makes recommendations to the state
26 bond committee as to a different schedule of bonds to be issued for the
27 purpose of this section consistent with the recommendation made by the com-
28 mittee established under AS 44.63.170, the state bond committee shall issue
29 the bonds in accordance with the recommendations unless the state bond com-

COMMITTEE COPY

1 mittee determines that the orderly marketing of state general obligation
2 bonds requires either the above schedule or a new schedule.

3 * Sec. 2. If the qualified voters of the state approve the issuance of
4 these bonds, a special fund of the state to be known as the "1978 New Capital
5 Facilities Construction Fund" shall be established, to which shall be
6 credited \$604,100,000 of proceeds of the sale of the bonds described in sec.
7 1 of this Act, except for the accrued interest and premiums. There is appro-
8 priated from the "1978 New Capital Facilities Construction Fund" to the
9 Alaska Capital City Development Corporation the amount of \$604,100,000. The
10 governor shall allocate the proceeds of these bonds to the corporation for
11 capital facilities projects in accordance with the development program of the
12 corporation.

13 * Sec. 3. If the qualified voters of the state approve the issuance of
14 these bonds, a special fund of the state to be known as the "1978 New Capital
15 Water, Sewer and Heating Plant Construction Fund" shall be established, to
16 which shall be credited \$21,900,000 of proceeds of the sale of the bonds
17 described in sec. 1 of this Act, except for the accrued interest and pre-
18 miums. There is appropriated from the "1978 New Capital Water, Sewer and
19 Heating Plant Construction Fund" to the Alaska Capital City Development
20 Corporation the amount of \$21,900,000. The governor shall allocate the
21 proceeds of these bonds to the corporation for water, sewer and heating plant
22 projects in accordance with the development plan of the corporation.

23 * Sec. 4. If the qualified voters of the state approve the issuance of
24 these bonds, a special fund of the state to be known as the "1978 New Capital
25 School Construction Fund" shall be established, to which shall be credited
26 \$260,700,000 of proceeds of the sale of the bonds described in sec. 1 of this
27 Act, except for the accrued interest and premiums. There is appropriated
28 from the "1978 New Capital School Construction Fund" to the Matanuska-Susitna
29 Borough the amount of \$260,700,000. The governor shall allocate the proceeds

SB 514

1 of these bonds to the Matanuska-Susitna Borough for school projects in accor-
2 dance with the development plan of the Alaska Capital City Development Cor-
3 poration.

4 * Sec. 5. If the qualified voters of the state approve the issuance of
5 these bonds, a special fund of the state to be known as the "1978 New Capital
6 University of Alaska Construction Fund" shall be established, to which shall
7 be credited \$9,200,000 of proceeds of the sale of the bonds described in sec.
8 1 of this Act, except for the accrued interest and premiums. There is appro-
9 priated from the "1978 New Capital University of Alaska Construction Fund" to
10 the Alaska Capital City Development Corporation the amount of \$9,200,000.
11 The governor shall allocate the proceeds of these bonds to University of
12 Alaska projects in accordance with the development program of the corporation
13 and in accordance with agreements between the University of Alaska and the
14 corporation.

15 * Sec. 6. If the qualified voters of the state approve the issuance of
16 these bonds, the following further special funds of the state shall be estab-
17 lished to which shall be credited the following amounts of the sale of bonds
18 described in sec. 1 of this Act, except for the accrued interest and pre-
19 miums:

- | | | |
|----|--|--------------|
| 20 | (1) 1978 New Capital Highway Construction Fund | \$65,100,000 |
| 21 | (2) 1978 New Capital Airport Construction Fund | 5,000,000 |

22 These amounts are appropriated from the funds to the Department of Transpor-
23 tation and Public Facilities for the purpose of highway and airport construc-
24 tion and shall be allocated by the governor for expenditure in accordance
25 with the general development plan of the Alaska Capital City Development
26 Corporation.

27 * Sec. 7. If the qualified voters of the state approve the issuance of
28 these bonds, the amount of \$1,500,000 or as much of that amount as is fe
29 necessary is appropriated from the general fund to the state bond committee

SB 554

1 to carry out the provisions of this section and to pay expenses incident to
2 the sale and issuance of the bonds authorized in this Act. The amounts
3 expended from the appropriation authorized by this section shall be reim-
4 bursed to the general fund from the proceeds of the sale of the bonds autho-
5 rized by this Act.

6 * Sec. 8. Any amount withdrawn from the public facility planning fund for
7 the purpose of advance planning for the improvements financed under this Act
8 shall be reimbursed to the fund from the proceeds of the sale of bonds autho-
9 rized by this section.

10 * Sec. 9. The question whether the bonds authorized in this Act are to be
11 issued shall be submitted to the qualified voters of the state at the next
12 general election and shall read substantially as follows:

13 Proposition

14 State General Obligation New State Capital

15 Construction Bonds \$966,000,000

16 Shall the State of Alaska issue its general obligation bonds
17 in the principal amount of not more than \$966,000,000 for the
18 purpose of paying the costs of capital improvements for the
19 new state capital?

20 Bonds Yes []

21 Bonds No []

22 * Sec. 10. This Act takes effect upon the effective date of a version of
23 an Act entitled "An Act relating to planning for and development of the new
24 Alaska capital."

ALASKA STATE LEGISLATURE

TENTH... Legislature SECOND... Session

SENATE BILL..... NO. 554
By THE STATE AFFAIRS COMMITTEE

"An Act providing for the issuance of general obligation bonds in the amount of \$966,000,000 for the purpose of paying capital construction costs of the new Alaska capital and providing for an effective date."

g.o. bonds for new Alaska Capital

Introduced in the Senate 3/17, 1978

HISTORY IN THE SENATE

19 78

3

17

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

5/19

Reported back with recommendation that *Accept*
as per 5/25
and please file not
pass to Finance

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused 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 Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused 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

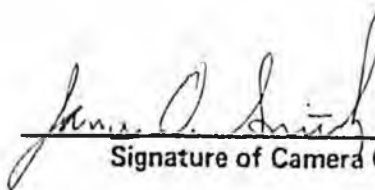
Chapter No.



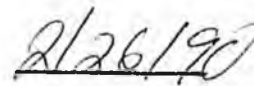
RECORDS CERTIFICATION



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.



Signature of Camera Operator



Date

COMMITTEE REPORT

SENATE

FURTHER: _____

4/25/78

Date: _____

Mr. President:

The Committee on FINANCE has had SB 555 special appropriation to Dept. of Commerce and Economic Development for administration of business loans

under consideration and (a majority of the committee) (the committee reports it back as follows)

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 _____ new title same title

AND attaches a Letter of Intent New Fiscal Note

reports it back without recommendation

and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Chairman

Introduced: 3/20/78
Referred: Special Committee on
Employment Resources & Oppor-
tunities and Finance

BY THE RULES COMMITTEE BY REQUEST
(for the Special Committee on Employ-
ment Resources and Opportunities)

1 IN THE SENATE

2 SENATE BILL NO. 555

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Commerce and Economic Development for the
8 administration of business loans; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$372,000 is appropriated from the general fund
12 to the Department of Commerce and Economic Development for the purpose of
13 administering the loan programs under the jurisdiction of the division of
14 business loans.

15 * Sec. 2. The unexpended and unobligated portion of this appropriation
16 lapses into the general fund June 30, 1979.

17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
18 070(c).

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COMMITTEE REPORT
SENATE

3/20/78

FURTHER: FINANCE

Date: April 20, 1978

Mr. President:

SPECIAL COMMITTEE ON EMPLOYMENT

The Committee on RESOURCES & OPPORTUNITIES has had SB 555
special appropriation to Dept. of Commerce and Economic Development for
administration of business loans

under consideration and (a majority of the committee) (the committee
reports it back as follows)

- () recommends it do pass () recommends it do not pass
- () recommends it do pass with attached amendment(s) and letter of ~~of~~
- () recommends it be replaced with CS for _____

- and _____ () new title () same title
- () AND attaches a Letter of Intent () New Fiscal Note
- () reports it back without recommendation
- () and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1 [Signature]
 1 R. Poland
 1 [Signature]

1 Bill [Signature]
 Chairman No Pass

A M E N D M E N T

Special Committee on
Employment Resources

OFFERED IN THE SENATE:

By: and Opportunities

special appropriation
To: to Div. of Business SENATE BILL No. 555
Loans

HOUSE BILL No. _____

PAGE: one

LINE: 11

DELETE: "\$372,000"

INSERT: "\$266,000"

POUCH V
JUNEAU, ALASKA 99811
7) 465-3771

Alaska State Senate

BILL SUMNER

April 20, 1978

OUT OF SESSION:
5301 LAKESHORE DRIVE
ANCHORAGE, ALASKA 99503
(907) 276-5202

Senator John Rader, President
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear President Rader:

The Special Committee on Employment Resources and Opportunities would like to note that its do pass decision on SB 555, SB 537 and SB 538 was also concurred in by Representatives Larry Carpenter and Randy Phillips.

During the interim, these two members of the House were most helpful in the Committee's efforts to create more job opportunities for Alaskans. As a result, the Committee has chosen to include them in its subsequent work and is most appreciative of their continued participation.

Sincerely,



BILL SUMNER
Chairman

BS/cf

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. SB 555
 Title _____
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Commerce & Economic Development
 Program Category Affected Development
 Budget Request Unit(s) Affected Business Loans

EXPENDITURES (Thousands of Dollars)

		(April, May, June)					
		FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100	PERSONAL SERVICES		51.1	204.3			
200	TRAVEL		12.2	49.0			
300	CONTRACTUAL		8.0	31.9			
400	COMMODITIES		0.7	2.7			
500	EQUIPMENT		12.1				
600	LAND & STRUCTURES						
700	GRANTS, CLAIMS, ETC.						
TOTAL			84.1	287.9			


FUNDING (Thousands of Dollars)

GENERAL FUND		84.1	287.9			
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		9	9			
PART TIME						
TEMPORARY						

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

IV. DATE March 15, 1978 PREPARED BY 
 AGENCY Division of Business Loans
 PHONE 465-2510
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator named)

PERSONAL SERVICES

<u>SQ FT</u>	<u>JUNEAU</u>	<u>RG</u>	<u>MONTHLY</u>	<u>YEARLY</u>
126	*Loan Closer II	12	\$1,358	\$ 16,296.00
126	Accountant I	12	1,358	16,296.00
<u>60</u>	*Document Clerk III	10	1,194	14,328.00
312				
<u>ANCHORAGE</u>				
126	Loan Examiner III	19	2,243	26,916.00
126	Loan Examiner I	15	1,668	20,016.00
126	*Loan Closer I	10	1,194	14,328.00
47	*Clerk Typist III	8	1,055	12,660.00
<u>**189</u>				
614				
<u>FAIRBANKS</u>				
126	Loan Examiner I	15	1,934	23,208.00
47	*Clerk Typist III	8	1,194	<u>14,328.00</u>
<u>**125</u>				\$158,376.00
298				
			Benefits	27,319.86
			FICA	9,708.45
			Health	<u>8,875.44</u>
			TOTAL	<u><u>\$204,279.75</u></u>

* Typewriter
** Reception Area

EQUIPMENT

1. Typewriter, correcting Selectric II, dual pitch 2 Juneau, 2 Anchorage, 1 Fairbanks	(5)	\$792	\$ 3,960
2. Calculator, desk, printing and display (12 digit) 3 Juneau, 4 Anchorage	(3) (4)	200 220	1,480
3. Storage cabinet, 37 x 18 x 78 Anchorage and Fairbanks	(2)	141	282
4. File cabinet, 5 drawer legal with lock Anchorage and Fairbanks	(6)	214	1,284
5. Desk	(9)	268	2,412
6. Chairs	(9)	129	1,161
7. Side Chairs	(16)	89	1,424
8. Wastebaskets	(9)	15	<u>135</u>
			\$12,138

TRAVEL

Loan Examiners and Loan Closers (5)

4 days per month, \$54 per diem - $\$216 \times 5 \times 12 = \$12,960$
3 trips per month, \$200 each - $\$600 \times 5 \times 12 = 36,000$

48,960

CONTRACTUAL

Rents

312 sq. ft., JUNEAU - assumption is made that space will be available in JSOB and no additional funding will be required.

614 sq. ft., ANCHORAGE - $\$1.25/\text{sq. ft.} - 768 \times 12 = \$ 9,210$

298 sq. ft., FAIRBANKS - $\$1.40/\text{sq. ft.} - 417.2 \times 12 = \underline{5,006}$

\$14,216

Communications - Postage, phone, and telegrams 10,000

Printing of manuals, forms, documents, and applications (50c/each in Central Duplicating) 5,000

29,216

COMMODITIES

Miscellaneous

2,700

\$31,916

ALASKA STATE LEGISLATURE

1973... Legislature 51st... Session

SENATE ... BILL ... NO. ... 355

By ... MEMBERS COMMITTEE BY ... REPUBLICAN (for the Special Committee on Employment Resources and Opportunities)

"An Act making a special appropriation to the Department of Commerce and Economic Development for the administration of business loans; and providing for an effective date."

spec. appro./Dept. of Commerce economic devel./business loans

Introduced in the Senate ... 5/20/73, 19...

HISTORY IN THE SENATE

19 73

3 28

4 25

Read first time and referred to Committee on Spec. Committee on Employment Resources & Opportunities and Finance
Reported back with recommendation that *Emp. Res. 4 do pass effective 10/1/73 Report to Finance*

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused 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 Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused 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.

A M E N D M E N T

Special Committee on
Employment Resources
By: and Opportunities

OFFERED IN THE SENATE:

special appropriation
To: to Div. of Business SENATE BILL No. 555

Loans

HOUSE BILL No. _____

PAGE: one

LINE: 11

DELETE: "\$372,000"

INSERT: "\$266,000"



Alaska State Senate

POUCH V
JUNEAU, ALASKA 99811
(907) 465-3771

BILL SUMNER

April 20, 1978

OUT OF SESSION:
5301 LAKESHORE DRIVE
ANCHORAGE, ALASKA 99503
(907) 276-5222

Senator John Rader, President
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear President Rader:

The Special Committee on Employment Resources and Opportunities would like to note that its do pass decision on SB 555, SB 537 and SB 538 was also concurred in by Representatives Larry Carpenter and Randy Phillips.

During the interim, these two members of the House were most helpful in the Committee's efforts to create more job opportunities for Alaskans. As a result, the Committee has chosen to include them in its subsequent work and is most appreciative of their continued participation.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sumner".

BILL SUMNER
Chairman

BS/cf

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 555

Title _____

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected Development

Budget Request Unit(s) Affected Business Loans

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FEDERAL FUNDS						
OTHER (Specify)						

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TEMPORARY						

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

IV. DATE March 15, 1978

PREPARED BY *[Signature]*

AGENCY Division of Business Loans

PHONE 465-2510

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

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COMMODITIES

Miscellaneous

2,700

\$31,916

Introduced: 3/20/78
Referred: Special Committee on
Employment Resources & Oppor-
tunities and Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY REQUEST
(for the Special Committee on Employ-
ment Resources and Opportunities)

2 SENATE BILL NO. 555

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
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