

LEG. FINANCE - BILLS 1977 - 1978 996

CSSB 603 cont., thru SB 615

Original sponsor: Rules Committee by
request of the Governor

Offered: 6/3/78

1 IN THE SENATE

BY THE RULES COMMITTEE

2 CS FOR SENATE BILL NO. 603 (Rules) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Gas Pipeline Financing Authority;
7 and providing for an effective date."

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

9 * Section 1. AS 44 is amended by adding a new chapter to read:

10 Sec. 44.55.010. LEGISLATIVE FINDINGS. The legislature finds that

11 (1) timely construction of the Alaska Highway Natural Gas
12 Pipeline Project is in the best interest of the state and of the United
13 States;

14 (2) state assistance to the financing of the project will
15 promote an essential public purpose in assuring early transportation to
16 market of Prudhoe Bay natural gas;

17 (3) the project is essential to the development of the
18 natural resources and the long-term economic growth of the state, and
19 will directly and indirectly alleviate unemployment in the state;

20 (4) additional benefits to Alaska from the project include
21 increased state and local tax revenue, enhanced availability of natural
22 gas for Alaska communities, and stimulus and expansion of the private
23 sector economy, including greater potential for development of in-state
24 manufacturing, refining and processing facilities;

25 (5) construction of the project is a matter of immediate
26 statewide concern; there is no existing general law adequate for the
27 purpose of assisting with financing of the project, as provided in this
28 chapter;

29 (6) it is a public purpose of the State of Alaska to promote

1 early completion of the project through the creation of an instrumen-
2 tality empowered to sell revenue bonds, the interest on which is exempt
3 from federal income tax except when held by a substantial user or
4 related person as these terms are defined in sec. 103 of the Internal
5 Revenue Code of 1954 as amended, and to use the proceeds to purchase or
6 otherwise acquire obligations issued with respect to the project;

7 (7) an amendment by Act of Congress to sec. 103 of the Internal
8 Revenue Code of 1954 as amended is required if the authority is to be
9 empowered to sell revenue bonds, the interest on which is exempt from
10 federal income tax but the State of Alaska recognizes that enactment of
11 this amendment is a matter of federal policy.

12 Sec. 44.55.020. CREATION OF AUTHORITY. There is created the
13 Gas Pipeline Financing Authority. The authority is a public corporation
14 of the state. It is an instrumentality of the state within the Depart-
15 ment of Revenue, but has a legal existence independent of and separate
16 from the state. Exercise by the authority of the powers conferred by
17 this chapter is an essential governmental function of the state.

18 Sec. 44.55.030. MEMBERSHIP. The membership of the authority
19 consists of the commissioner of revenue, the commissioner of commerce
20 and economic development, and the commissioner of natural resources.
21 The commissioner of revenue is chairman of the authority. If a member
22 is unable for any reason to attend a meeting of the authority, the
23 member may, by a written instrument filed with the authority, designate
24 a person within his department to act in the member's place at the
25 meeting. For all purposes of this chapter, the designee is a member of
26 the authority at the meeting.

27 Sec. 44.55.040. OFFICERS AND QUORUM. The members may elect other
28 officers as they consider desirable. Two members constitute a quorum.
29 Action may be taken and motions and resolutions adopted by the authority

1 at a meeting by the affirmative vote of at least two members.

2 Sec. 44.55.050. COMPENSATION. The members of the authority are
3 entitled to reimbursement from the authority for actual expenses in-
4 curred in the performance of their duties.

5 Sec. 44.55.060. STAFF. The authority may employ an executive
6 director who may, with the approval of the authority, select and employ
7 additional staff as necessary. Employees of the authority are in the
8 exempt service under AS 39.25.110. In addition to its staff of regular
9 employees, the authority may contract for and engage the services of
10 bond counsel, consultants, experts, and financial advisors the authority
11 considers necessary for the purpose of developing information, furnish-
12 ing advice, or conducting studies, investigations, hearings, or other
13 proceedings.

14 Sec. 44.55.070. LEGAL COUNSEL. The attorney general is the legal
15 counsel for the corporation. He shall advise the corporation in legal
16 matters and represent it in legal actions.

17 Sec. 44.55.080. PURPOSE OF AUTHORITY. The purpose of the autho-
18 rity is to assist in the financing of the project through the issuance
19 of revenue bonds as provided in this chapter. No bonds may be sold by
20 the authority until a binding commitment of not less than 50 per cent
21 of all the financing required for construction and cost overrun for all
22 segments of the pipeline has been obtained.

23 Sec. 44.55.090. GENERAL POWERS. In furtherance of its purposes,
24 the authority has the following powers in addition to its other powers:

- 25 (1) to sue and be sued;
- 26 (2) to have a seal and alter it at pleasure;
- 27 (3) to make and alter bylaws for its organization and inter-
28 nal management;
- 29 (4) to maintain an office at any place in the state;

1 (5) to acquire, hold, use, mortgage, encumber, or otherwise
2 dispose of income, revenue, funds, memberships, contracts, bonds or
3 other property or interests in a corporation or other legal entity, or
4 any other real or personal property;

5 (6) to accept gifts, grants, or loans from, and enter into
6 contracts or other transactions with, any national, state, or municipal
7 government, or agency or instrumentality of a government, or with any
8 private organization, or other source;

9 (7) to deposit or invest its funds subject to agreements with
10 bondholders and other parties; and

11 (8) to enter into contracts or agreements with respect to the
12 exercise of its powers, and to do all things necessary or convenient to
13 carry out its purpose and to exercise the powers granted in this chap-
14 ter.

15 Sec. 44.55.100. BONDS OF THE AUTHORITY. (a) The authority may
16 borrow money and issue revenue bonds, in one or more series, the in-
17 terest on which is exempt from federal income tax except when held by a
18 substantial user or related person as defined in sec. 103 of the Inter-
19 nal Revenue Code of 1954 as amended, up to the principal amount of
20 \$1,000,000,000 exclusive of refunding bonds and amounts required for
21 fund reserves, capitalized interest, and costs of issuance of the bonds
22 or notes. Bonds of the authority may be issued for the purpose of
23 purchasing or otherwise acquiring any obligation issued with respect to
24 the project in any form which is fixed and certain as to terms of repay-
25 ment and for the establishment of reserves to secure or to pay bonds or
26 notes or interest on bonds or notes and all other costs of the authority
27 incident to and necessary for issuance of bonds or notes. The principal
28 and interest on the bonds are payable from the income and receipts or
29 other money derived by the authority with respect to the project, except

1 to the extent payable out of money attributable to the proceeds of the
2 sale of the bonds or out of income from the temporary investment of
3 those proceeds.

4 (b) The bonds issued by the authority do not constitute an indebt-
5 edness or other liability of the state or of a political subdivision of
6 the state, but are payable solely from the income and receipts or other
7 money of the authority. The authority may not pledge the faith or
8 credit of the state or of a political subdivision of the state to the
9 payment of a bond, and the issuance of a bond by the authority may not
10 directly or indirectly or contingently obligate the state or a political
11 subdivision of the state in any manner, except as specifically provided
12 in this chapter.

13 (c) Bonds shall be authorized by resolution of the authority and
14 shall be dated and mature as the resolution provides. Bonds shall bear
15 interest at the rate or rates, be in the denominations but at least 50
16 per cent of the securities must be in denominations of \$25,000 or greater
17 be in the form, either coupon or registered, carry the registration
18 privileges, be executed in the manner, be payable in the medium of
19 payment, at the place or places, and be subject to the terms of redemp-
20 tion which the resolution provides.

21 (d) All bonds, regardless of form or character, are negotiable
22 instruments for all the purposes of the Uniform Commercial Code.

23 (e) All bonds may be sold at public or private sale in the manner,
24 for the price, and at the time or times which the authority determines.

25 (f) The authority may enter into financing agreements necessary or
26 desirable to secure the bonds. Before the issuance of bonds, the
27 authority shall make provision by agreement with the owner or user of
28 the project for payment by the owner or user of amounts at least suffi-
29 cient in the judgment of the authority to pay the principal of and

1 interest on the bonds as they become due, to establish or maintain the
2 reserves for payment, if any, as the authority considers necessary or
3 desirable.

4 (g) Refunding obligations may be sold or exchanged for outstanding
5 obligations issued under this chapter. If sold, the proceeds may be
6 applied, in addition to other authorized purposes, to the purchase,
7 redemption or payment of the outstanding obligations. Pending the
8 application of the proceeds of any refunding obligations, with any other
9 available funds, to the payment of the principal (accrued interest and
10 any redemption premium on the obligations being refunded, and if so
11 provided or permitted in the authorization for issuance of the refunding
12 obligations, to the payment of any interest on the refunding obligations
13 and any expenses in connection with the refunding), the proceeds may be
14 invested in direct obligations of, or obligations the principal of and
15 the interest on which are unconditionally guaranteed by, the United
16 States of America which mature or which will be subject to redemption,
17 at the option of the holders of them, not later than the respective
18 dates when the proceeds, together with the interest accruing on them,
19 will be required for the purposes intended.

20 Sec. 44.55.110. APPROVAL OF FINANCING PLAN. (a) The authority
21 shall submit to the legislature during the first days of a legislative
22 session a financing plan for the project. The plan must include the
23 proposed methods and procedures by which the project will be financed
24 including the amounts and times of issuance of bonds by the authority,
25 the method of securing the bonds, projected debt service requirements of
26 the bonds, and projected revenues for the period of time during which
27 accurate projections can be made, which will be available to the au-
28 thority to meet debt service requirements.

29 (b) The legislature may approve or disapprove the financing plan

1 by concurrent resolution. If, within 45 days from the date the financing
2 plan is submitted to the legislature, (1) the legislature has not
3 conditionally or unconditionally approved the plan and sent a resolution
4 of approval to the Governor, or (2) neither house has finally disap-
5 proved the plan, then a concurrent resolution approving the plan shall
6 be introduced by the House Rules Committee and a joint session shall be
7 convened on the 45th day to consider the resolution. The concurrent
8 resolution shall be the first item of business at the joint session.
9 The vote on amendments to the resolution shall be tabulated separately
10 for each house, and a majority of those voting from each house is
11 necessary for adoption of an amendment to the resolution. A majority
12 vote of the membership of each house is necessary for adoption of the
13 resolution. The legislature may approve the plan with conditions
14 concerning matters included in the financing plan, and the conditional
15 approval becomes effective upon certification to the legislature by the
16 authority that the authority has accepted the conditions and modified
17 the plan in accordance. No bonds or notes may be issued or sold until
18 the approval required by this section has been obtained, and no bonds or
19 notes may be issued or sold except in accordance with the approved
20 financing plan. Amendments to the financing plan may be submitted by
21 the authority to the legislature and become effective upon approval by
22 the legislature by concurrent resolution.

23 Sec. 44.55.120. TRUST INDENTURES AND TRUST AGREEMENTS. In the
24 discretion of the authority, an issue of bonds may be secured by a trust
25 indenture or trust agreement between the authority and a corporate
26 trustee (which may be a trust company, bank, or national banking asso-
27 ciation, with corporate trust powers, located inside or outside the
28 state) or by a secured loan agreement or other instrument or under a
29 resolution giving powers to a corporate trustee by means of which the

1 authority may

2 (1) make and enter into all agreements with the trustee or
3 the holders of the bonds which the authority may determine to be neces-
4 sary or desirable;

5 (2) pledge, mortgage, or assign money, agreements, property
6 or other assets of the authority either presently in hand or to be
7 received in the future, or both; and

8 (3) provide for any other matters of like or different
9 character which may in any way affect the security or protection of the
10 bonds.

11 Sec. 44.55.130. NONLIABILITY ON BONDS. Neither the members of the
12 authority nor a person executing the bonds is liable personally on the
13 bonds or subject to personal liability or accountability by reason of
14 the issuance of the bonds.

15 Sec. 44.55.140. PLEDGE OF THE STATE. The state pledges to agree
16 with the holders of bonds issued under this chapter that the state will
17 not limit or alter the rights and powers vested in the authority by this
18 chapter to fulfill the terms of any contract made by the authority with
19 those holders, or in any way impair the rights and remedies of those
20 holders until the principal amount of the bonds, together with interest
21 on them, with interest on unpaid installments of that interest, and all
22 costs and expenses in connection with any action or proceeding by or on
23 behalf of those holders, are fully met and discharged. The authority is
24 authorized to include this pledge and agreement of the state in a con-
25 tract with those holders.

26 Sec. 44.55.150. EXEMPTION FROM TAXATION. All property of the
27 authority is public property devoted to an essential public and govern-
28 mental function and is exempt from all taxes of the state or a political
29 subdivision of the state, including without limitation all boroughs,

1 cities, and unified municipalities. All bonds of the authority are
2 issued by a body corporate and politic of the state and for an essential
3 public and governmental purpose, and the bonds, the interest on them,
4 and the income and receipts pledged to pay or secure the payment of the
5 bonds or interest on them, are at all times exempt from taxation by or
6 under the authority of the state, except for inheritance and estate
7 taxes on transfers by or in contemplation of death. Nothing in this
8 section affects or limits an exemption from license fees, property
9 taxes, or excise, income or any other taxes, provided under any other
10 law, nor does it create a tax exemption with respect to the interest of
11 any business enterprise or other person, other than the authority, in
12 any property, assets, income, receipts, project, or lease, whether or
13 not financed under this chapter.

14 Sec. 44.55.160. BONDS LEGAL INVESTMENTS FOR FIDUCIARIES. The
15 bonds of the authority are securities in which all insurance companies
16 and associations and other persons carrying on an insurance business,
17 all banks, bankers, trust companies, savings banks, savings associations,
18 including savings and loan associations and building and loan associa-
19 tions, investment companies, and other persons carrying on a banking
20 business, all administrators, guardians, executors, trustees and other
21 fiduciaries, and all other persons or entities who are, as of the
22 effective date of this Act, or may hereafter be, authorized to invest in
23 bonds or other obligations of the state, may properly and legally invest
24 funds, including capital in their control or belonging to them.

25 Sec. 44.55.170. REGULATIONS. The authority may adopt regulations
26 to implement the purposes of this chapter.

27 Sec. 44.55.180. ANNUAL AUDIT. The authority shall have its finan-
28 cial records audited annually by the legislative auditor or by a certi-
29 fied public accountant approved by the legislative auditor. The legis-

1 lative auditor may prescribe the form and content of the financial
2 records of the authority and is entitled to access to these records at
3 any time.

4 Sec. 44.55.190. ANNUAL REPORT. Before December 1 of each year,
5 the authority shall submit to the governor and the legislature a compre-
6 hensive report, in a form prescribed by the governor, describing opera-
7 tions, income, and expenditures for the preceding 12-month period.

8 Sec. 44.55.200. DEFINITIONS. In this chapter

9 (1) "authority" means the Gas Pipeline Financing Authority,
10 established under this chapter;

11 (2) "bonds" means bonds, notes, or other evidences of indebt-
12 edness of the authority;

13 (3) "project" means the gas transmission pipeline (together
14 with all related property and facilities) to extend from the Prudhoe Bay
15 area on the North Slope of Alaska to a connection with the Trans-Canada
16 Pipeline on the Alaska-Canada border, substantially as described in the
17 President's report entitled "Decision and Report to Congress on the
18 Alaska Natural Gas Transportation System", issued by the President on
19 September 22, 1977, under provisions of the Alaska Natural Gas Trans-
20 portation Act of 1976, and includes planning, design, and construction
21 of the pipeline and facilities.

22 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.

23 070(c).

Original sponsor: Rules Committee by
request of the Governor

Offered: 6/3/78

1 IN THE SENATE

BY THE RULES COMMITTEE

2 CS FOR SENATE BILL NO. 603 (Rules)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Gas Pipeline Financing Authority;
7 and providing for an effective date."

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

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12 Pipeline Project is in the best interest of the state and of the United
13 States;

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15 promote an essential public purpose in assuring early transportation to
16 market of Prudhoe Bay natural gas;

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18 natural resources and the long-term economic growth of the state, and
19 will directly and indirectly alleviate unemployment in the state;

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21 increased state and local tax revenue, enhanced availability of natural
22 gas for Alaska communities, and stimulus and expansion of the private
23 sector economy, including greater potential for development of in-state
24 manufacturing, refining and processing facilities;

25 (5) construction of the project is a matter of immediate
26 statewide concern; there is no existing general law adequate for the
27 purpose of assisting with financing of the project, as provided in this
28 chapter;

29 (6) it is a public purpose of the State of Alaska to promote

1 early completion of the project through the creation of an instrumen-
2 tality empowered to sell revenue bonds, the interest on which is exempt
3 from federal income tax except when held by a substantial user or
4 related person as these terms are defined in sec. 103 of the Internal
5 Revenue Code of 1954 as amended, and to use the proceeds to purchase or
6 otherwise acquire obligations issued with respect to the project;

7 (7) an amendment by Act of Congress to sec. 103 of the Internal
8 Revenue Code of 1954 as amended is required if the authority is to be
9 empowered to sell revenue bonds, the interest on which is exempt from
10 federal income tax but the State of Alaska recognizes that enactment of
11 this amendment is a matter of federal policy.

12 Sec. 44.55.020. CREATION OF AUTHORITY. There is created the
13 Gas Pipeline Financing Authority. The authority is a public corporation
14 of the state. It is an instrumentality of the state within the Depart-
15 ment of Revenue, but has a legal existence independent of and separate
16 from the state. Exercise by the authority of the powers conferred by
17 this chapter is an essential governmental function of the state.

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19 consists of the commissioner of revenue, the commissioner of commerce
20 and economic development, and the commissioner of natural resources.
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22 is unable for any reason to attend a meeting of the authority, the
23 member may, by a written instrument filed with the authority, designate
24 a person within his department to act in the member's place at the
25 meeting. For all purposes of this chapter, the designee is a member of
26 the authority at the meeting.

27 Sec. 44.55.040. OFFICERS AND QUORUM. The members may elect other
28 officers as they consider desirable. Two members constitute a quorum.
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6 director who may, with the approval of the authority, select and employ
7 additional staff as necessary. Employees of the authority are in the
8 exempt service under AS 39.25.110. In addition to its staff of regular
9 employees, the authority may contract for and engage the services of
10 bond counsel, consultants, experts, and financial advisors the authority
11 considers necessary for the purpose of developing information, furnish-
12 ing advice, or conducting studies, investigations, hearings, or other
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15 counsel for the corporation. He shall advise the corporation in legal
16 matters and represent it in legal actions.

17 Sec. 44.55.080. PURPOSE OF AUTHORITY. The purpose of the autho-
18 rity is to assist in the financing of the project through the issuance
19 of revenue bonds as provided in this chapter. No bonds may be sold by
20 the authority until a binding commitment of not less than 50 per cent
21 of all the financing required for construction and cost overrun for all
22 segments of the pipeline has been obtained.

23 Sec. 44.55.090. GENERAL POWERS. In furtherance of its purpose,
24 the authority has the following powers in addition to its other powers:

- 25 (1) to sue and be sued;
- 26 (2) to have a seal and alter it at pleasure;
- 27 (3) to make and alter bylaws for its organization and inter-
28 nal management;
- 29 (4) to maintain an office at any place in the state;

1 (5) to acquire, hold, mortgage, encumber, or otherwise
2 dispose of income, revenue, funds memberships, contracts, bonds or
3 other property or interests in a corporation or other legal entity, or
4 any other real or personal property;

5 (6) to accept gifts, grants, or loans from, and enter into
6 contracts or other transactions with, any national, state, or municipal
7 government, or agency or instrumentality of a government, or with any
8 private organization, or other source;

9 (7) to deposit or invest its funds subject to agreements with
10 bondholders and other parties; and

11 (8) to enter into contracts or agreements with respect to the
12 exercise of its powers, and to do all things necessary or convenient to
13 carry out its purpose and to exercise the powers granted in this chap-
14 ter.

15 Sec. 44.55.100. BONDS OF THE AUTHORITY. (a) The authority may
16 borrow money and issue revenue bonds, in one or more series, the in-
17 terest on which is exempt from federal income tax except when held by a
18 substantial user or related person as defined in sec. 103 of the Inter-
19 nal Revenue Code of 1954 as amended, up to the principal amount of
20 \$1,000,000,000 exclusive of refunding bonds and amounts required for
21 fund reserves, capitalized interest, and costs of issuance of the bonds
22 or notes. Bonds of the authority may be issued for the purpose of
23 purchasing or otherwise acquiring any obligation issued with respect to
24 the project in any form which is fixed and certain as to terms of repay-
25 ment and for the establishment of reserves to secure or to pay bonds or
26 notes or interest on bonds or notes and all other costs of the authority
27 incident to and necessary for issuance of bonds or notes. The principal
28 and interest on the bonds are payable from the income and receipts or
29 other money derived by the authority with respect to the project, except

1 to the extent payable out of money attributable to the proceeds of the
2 sale of the bonds or out of income from the temporary investment of
3 those proceeds.

4 (b) The bonds issued by the authority do not constitute an indebt-
5 edness or other liability of the state or of a political subdivision of
6 the state, but are payable solely from the income and receipts or other
7 money of the authority. The authority may not pledge the faith or
8 credit of the state or of a political subdivision of the state to the
9 payment of a bond, and the issuance of a bond by the authority may not
10 directly or indirectly or contingently obligate the state or a political
11 subdivision of the state in any manner, except as specifically provided
12 in this chapter.

13 (c) Bonds shall be authorized by resolution of the authority and
14 shall be dated and mature as the resolution provides. Bonds shall bear
15 interest at the rate or rates, be in the denominations but at least 50
16 per cent of the securities must be in denominations of \$25,000 or greater
17 be in the form, either coupon or registered, carry the registration
18 privileges, be executed in the manner, be payable in the medium of
19 payment, at the place or places, and be subject to the terms of redemp-
20 tion which the resolution provides.

21 (d) All bonds, regardless of form or character, are negotiable
22 instruments for all the purposes of the Uniform Commercial Code.

23 (e) All bonds may be sold at public or private sale in the manner,
24 for the price, and at the time or times which the authority determines.

25 (f) The authority may enter into financing agreements necessary or
26 desirable to secure the bonds. Before the issuance of bonds, the
27 authority shall make provision by agreement with the owner or user of
28 the project for payment by the owner or user of amounts at least suffi-
29 cient in the judgment of the authority to pay the principal of and

1 interest on the bonds as they become due, to establish or maintain the
2 reserves for payment, if any, as the authority considers necessary or
3 desirable.

4 (g) Refunding obligations may be sold or exchanged for outstanding
5 obligations issued under this chapter. If sold, the proceeds may be
6 applied, in addition to other authorized purposes, to the purchase,
7 redemption or payment of the outstanding obligations. Pending the
8 application of the proceeds of any refunding obligations, with any other
9 available funds, to the payment of the principal (accrued interest and
10 any redemption premium on the obligations being refunded, and if so
11 provided or permitted in the authorization for issuance of the refunding
12 obligations, to the payment of any interest on the refunding obligations
13 and any expenses in connection with the refunding), the proceeds may be
14 invested in direct obligations of, or obligations the principal of and
15 the interest on which are unconditionally guaranteed by, the United
16 States of America which mature or which will be subject to redemption,
17 at the option of the holders of them, not later than the respective
18 dates when the proceeds, together with the interest accruing on them,
19 will be required for the purposes intended.

20 Sec. 44.55.110. APPROVAL OF FINANCING PLAN. (a) The authority
21 shall submit to the legislature during the first days of a legislative
22 session a financing plan for the project. The plan must include the
23 proposed methods and procedures by which the project will be financed
24 including the amounts and times of issuance of bonds by the authority,
25 the method of securing the bonds, projected debt service requirements of
26 the bonds, and projected revenues for the period of time during which
27 accurate projections can be made, which will be available to the au-
28 thority to meet debt service requirements.

29 (b) The legislature may approve or disapprove the financing plan

1 by concurrent resolution. If the plan is not disapproved within 30
2 days after presentation to the legislature, it is approved. The legis-
3 lature may approve the plan with conditions concerning matters included
4 in the financing plan, and the conditional approval becomes effective
5 upon certification to the legislature by the authority that the author-
6 ity has accepted the conditions and modified the plan in accordance. No
7 bonds or notes may be issued or sold until the approval required by this
8 section has been obtained, and no bonds or notes may be issued or sold
9 except in accordance with the approved financing plan. Amendments to
10 the financing plan may be submitted by the authority to the legislature
11 and become effective upon approval by the legislature by concurrent
12 resolution.

13 Sec. 44.55.120. TRUST INDENTURES AND TRUST AGREEMENTS. In the
14 discretion of the authority, an issue of bonds may be secured by a trust
15 indenture or trust agreement between the authority and a corporate
16 trustee (which may be a trust company, bank, or national banking asso-
17 ciation, with corporate trust powers, located inside or outside the
18 state) or by a secured loan agreement or other instrument or under a
19 resolution giving powers to a corporate trustee by means of which the
20 authority may

21 (1) make and enter into all agreements with the trustee or
22 the holders of the bonds which the authority may determine to be neces-
23 sary or desirable;

24 (2) pledge, mortgage, or assign money, agreements, property
25 or other assets of the authority either presently in hand or to be
26 received in the future, or both; and

27 (3) provide for any other matters of like or different
28 character which may in any way affect the security or protection of the
29 bonds.

1 Sec. 44.55.130. NONLIABILITY ON BONDS. Neither the members of the
2 authority nor a person executing the bonds is liable personally on the
3 bonds or subject to personal liability or accountability by reason of
4 the issuance of the bonds.

5 Sec. 44.55.140. PLEDGE OF THE STATE. The state pledges to agree
6 with the holders of bonds issued under this chapter that the state will
7 not limit or alter the rights and powers vested in the authority by this
8 chapter to fulfill the terms of any contract made by the authority with
9 those holders, or in any way impair the rights and remedies of those
10 holders until the principal amount of the bonds, together with interest
11 on them, with interest on unpaid installments of that interest, and all
12 costs and expenses in connection with any action or proceeding by or on
13 behalf of those holders, are fully met and discharged. The authority is
14 authorized to include this pledge and agreement of the state in a con-
15 tract with those holders.

16 Sec. 44.55.150. EXEMPTION FROM TAXATION. All property of the
17 authority is public property devoted to an essential public and govern-
18 mental function and is exempt from all taxes of the state or a political
19 subdivision of the state, including without limitation all boroughs,
20 cities, and unified municipalities. All bonds of the authority are
21 issued by a body corporate and politic of the state and for an essential
22 public and governmental purpose, and the bonds, the interest on them,
23 and the income and receipts pledged to pay or secure the payment of the
24 bonds or interest on them, are at all times exempt from taxation by or
25 under the authority of the state, except for inheritance and estate
26 taxes on transfers by or in contemplation of death. Nothing in this
27 section affects or limits an exemption from license fees, property
28 taxes, or excise, income or any other taxes, provided under any other
29 law, nor does it create a tax exemption with respect to the interest of

1 any business enterprise or other person, other than the authority, in
2 any property, assets, income, receipts, project, or lease, whether or
3 not financed under this chapter.

4 Sec. 44.55.160. BONDS LEGAL INVESTMENTS FOR FIDUCIARIES. The
5 bonds of the authority are securities in which all insurance companies
6 and associations and other persons carrying on an insurance business,
7 all banks, bankers, trust companies, savings banks, savings associations,
8 including savings and loan associations and building and loan associa-
9 tions, investment companies, and other persons carrying on a banking
10 business, all administrators, guardians, executors, trustees and other
11 fiduciaries, and all other persons or entities who are, as of the
12 effective date of this Act, or may hereafter be, authorized to invest in
13 bonds or other obligations of the state, may properly and legally invest
14 funds, including capital in their control or belonging to them.

15 Sec. 44.55.170. REGULATIONS. The authority may adopt regulations
16 to implement the purposes of this chapter.

17 Sec. 44.55.180. ANNUAL AUDIT. The authority shall have its finan-
18 cial records audited annually by the legislative auditor or by a certi-
19 fied public accountant approved by the legislative auditor. The legis-
20 lative auditor may prescribe the form and content of the financial
21 records of the authority and is entitled to access to these records at
22 any time.

23 Sec. 44.55.190. ANNUAL REPORT. Before December 1 of each year,
24 the authority shall submit to the governor and the legislature a compre-
25 hensive report, in a form prescribed by the governor, describing opera-
26 tions, income, and expenditures for the preceding 12-month period.

27 Sec. 44.55.200. DEFINITIONS. In this chapter

28 (1) "authority" means the Gas Pipeline Financing Authority,
29 established under this chapter;

1 (2) "bonds" means bonds, notes, or other evidences of indebt-
2 edness of the authority;

3 (3) "project" means the gas transmission pipeline (together
4 with all related property and facilities) to extend from the Prudhoe Bay
5 area on the North Slope of Alaska to a connection with the Trans-Canada
6 Pipeline on the Alaska-Canada border, substantially as described in the
7 President's report entitled "Decision and Report to Congress on the
8 Alaska Natural Gas Transportation System", issued by the President on
9 September 22, 1977, under provisions of the Alaska Natural Gas Trans-
10 portation Act of 1976, and includes planning, design, and construction
11 of the pipeline and facilities.

12 * Sec. 2. This Act takes effect upon the effective date of an amendment
13 to sec. 103 of the Internal Revenue Code of 1954 as amended which would have
14 the effect of making interest on bonds issued by the Gas Pipeline Financing
15 Authority exempt from federal income tax except when bonds are held by a sub-
16 stantial user or related person as defined in the Internal Revenue Code.

Original sponsor: Rules Committee by
request of the Governor

Offered: 5/30/78
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 603

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Alaska Gas Pipeline Financing
7 Authority; and providing for an effective date."

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

9 * Section 1. AS 44 is amended by adding a new chapter to read:

10 Sec. 44.55.010. LEGISLATIVE FINDINGS. The legislature finds that

11 (1) timely construction of the Alaska Highway Natural Gas
12 Pipeline Project is in the best interest of the state and of the United
13 States;

14 (2) state assistance to the financing of the project will
15 promote an essential public purpose in assuring early transportation to
16 market of Prudhoe Bay natural gas;

17 (3) the project is essential to the development of the
18 natural resources and the long-term economic growth of the state, and
19 will directly and indirectly alleviate unemployment in the state;

20 (4) additional benefits to Alaska from the project include
21 increased state and local tax revenue, enhanced availability of natural
22 gas for Alaska communities, and stimulus and expansion of the private
23 sector economy, including greater potential for development of in-state
24 manufacturing, refining and processing facilities;

25 (5) construction of the project is a matter of immediate
26 statewide concern; there is no existing general law adequate for the
27 purpose of assisting with financing of the project, as provided in this
28 chapter;

29 (6) it is a public purpose of the State of Alaska to promote

1 early completion of the project through the creation of an instrumen-
2 tality empowered to sell revenue bonds, the interest on which is exempt
3 from federal income tax except when held by a substantial user or
4 related person as these terms are defined in sec. 103 of the Internal
5 Revenue Code of 1954 as amended, and to use the proceeds to purchase or
6 otherwise acquire obligations issued with respect to the project;

7 (7) an amendment by Act of Congress to sec. 103 of the Internal
8 Revenue Code of 1954 as amended is required if the authority is to be
9 empowered to sell revenue bonds, the interest on which is exempt from
10 federal income tax but the State of Alaska recognizes that enactment of
11 this amendment is a matter of federal policy.

12 Sec. 44.55.020. CREATION OF AUTHORITY. There is created the
13 Alaska Gas Pipeline Financing Authority. The authority is a public
14 corporation of the state. It is an instrumentality of the state within
15 the Department of Revenue, but has a legal existence independent of and
16 separate from the state. Exercise by the authority of the powers con-
17 ferred by this chapter is an essential governmental function of the
18 state.

19 Sec. 44.55.030. MEMBERSHIP. The membership of the authority
20 consists of the commissioner of revenue, the commissioner of commerce
21 and economic development, and the commissioner of natural resources.
22 The commissioner of revenue is chairman of the authority. If a member
23 is unable for any reason to attend a meeting of the authority, the
24 member may, by a written instrument filed with the authority, designate
25 a person within his department to act in the member's place at the
26 meeting. For all purposes of this chapter, the designee is a member of
27 the authority at the meeting.

28 Sec. 44.55.040. OFFICERS AND QUORUM. The members may elect other
29 officers as they consider desirable. Two members constitute a quorum.

1 Action may be taken and motions and resolutions adopted by the authority
2 at a meeting by the affirmative vote of at least two members.

3 Sec. 44.55.050. COMPENSATION. The members of the authority are
4 entitled to reimbursement from the authority for actual expenses in-
5 curred in the performance of their duties.

6 Sec. 44.55.060. STAFF. The authority may employ an executive
7 director who may, with the approval of the authority, select and employ
8 additional staff as necessary. Employees of the authority are in the
9 exempt service under AS 39.25.110. In addition to its staff of regular
10 employees, the authority may contract for and engage the services of
11 bond counsel, consultants, experts, and financial advisors the authority
12 considers necessary for the purpose of developing information, furnish-
13 ing advice, or conducting studies, investigations, hearings, or other
14 proceedings.

15 Sec. 44.55.070. LEGAL COUNSEL. The attorney general is the legal
16 counsel for the corporation. He shall advise the corporation in legal
17 matters and represent it in legal actions.

18 Sec. 44.55.080. PURPOSE OF AUTHORITY. The purpose of the autho-
19 rity is to assist in the financing of the project through the issuance
20 of revenue bonds as provided in this chapter.

21 Sec. 44.55.090. GENERAL POWERS. In furtherance of its purpose,
22 the authority has the following powers in addition to its other powers:

- 23 (1) to sue and be sued;
24 (2) to have a seal and alter it at pleasure;
25 (3) to make and alter bylaws for its organization and inter-
26 nal management;
27 (4) to maintain an office at any place in the state;
28 (5) to acquire, hold, use, mortgage, encumber, or otherwise
29 dispose of income, revenue, funds, memberships, contracts, bonds or

1 other property or interests in a corporation or other legal entity, or
2 any other real or personal property;

3 (6) to accept gifts, grants, or loans from, and enter into
4 contracts or other transactions with, any national, state, or municipal
5 government, or agency or instrumentality of a government, or with any
6 private organization, or other source;

7 (7) to deposit or invest its funds subject to agreements with
8 bondholders and other parties; and

9 (8) to enter into contracts or agreements with respect to the
10 exercise of its powers, and to do all things necessary or convenient to
11 carry out its purpose and to exercise the powers granted in this chap-
12 ter.

13 Sec. 44.55.100. BONDS OF THE AUTHORITY. (a) The authority may
14 borrow money and issue revenue bonds, in one or more series, the in-
15 terest on which is exempt from federal income tax except when held by a
16 substantial user or related person as defined in sec. 103 of the Inter-
17 nal Revenue Code of 1954 as amended, up to the principal amount of
18 \$1,000,000,000 exclusive of refunding bonds and amounts required for
19 fund reserves, capitalized interest, and costs of issuance of the bonds
20 or notes. Bonds of the authority may be issued for the purpose of
21 purchasing or otherwise acquiring any obligation issued with respect to
22 the project in any form which is fixed and certain as to terms of repay-
23 ment and for the establishment of reserves to secure or to pay bonds or
24 notes or interest on bonds or notes and all other costs of the authority
25 incident to and necessary for issuance of bonds or notes. The principal
26 and interest on the bonds are payable from the income and receipts or
27 other money derived by the authority with respect to the project, except
28 to the extent payable out of money attributable to the proceeds of the
29 sale of the bonds or out of income from the temporary investment of

1 those proceeds.

2 (b) The bonds issued by the authority do not constitute an indebt-
3 edness or other liability of the state or of a political subdivision of
4 the state, but are payable solely from the income and receipts or other
5 money of the authority. The authority may not pledge the faith or
6 credit of the state or of a political subdivision of the state to the
7 payment of a bond, and the issuance of a bond by the authority may not
8 directly or indirectly or contingently obligate the state or a political
9 subdivision of the state in any manner, except as specifically provided
10 in this chapter.

11 (c) Bonds shall be authorized by resolution of the authority and
12 shall be dated and mature as the resolution provides. Bonds shall bear
13 interest at the rate or rates, be in the denominations, be in the form,
14 either coupon or registered, carry the registration privileges, be
15 executed in the manner, be payable in the medium of payment, at the
16 place or places, and be subject to the terms of redemption which the
17 resolution provides.

18 (d) All bonds, regardless of form or character, are negotiable
19 instruments for all the purposes of the Uniform Commercial Code.

20 (e) All bonds may be sold at public or private sale in the manner,
21 for the price, and at the time or times which the authority determines.

22 (f) The authority may enter into financing agreements necessary or
23 desirable to secure the bonds. Before the issuance of bonds, the
24 authority shall make provision by agreement with the owner or user of
25 the project for payment by the owner or user of amounts at least suffi-
26 cient in the judgment of the authority to pay the principal of and
27 interest on the bonds as they become due, to establish or maintain the
28 reserves for payment, if any, as the authority considers necessary or
29 desirable.

1 (g) Refunding obligations may be sold or exchanged for outstanding
2 obligations issued under this chapter. If sold, the proceeds may be
3 applied, in addition to other authorized purposes, to the purchase,
4 redemption or payment of the outstanding obligations. Pending the
5 application of the proceeds of any refunding obligations, with any other
6 available funds, to the payment of the principal (accrued interest and
7 any redemption premium on the obligations being refunded, and if so
8 provided or permitted in the authorization for issuance of the refunding
9 obligations, to the payment of any interest on the refunding obligations
10 and any expenses in connection with the refunding), the proceeds may be
11 invested in direct obligations of, or obligations the principal of and
12 the interest on which are unconditionally guaranteed by, the United
13 States of America which mature or which will be subject to redemption,
14 at the option of the holders of them, not later than the respective
15 dates when the proceeds, together with the interest accruing on them,
16 will be required for the purposes intended.

17 Sec. 44.55.110. APPROVAL OF FINANCING PLAN. (a) The authority
18 shall submit to the legislature during the first days of a legislative
19 session a financing plan for the project. The plan must include the
20 proposed methods and procedures by which the project will be financed
21 including the amounts and times of issuance of bonds by the authority,
22 the method of securing the bonds, projected debt service requirements of
23 the bonds, and projected revenues for the period of time during which
24 accurate projections can be made, which will be available to the au-
25 thority to meet debt service requirements.

26 (b) The legislature may approve or disapprove the financing plan
27 by concurrent resolution. If the plan is not disapproved within 30
28 days after presentation to the legislature, it is approved. The legis-
29 lature may approve the plan with conditions concerning matters included

1 in the financing plan, and the conditional approval becomes effective
2 upon certification to the legislature by the authority that the author-
3 ity has accepted the conditions and modified the plan in accordance. No
4 bonds or notes may be issued or sold until the approval required by this
5 section has been obtained, and no bonds or notes may be issued or sold
6 except in accordance with the approved financing plan. Amendments to
7 the financing plan may be submitted by the authority to the legislature
8 and become effective upon approval by the legislature by concurrent
9 resolution.

10 Sec. 44.55.120. TRUST INDENTURES AND TRUST AGREEMENTS. In the
11 discretion of the authority, an issue of bonds may be secured by a trust
12 indenture or trust agreement between the authority and a corporate
13 trustee (which may be a trust company, bank, or national banking asso-
14 ciation, with corporate trust powers, located inside or outside the
15 state) or by a secured loan agreement or other instrument or under a
16 resolution giving powers to a corporate trustee by means of which the
17 authority may

18 (1) make and enter into all agreements with the trustee or
19 the holders of the bonds which the authority may determine to be neces-
20 sary or desirable;

21 (2) pledge, mortgage, or assign money, agreements, property
22 or other assets of the authority either presently in hand or to be
23 received in the future, or both; and

24 (3) provide for any other matters of like or different
25 character which may in any way affect the security or protection of the
26 bonds.

27 Sec. 44.55.130. NONLIABILITY ON BONDS. Neither the members of the
28 authority nor a person executing the bonds is liable personally on the
29 bonds or subject to personal liability or accountability by reason of

1 the issuance of the bonds.

2 Sec. 44.55.140. PLEDGE OF THE STATE. The state pledges to agree
3 with the holders of bonds issued under this chapter that the state will
4 not limit or alter the rights and powers vested in the authority by this
5 chapter to fulfill the terms of any contract made by the authority with
6 those holders, or in any way impair the rights and remedies of those
7 holders until the principal amount of the bonds, together with interest
8 on them, with interest on unpaid installments of that interest, and all
9 costs and expenses in connection with any action or proceeding by or on
10 behalf of those holders, are fully met and discharged. The authority is
11 authorized to include this pledge and agreement of the state in a con-
12 tract with those holders.

13 Sec. 44.55.150. EXEMPTION FROM TAXATION. All property of the
14 authority is public property devoted to an essential public and govern-
15 mental function and is exempt from all taxes of the state or a political
16 subdivision of the state, including without limitation all boroughs,
17 cities, and unified municipalities. All bonds of the authority are
18 issued by a body corporate and politic of the state and for an essential
19 public and governmental purpose, and the bonds, the interest on them,
20 and the income and receipts pledged to pay or secure the payment of the
21 bonds or interest on them, are at all times exempt from taxation by or
22 under the authority of the state, except for inheritance and estate
23 taxes on transfers by or in contemplation of death. Nothing in this
24 section affects or limits an exemption from license fees, property
25 taxes, or excise, income or any other taxes, provided under any other
26 law, nor does it create a tax exemption with respect to the interest of
27 any business enterprise or other person, other than the authority, in
28 any property, assets, income, receipts, project, or lease, whether or
29 not financed under this chapter.

1 Sec. 44.55.160. BONDS LEGAL INVESTMENTS FOR FIDUCIARIES. The
2 bonds of the authority are securities in which all public officers and
3 bodies of the state and all municipalities and municipal subdivisions,
4 all insurance companies and associations and other persons carrying on
5 an insurance business, all banks, bankers, trust companies, savings
6 banks, savings associations, including savings and loan associations and
7 building and loan associations, investment companies, and other persons
8 carrying on a banking business, all administrators, guardians, execu-
9 tors, trustees and other fiduciaries, and all other persons or entities
10 who are, as of the effective date of this Act, or may hereafter be,
11 authorized to invest in bonds or other obligations of the state, may
12 properly and legally invest funds, including capital in their control or
13 belonging to them. Notwithstanding any other provisions of law, the
14 bonds of the authority are also securities which may be deposited with
15 and may be received by all public officers and bodies of this state and
16 all municipalities and municipal subdivisions for any purpose for which
17 the deposit of bonds or other obligations of the state is, as of the
18 effective date of this Act, or may hereafter be, authorized.

19 Sec. 44.55.170. REGULATIONS. The authority may adopt regulations
20 to implement the purposes of this chapter.

21 Sec. 44.55.180. ANNUAL AUDIT. The authority shall have its finan-
22 cial records audited annually by the legislative auditor or by a certi-
23 fied public accountant approved by the legislative auditor. The legis-
24 lative auditor may prescribe the form and content of the financial
25 records of the authority and is entitled to access to these records at
26 any time.

27 Sec. 44.55.190. ANNUAL REPORT. Before December 1 of each year,
28 the authority shall submit to the governor and the legislature a compre-
29 hensive report, in a form prescribed by the governor, describing opera-

1 tions, income, and expenditures for the preceding 12-month period.

2 Sec. 44.55.200. DEFINITIONS. In this chapter

3 (1) "authority" means the Alaska Gas Pipeline Financing
4 Authority, established under this chapter;

5 (2) "bonds" means bonds, notes, or other evidences of indebt-
6 edness of the authority;

7 (3) "project" means the gas transmission pipeline (together
8 with all related property and facilities) to extend from the Prudhoe Bay
9 area on the North Slope of Alaska to a connection with the Trans-Canada
10 Pipeline on the Alaska-Canada border, substantially as described in the
11 President's report entitled "Decision and Report to Congress on the
12 Alaska Natural Gas Transportation System", issued by the President on
13 September 22, 1977, under provisions of the Alaska Natural Gas Trans-
14 portation Act of 1976, and includes planning, design, and construction
15 of the pipeline and facilities.

16 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
17 10.070(c).

Introduced: 4/20/78
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 603

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE -- SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Alaska Gas Pipeline Financing
7 Authority; and providing for an effective date."

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

9 * Section 1. AS 44 is amended by adding a new chapter to read:

10 Sec. 44.55.010. LEGISLATIVE FINDING'. The legislature finds
11 that:

12 (1) timely construction of the Alaska Highway Natural Gas
13 Pipeline Project is in the best interest of the state and of the
14 United States;

15 (2) state assistance to the financing of the project will
16 promote an essential public purpose in assuring early transportation
17 to market of Prudhoe Bay natural gas;

18 (3) the project is essential to the development of the
19 natural resources and the long-term economic growth of the state, and
20 will directly and indirectly alleviate unemployment in the state;

21 (4) additional benefits to Alaska from the project include
22 increased state and local tax revenue, enhanced availability of
23 natural gas for Alaska communities, and stimulus and expansion of the
24 private sector economy, including greater potential for development of
25 in-state manufacturing, refining and processing facilities;

26 (5) construction of the project is a matter of immediate
27 statewide concern; there is no existing general law adequate for the
28 purpose of assisting with financing of the project, as provided in
29 this chapter;

1 (6) it is a public purpose of the State of Alaska to promote
2 early completion of the project through the creation of an instrumen-
3 tality empowered to sell revenue bonds, the interest on which is
4 exempt from federal income tax, and to use the proceeds to purchase or
5 otherwise acquire obligations issued with respect to the project.

6 Sec. 44.55.020. CREATION OF AUTHORITY. There is created the
7 Alaska Gas Pipeline Financing Authority. The authority is a public
8 corporation of the state. It is an instrumentality of the state
9 within the Department of Revenue, but has a legal existence independent
10 of and separate from the state. Exercise by the authority of the
11 powers conferred by this chapter is an essential governmental function
12 of the state.

13 Sec. 44.55.030. MEMBERSHIP. The membership of the authority
14 consists of the commissioner of revenue, the commissioner of commerce
15 and economic development, and the commissioner of natural resources.
16 The commissioner of revenue is chairman of the authority. If a member
17 is unable for any reason to attend a meeting of the authority, he or she
18 may, by a written instrument filed with the authority, designate a per-
19 son within his or her department to act in his or her place at the
20 meeting. For all purposes of this chapter, the designee is a member
21 of the authority at the meeting.

22 Sec. 44.55.040. OFFICERS AND QUORUM. The members may elect
23 other officers as they consider desirable. Two members constitute a
24 quorum. Action may be taken and motions and resolutions adopted by
25 the authority at a meeting by the affirmative vote of at least two
26 members.

27 Sec. 44.55.050. COMPENSATION. The members of the authority are
28 entitled to reimbursement from the authority for actual expenses
29 incurred in the performance of their duties.

1 Sec. 44.55.060. STAFF. The authority may employ an executive
2 director who may, with the approval of the authority, select and
3 employ additional staff as necessary. Employees of the authority are
4 in the exempt service under AS 39.25.110. In addition to its staff of
5 regular employees, the authority may contract for and engage the
6 services of bond counsel, consultants, experts, and financial advisors
7 the authority considers necessary for the purpose of developing infor-
8 mation, furnishing advice, or conducting studies, investigations,
9 hearings, or other proceedings.

10 Sec. 44.55.070. LEGAL COUNSEL. The attorney general is the
11 legal counsel for the corporation. He shall advise the corporation in
12 legal matters and represent it in legal actions.

13 Sec. 44.55.080. PURPOSE OF AUTHORITY. The purpose of the autho-
14 rity is to assist in the financing of the project through the issuance
15 of revenue bonds as provided in this chapter.

16 Sec. 44.55.090. GENERAL POWERS. In furtherance of its purpose,
17 the authority has the following powers in addition to its other powers:

- 18 (1) to sue and be sued;
- 19 (2) to have a seal and alter it at pleasure;
- 20 (3) to make and alter by-laws for its organization and
21 internal management;
- 22 (4) to maintain an office at any place in the state;
- 23 (5) to acquire, hold, use, mortgage, encumber, or otherwise
24 dispose of income, revenue, funds, memberships, contracts, bonds or
25 other property or interests in a corporation or other legal entity, or
26 any other real or personal property;
- 27 (6) to accept gifts, grants, or loans from, and enter into
28 contracts or other transactions with, any national, state, or munici-
29 pal government, or agency or instrumentality of a government, or with

1 any private organization, or other source;

2 (7) to deposit or invest its funds subject to agreements
3 with bondholders and other parties; and

4 (8) to enter into contracts or agreements with respect to
5 the exercise of its powers, and to do all things necessary or convenient
6 to carry out its purpose and to exercise the powers granted in this
7 chapter.

8 Sec. 44.55.00. BONDS OF THE AUTHORITY. (a) The authority may
9 borrow money and issue revenue bonds, the interest on which is exempt
10 from federal income tax, up to the principal amount of one billion
11 dollars. Bonds of the authority may be issued for the purpose of
12 purchasing or otherwise acquiring any obligation issued with respect
13 to the project in any form which is fixed and certain as to terms of
14 repayment. The principal and interest on the bonds are payable from
15 the income and receipts or other money derived by the authority with
16 respect to the project, except to the extent payable out of money attri-
17 butable to the proceeds of the sale of the bonds or out of income from
18 the temporary investment of those proceeds.

19 (b) The bonds issued by the authority do not constitute an
20 indebtedness or other liability of the state or of a political sub-
21 division of the state, but are payable solely from the income and
22 receipts or other funds or property of the authority. The authority
23 may not pledge the faith or credit of the state or of a political sub-
24 division of the state, to the payment of a bond, and the issuance of a
25 bond by the authority may not directly or indirectly or contingently
26 obligate the state or a political subdivision of the state in any
27 manner, except as specifically provided in this chapter.

28 (c) Bonds must be authorized by resolution of the authority and
29 must be dated and mature as the resolution provides. Bonds must bear

1 interest at the rate or rates, be in the denominations, be in the
2 form, either coupon or registered, carry the registration privileges,
3 be executed in the manner, be payable in the medium of payment, at the
4 place or places, and be subject to the terms of redemption which the
5 resolution provides.

6 (d) All bonds, regardless of form or character, are negotiable
7 instruments for all the purposes of the Uniform Commercial Code.

8 (e) All bonds may be sold at public or private sale in the
9 manner, for the price, and at the time which the authority determines.

10 (f) The authority may enter into leases, installment sale or
11 purchase agreements, and loan or other financing agreements necessary
12 or desirable to secure the bonds. Before the issuance of bonds, the
13 authority shall make provision by agreement for payment of amounts at
14 least sufficient in the judgment of the authority to pay the principal
15 of and interest on the bonds as they become due and to establish or
16 maintain the reserves for payment, if any, as the authority considers
17 necessary or desirable.

18 Sec. 44.55.110. TRUST INDENTURES AND TRUST AGREEMENTS. In the
19 discretion of the authority, an issue of bonds may be secured by a
20 trust indenture or trust agreement between the authority and a cor-
21 porate trustee (which may be a trust company, bank, or national banking
22 association, with corporate trust powers, located inside or outside
23 the state) or by a secured loan agreement or other instrument or under
24 a resolution giving powers to a corporate trustee by means of which
25 the authority may:

26 (1) make and enter into all agreements with the trustee or
27 the holders of the bonds which the authority may determine to be
28 necessary or desirable;

29 (2) pledge, mortgage, or assign money, agreements, property

1 or other assets of the authority either presently in hand or to be
2 received in the future, or both; and

3 (3) provide for any other matters of like or different
4 character which may in any way affect the security or protection of
5 the bonds.

6 Sec. 44.55.120. NONLIABILITY ON BONDS. Neither the members of
7 the authority nor a person executing the bonds is liable personally on
8 the bonds or subject to personal liability or accountability by reason
9 of the issuance of the bonds.

10 Sec. 44.55.130. PLEDGE OF THE STATE. The state pledges to agree
11 with the holders of bonds issued under this chapter, that the state
12 will not limit or alter the rights and powers vested in the authority
13 by this chapter to fulfill the terms of any contract made by the
14 authority with those holders, or in any way impair the rights and
15 remedies of those holders until the principal amount of the bonds,
16 together with interest on them, with interest on unpaid installments
17 of that interest, and all costs and expenses in connection with any
18 action or proceeding by or on behalf of those holders, are fully met
19 and discharged. The authority is authorized to include this pledge
20 and agreement of the state in a contract with those holders.

21 Sec. 44.55.140. EXEMPTION FROM TAXATION. All property of the
22 authority is public property devoted to an essential public and govern-
23 mental function and is exempt from all taxes of the state or a politi-
24 cal subdivision of the state, including without limitation all boroughs,
25 cities, and unified municipalities. All bonds of the authority are
26 issued by a body corporate and politic of the state and for an essen-
27 tial public and governmental purpose, and the bonds, the interest on
28 them, and the income and receipts pledged to pay or secure the payment
29 of the bonds or interest on them, are at all times exempt from taxation

1 by or under the authority of the state, except for inheritance and
2 estate taxes on transfers by or in contemplation of death. Nothing in
3 this section affects or limits an exemption from license fees, property
4 taxes, or excise, income or any other taxes, provided under any other
5 law, nor does it create a tax exemption with respect to the interest
6 of any business enterprise or other person, other than the authority,
7 in any property, assets, income, receipts, project, or lease, whether
8 or not financed under this chapter.

9 Sec. 44.55.150. BONDS LEGAL INVESTMENTS FOR FIDUCIARIES. The
10 bonds of the authority are securities in which all public officers and
11 bodies of the state and all municipalities and municipal subdivisions,
12 all insurance companies and associations and other persons carrying on
13 an insurance business, all banks, bankers, trust companies, savings
14 banks, savings associations, including savings and loan associations
15 and building and loan associations, investment companies, and other
16 persons carrying on a banking business, all administrators, guardians,
17 executors, trustees and other fiduciaries, and all other persons or
18 entities whatsoever who are, as of the effective date of this Act, or
19 may hereafter be, authorized to invest in bonds or other obligations
20 of the state, may properly and legally invest funds, including capital
21 in their control or belonging to them. Notwithstanding any other pro-
22 visions of law, the bonds of the authority are also securities which
23 may be deposited with and may be received by all public officers and
24 bodies of this state and all municipalities and municipal subdivisions
25 for any purpose for which the deposit of bonds or other obligations of
26 the state is, as of the effective date of this Act, or may hereafter
27 be, authorized.

28 Sec. 44.55.160. REGULATIONS. The authority may adopt regulations
29 to implement the purposes of this chapter.

1 Sec. 44.55.170. ANNUAL AUDIT. The authority shall have its
2 financial records audited annually by the legislative auditor or by a
3 certified public accountant approved by the legislative auditor. The
4 legislative auditor may prescribe the form and content of the financial
5 records of the authority and is entitled to access to these records at
6 any time.

7 Sec. 44.55.180. ANNUAL REPORT. Before December 1 of each year,
8 the authority shall submit to the governor and the legislature a
9 comprehensive report, in form prescribed by the governor, describing
10 operations, income, and expenditures for the preceding 12-month period.

11 Sec. 44.55.900. DEFINITIONS. In this chapter

12 (1) "authority" means the Alaska Gas Pipeline Financing
13 Authority, established under this chapter;

14 (2) "bonds" means bonds, notes, or other evidences of
15 indebtedness of the authority;

16 (3) "project" means the gas transmission pipeline (together
17 with all related property and facilities) to extend from the Prudhoe
18 Bay area on the North Slope of Alaska to a connection with the Trans-
19 Canada Pipeline on the Alaska-Canada border, as described in the
20 President's report entitled "Decision and Report to Congress on the
21 Alaska Natural Gas Transportation System", issued by the President on
22 September 22, 1977, under provisions of the Alaska Natural Gas Trans-
23 portation Act of 1976, and includes planning, design, and construction
24 of the pipeline and facilities.

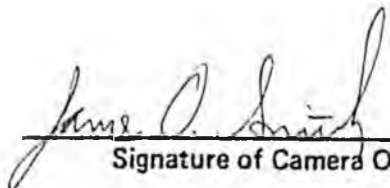
25 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
26 10.070(c).



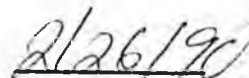
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Signature of Camera Operator



Date

COMMITTEE REPORT
SENATE

5/15/73

FURTHER: _____

Date: June 12 1973

Mr. President:

The Committee on FINANCE has had SB 608

chemical tests of the breath administered to a person arrested for driving while intoxicated

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

563

Introduced: 5/1/78
Referred: Judiciary

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 SENATE BILL NO. 608

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to chemical tests of the breath
7 administered to a person arrested for driving while
8 intoxicated."

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

10 * Section 1. AS 28.35.033(e) is amended to read:

11 (e) The person tested may have a physician, or a qualified techni-
12 cian, chemist, registered nurse, or other qualified person of his own
13 choosing administer a chemical test in addition to and contemporaneously
14 with the test administered at the direction of a law enforcement officer.
15 Law enforcement officers shall assist persons to secure such an addi-
16 tional test; however, the [THE] failure or inability to obtain an addi-
17 tional test by a person does not preclude the admission of evidence
18 relating to the test taken at the direction of a law enforcement officer;
19 the fact that the person under arrest sought to obtain such an additional
20 test, and failed or was unable so to do, is likewise admissible in
21 evidence.

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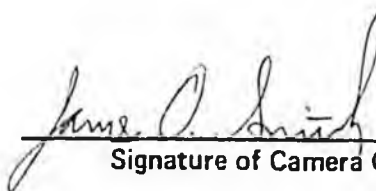
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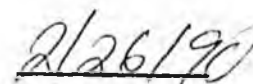
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Signature of Camera Operator



Date

COMMITTEE REPORT
SENATE

5/16/78

FURTHER: _____

Date: June 3, 1978

Mr. President:

The Committee on FINANCE has had SB 609
subject

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:

William

...

Chairman

A M E N D M E N T

OFFERED IN THE SENATE:

By: Finance Committee

To: _____ SENATE BILL No. 609

HOUSE BILL No. _____

PAGE: 1

LINE: 20 & 21

Delete "five (THREE) days."

Insert "72 consecutive hours."

AMENDMENT

OFFERED IN THE SENATE:

BY: Finance Committee

To: _____ SENATE BILL No. 609

HOUSE BILL No. _____

PAGE: 2

LINE: 16

Delete "The highway safety planning agency,"

Introduced: 5/1/78
Referred: Judiciary

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 SENATE BILL NO. 609

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to alcohol."

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

8 * Section 1. AS 28.35.030 is amended to read:

9 Sec. 28.35.030. DRIVING WHILE UNDER THE INFLUENCE OF INTOXICATING
10 LIQUOR OR DRUGS. (a) A person (1) who, while under the influence of
11 intoxicating liquor, depressant, hallucinogenic or stimulant drugs or
12 narcotic drugs as defined in AS 17.10.230(13) and AS 17.12.150(3); (2)
13 whose blood, plasma, or serum contains 0.10 per cent or more by weight
14 of alcohol per volume; or (3) who, while under the combined influence of
15 intoxicating liquor and another drug or substance, operates or drives an
16 automobile, motorcycle or other motor vehicle in the state, upon convic-
17 tion, is punishable by a fine of not more than \$1,000, or by imprison-
18 ment for not more than one year, or by both. Upon a second conviction
19 within five years after a first conviction under this section, the court
20 shall impose a minimum sentence of imprisonment of not less than ^{72 consecutive} ~~five~~
21 ~~[THREE]~~ ^{hours} days. Upon a subsequent conviction within five years after a
22 second conviction under this section, the court shall impose a minimum
23 sentence of imprisonment of not less than 10 days. The execution of
24 sentence may not be suspended nor may probation or parole be granted
25 until the minimum imprisonment provided in this section has been served,
26 nor may imposition of sentence be suspended, except upon the condition
27 that the defendant be imprisoned for no less than the minimum period
28 provided in this section, nor may the punishment provided for in this
29 section be reduced under AS 11.05.150. In addition, his operator's

1 license shall be revoked in accordance with AS 28.15.210(c), and he
2 shall undertake, for a term specified by the court, that program of
3 alcohol education or rehabilitation which the court, after consideration
4 of any information compiled under (b) of this section, finds appro-
5 priate.

6 * Sec. 2. AS 28.35.030 is amended by adding new subsections to read:

7 (b) Except as prohibited by federal law or regulation, every
8 provider of treatment programs to which persons are ordered under (a) of
9 this section shall supply the Alaska court system with the information
10 regarding the condition and treatment of those persons as the supreme
11 court may require by rule. Information compiled under this subsection
12 is confidential and may only be used by a court in sentencing a person
13 convicted under (a) of this section, or by an officer of the court in
14 preparing a presentence report for the use of the court in sentencing a
15 person convicted under (a) of this section.

16 (c) ~~The highway safety planning agency,~~ Department of Public
17 Safety, shall, under contracts with the state office of alcoholism, de-
18 velop, supervise, and administer those programs of alcohol education or
19 rehabilitation to which persons are sentenced under (b) of this section.
20 These programs shall encompass background investigation, drinker classi-
21 fication, referral to education or treatment programs, progress moni-
22 toring, and overall program evaluation.

23 * Sec. 3. AS 47.37.210(a) is amended to read:

24 (a) Except as require by AS 28.35.030(b), the [THE] registration
25 and other records of treatment facilities shall remain confidential and
26 are privileged to the patient.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST SB 609
 Bill/Resolution No. _____
 Title OMVI Blood Test
 Requested by Department of Public Safety Date June 2, 1978

II. FISCAL DETAIL
 Agency Affected Public Safety
 Program Category Affected Public Protection
 Budget Request Unit(s) Affected Driver Services

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES			24,725	25,433	26,480	
200 TRAVEL						
300 CONTRACTUAL			850	900	900	
400 COMMODITIES			350	400	450	
500 EQUIPMENT			1,400	0	0	
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			27,325	26,733	27,830	

FUNDING (Thousands of Dollars)

GENERAL FUND			27,325	26,733	27,830	
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME Adm. Asst. II			1	1	1	
PART TIME						
TEMPORARY						

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

Position will be required to develop, supervise, and administer programs of alcohol education and rehabilitation to which persons are sentenced by the courts. This position will maintain records of those who have attended in order to insure that these people receive appropriate credit on their driving records.

The equipment request is a one time expense for a typewriter, desk, and chair.

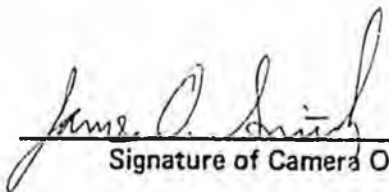
IV. DATE June 2, 1978 PREPARED BY *Wayne J. Herman*
 AGENCY PUBLIC SAFETY
 PHONE 465-4322
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)



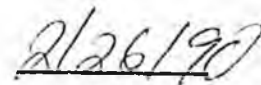
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Signature of Camera Operator



Date

COMMITTEE REPORT

HOUSE

FURTHER: _____

6/2/78

Date: _____

Mr. Speaker:

The Committee on FINANCE has had CSSE 613
~~"An Act providing for the issuance of general obligation bonds in the amount of \$20,000,000 for the purpose of paying the cost of capital improvements for fisheries management and development facilities; and eff. date."~~

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

Original sponsor: Finance Committee

IN THE SENATE

BY THE FINANCE COMMITTEE

HOUSE CS FOR CS FOR SENATE BILL NO. 618

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act providing for the issuance of general obligation bonds in the amount of \$18,275,000 for the purpose of paying the cost of capital improvements for fisheries management and development facilities; and providing for an effective date."

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

* Section 1. For the purpose of paying the cost of capital improvements for fisheries management and development facilities, general obligation bonds of the state in the principal amount of not more than \$18,275,000 shall be issued and sold. The full faith, credit and resources of the state are pledged to the payment of the principal of and interest and redemption premium, if any, on these bonds. These bonds shall be issued under the provisions of AS 37.15 as those provisions read at the time of issuance.

* Sec. 2. If the issuance of these bonds is authorized by the qualified voters of the state, a special fund of the state to be known as the "1978 Fish Facilities Construction Fund" shall be established, to which shall be credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for the accrued interest and premiums. The amount of \$18,275,000 is appropriated from the "1978 Fish Facilities Construction Fund" to the Department of Transportation and Public Facilities. The proceeds of the bonds shall be allocated as follows:

Project	Location	Amount
(1) Dutch Harbor field station	Dutch Harbor	372,300
(2) Chignik field station and weir	Chignik	500,000

(3) Snettisham hatchery	Southeast	6,002,700
(4) Ship Creek hatchery	Cook Inlet	6,400,000
(5) Kotzebue hatchery development	Kotzebue Sound	5,000,000

* Sec. 3. If the issuance of these bonds is authorized by the qualified voters of the state, the amount of \$64,000 or as much of that amount as is found necessary is appropriated from the general fund of the state to the state bond committee to carry out the provisions of this Act and to pay expenses incident to the sale and issuance of the bonds authorized in this Act. The amounts expended from the appropriation authorized by this section shall be reimbursed to the general fund from the proceeds of the sale of the bonds authorized by this Act.

* Sec. 4. The amount withdrawn from the public facility planning fund for the purpose of advance planning for the improvements financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds authorized by this Act.

* Sec. 5. The question whether the bonds authorized in this Act are to be issued shall be submitted to the qualified voters of the state at the next general election and shall read substantially as follows:

Proposition

State General Obligation Fish Facilities Construction
Bonds \$18,275,000

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$18,275,000 for the purpose of paying the cost of capital improvements for fisheries management and development facilities?

Bonds Yes []
Bonds No []

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

Original sponsor: Finance Committee

Offered: 5/31/78
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 613

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 obligation
7 bonds in the amount of ~~\$25,300,000~~ ^{18,275,000} for the purpose
8 of paying the cost of capital improvements for fisheries
9 management and development facilities; and providing
10 for an effective date."

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

12 * Section 1. For the purpose of paying the cost of capital improvements
13 for fisheries management and development facilities, general obligation bonds
14 of the state in the principal amount of not more than ~~\$25,300,000~~ ^{18,275,000} shall be
15 issued and sold. The full faith, credit and resources of the state are
16 pledged to the payment of the principal of and interest and redemption pre-
17 mium, if any, on these bonds. These bonds shall be issued under the provi-
18 sions of AS 37.15 as those provisions read at the time of issuance.

19 * Sec. 2. If the issuance of these bonds is authorized by the qualified
20 voters of the state, a special fund of the state to be known as the "1978
21 Fish Facilities Construction Fund" shall be established, to which shall be
22 credited the proceeds of the sale of the bonds described in sec. 1 of this
23 Act except for the accrued interest and premium. The amount of ~~\$25,300,000~~ ^{18,275,000}
24 is appropriated from the "1978 Fish Facilities Construction Fund" to the
25 Department of Transportation and Public Facilities. The proceeds of the
26 bonds shall be allocated as follows:

Project	Location	Amount
_____	_____	_____
↳ Dutch Harbor field station	Dutch Harbor	572,300

COMMITTEE COPY

6,002,700

2	(2) Chignik field station and weir	Chignik	500,000 ✓
3	(3) Snettisham hatchery	Southeast	1,000,000
4	(4) Main Bay hatchery	Prince William	6,000,000
5		Sound	8,000,000
6	(6) Ship Creek hatchery	Cook Inlet	^{400,000} 5,000,000
7	(7) Kotzebue hatchery development	Kotzebue Sound	5,000,000

* Sec. 3. If the issuance of these bonds is authorized by the qualified voters of the state, the amount of ^{63,963}~~80,000~~ or as much of that amount as is found necessary is appropriated from the general fund of the state to the state bond committee to carry out the provisions of this Act and to pay expenses incident to the sale and issuance of the bonds authorized in this Act. The amounts expended from the appropriation authorized by this section shall be reimbursed to the general fund from the proceeds of the sale of the bonds authorized by this Act.

* Sec. 4. The amount withdrawn from the public facility planning fund for the purpose of advance planning for the improvements financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds authorized by this Act.

* Sec. 5. The question whether the bonds authorized in this Act are to be issued shall be submitted to the qualified voters of the state at the next general election and shall read substantially as follows:

Proposition

State General Obligation Fish Facilities Construction
Bonds ^{18,275,000}~~25,300,000~~

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than ^{18,275,000}~~25,300,000~~ for the purpose of paying the cost of capital improvements for fisheries management and development facilities?

Bonds Yes []

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Bonds Ko []

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

FORM 02-0018C
FOR BRIEF COMMUNICATIONS
MAY BE HANDWRITTEN

MEMORANDUM

TO:

Legislative Affairs

State of Alaska

DEPT. _____

DIV. _____

SEC. _____

DATE : June 8, 1978

FROM: Vicki Wilson
House Finance Committee
Rm 411 - Phone: 3795/3796

SUBJECT: HCS for CSSB 618

Please prepare House Finance Committee Substitute for CSSB 618, as per attached, and return to me assoon as possible.

Thanks.

Original sponsor: Finance Committee

Offered: 5/31/78
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 618

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 \$25,300,000 for the purpose
8 of paying the cost of capital improvements for fisheries
9 management and development facilities; and providing
10 for an effective date."

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

12 * Section 1. For the purpose of paying the cost of capital improvements
13 for fisheries management and development facilities, general obligation bonds
14 of the state in the principal amount of not more than \$25,300,000 shall be
15 issued and sold. The full faith, credit and resources of the state are
16 pledged to the payment of the principal of and interest and redemption pre-
17 mium, if any, on these bonds. These bonds shall be issued under the provi-
18 sions of AS 37.15 as those provisions read at the time of issuance.

19 * Sec. 2. If the issuance of these bonds is authorized by the qualified
20 voters of the state, a special fund of the state to be known as the "1978
21 Fish Facilities Construction Fund" shall be established, to which shall be
22 credited the proceeds of the sale of the bonds described in sec. 1 of this
23 Act except for the accrued interest and premiums. The amount of \$25,300,000
24 is appropriated from the "1978 Fish Facilities Construction Fund" to the
25 Department of Transportation and Public Facilities. The proceeds of the
26 bonds shall be allocated as follows:

Project	Location	Amount
(1) Bristol Bay harbors and bouys	Bristol Bay	\$ 350,000
(2) Dutch Harbor field station	Dutch Harbor	372,300

COMMITTEE COPY

1	(3) Chignik field station and weir	Chignik	500,000
2	(4) Snettisham hatchery	Southeast	5,000,000
3	(5) Hain Bay hatchery	Prince William	
		Sound	8,000,000
4	(6) Ship Creek hatchery	Cook Inlet	6,000,000
5	(7) Kotzebue hatchery development	Kotzebue Sound	5,000,000

7 * Sec. 3. If the issuance of these bonds is authorized by the qualified
8 voters of the state, the amount of \$39,000 or as much of that amount as is
9 found necessary is appropriated from the general fund of the state to the
10 state bond committee to carry out the provisions of this Act and to pay ex-
11 penses incident to the sale and issuance of the bonds authorized in this Act.
12 The amounts expended from the appropriation authorized by this section shall
13 be reimbursed to the general fund from the proceeds of the sale of the bonds
14 authorized by this Act.

15 * Sec. 4. The amount withdrawn from the public facility planning fund for
16 the purpose of advance planning for the improvements financed under this Act
17 shall be reimbursed to the fund from the proceeds of the sale of bonds
18 authorized by this Act.

19 * Sec. 5. The question whether the bonds authorized in this Act are to be
20 issued shall be submitted to the qualified voters of the state at the next
21 general election and shall read substantially as follows:

22 Proposition

23 State General Obligation Fish Facilities Construction

24 Bonds \$25,300,000

25 Shall the State of Alaska issue its general obligation bonds in
26 the principal amount of not more than \$25,300,000 for the purpose
27 of paying the cost of capital improvements for fisheries manage-
28 ment and development facilities?

Bonds

Yes []

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Bonds No []

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

E X P L A N A T I O N

of

CSSB 618

Incorporates everything in the Governor's Bill, HB 710.

Added the following:

Kotzebue Hatchery Development - Kotzebue Sound 5,000,000

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

JAY S. HALLEMAN, GOVERNOR

SUPPORT BUILDING - JUNEAU 99501

May 26, 1978

The Honorable John Sackett, Chairman
Senate Finance Committee
Alaska State Legislature
Porch V
Juneau, Alaska 99811

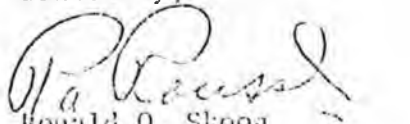
Dear Senator Sackett:

It is our understanding that there will be a discussion of the Fish and Game Bond Package Tuesday, May 30.

Prior to this meeting, we have prepared an up to date brief of relevant information pertaining to the Hatchery program. Status of Funded Fish and Game hatcheries and a synopsis of the proposed Bond facilities are included in the brief.

Furthermore, Bob Roys, the Director of F.R.E.D. will be available for testimony on Tuesday.

Sincerely,


Ronald O. Skoog
Commissioner

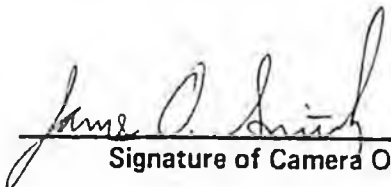
cc: W.I. Palmer, Office of the Governor
Keith Specking, Office of the Governor

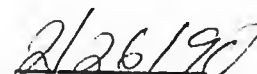


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Signature of Camera Operator


Date

COMMITTEE REPORT
SENATE

5/16/78

FURTHER: _____

Date: June 3, 1978

Mr. President:

The Committee on FINANCE has had SD 610
admissibility of refusal to take breathalyzer tests

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

A M E N D M E N T

OFFERED IN THE SENATE:

By: Finance Committee

To: _____ SENATE BILL No. 610

HOUSE BILL No. _____

PAGE: 1

LINE: 14

After the word "cense" add or privilege to drive in this
State

Introduced: 5/1/78
Referred: Judiciary

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

SENATE BILL NO. 610

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to admissibility of refusal to take
7 breathalyzer tests."

8

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

9

* Section 1. AS 28.35.032(a) is amended to read:

10

(a) If a person under arrest refuses the request of a law enforce-
11 ment officer to submit to a chemical test of his breath as provided in
12 sec. 31 of this chapter, after being advised by the officer that his
13 refusal will result in the suspension, denial or revocation of his li-
14 cense ^{or priv. to drive in this state.} and that such refusal may be used against him in a criminal pro-
15 ceeding, a chemical test shall not be given.

16

* Sec. 2. AS 28.35.032 is amended by adding a new subsection to read:

17

(e) Refusal of a person to submit to a chemical test of his breath
18 as provided in sec. 31 of this chapter, may be admitted as evidence of
19 guilt of violation of sec. 30 of this chapter.

20

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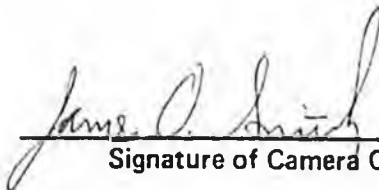
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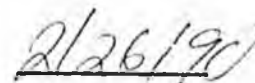
RECORDS CERTIFICATION



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

...
56 Pending
Cases

50 new cases
a week

STATE
of ALASKA

MEMORANDUM

TO: Ron Lind, Director
Budget & Management
Office of the Governor

DATE: May 10, 1978

FILE NO: 201

Michael Orelove, Budget Analyst TELEPHONE NO:

FROM: F. Pat Young *FP*
Deputy Director
Division of Vocational Rehabilitation
Department of Education

SUBJECT: Disability Determination
Unit RP
HB 969
SB 615

This memorandum is in response to information just learned that the RP process is being changed to a legislative supplement appropriation process.

We had just submitted an RP on May 9, 1978, not knowing that this trouble existed. This memorandum is to bring to your attention the fact that if this RP is not allowed, we will have to inform our Disability Determination Unit in Anchorage to stop processing any additional claims. This will have a major impact on the entire state social security claims for disability thru the Title II Social Security program and thru Title XVI Supplemental Security Act. This unit must have monies to pay for medical diagnosis and related services needed to declare eligibility for either one of these programs or both. We are hopeful that some action will be taken immediately that will enable us not to shut down these much needed services.

The Disability Determination Unit in Anchorage is financed 100 percent with federal funds. This revised program is a request to increase the state authority to receive and expend these additional federal funds. No state dollars will be spent for this program.

Hopefully, this memorandum will be received with a positive nature as we are concerned with providing services to those individuals who do apply for their disability monies. Without funds to adjudicate these claims properly, as mentioned before, we can no longer offer these services the rest of this fiscal year.

gk

cc: Bill Thompson
George Reed

*July - Revised see
in J.C.*

STATE
of ALASKA

MEMORANDUM

Pat.

TO: [Ron Lind, Director
Division of Budget & Management
Office of the Governor

DATE: May 9, 1978

FILE NO: 202.1

Michael Orelove, Budget Analyst TELEPHONE NO:

FROM: F. Pat Young *3*
Deputy Director
Division of Vocational Rehabilitation Department of Education

SUBJECT: Attached RP - FY-78

Transmitted herewith for your review and approval is RP #6 for the Division of Vocational Rehabilitation in which we are asking approval to receive and expend \$98,600 for our Disability Determination Unit in Anchorage. These are 100 percent federal dollars.

As shown on the attached federal budget approval, the present budget authority in our state budget is below the federal authority. With this RP we propose to increase our funding in the 700 code to be used in adjudicating applications from individuals for Title II and Title XVI of the Social Security Act. Contractual monies have also been increased to cover the additional Medical Consultant's fees involved in the adjudications.

As you are aware from the previous revisions to this unit, some major changes have taken place during the year. Additional staff have been added to assist in reducing the backlog of cases. The result of these changes is now showing in the program expenditures, causing a shortage in our state budget authority. We originally anticipated the substantial increase to show during the state fiscal year 1979, however, our projections indicate the additional authority will be required prior to June 30, 1978.

Thank you for your cooperation in this matter. If you feel that you need additional information, please do not hesitate to call.

gk

Attachments

cc: Nat Cole, Deputy Commissioner
Department of Education

Introduced: 5/5/78
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 615

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 supplemental appropriations for the
7 operating and capital expenses of the state govern-
8 ment; and providing for an effective date."

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

10 * Section 1. The following items are appropriated and allocated for
11 operating expenditures from funds other than the general fund, as set out
12 in sec. 3 of this Act, to the state agencies named and for the purposes
13 expressed, for the fiscal year ending June 30, 1978 (except as noted in
14 sec. 4 of this Act):

	Appropriation Items
15	
16 Education	
17 Correspondence Study	\$ 15,000
18 Postsecondary Education	
19 General Administration	1,300
20 Program Evaluation	
21 Supplemental Programs	217,600
22 Executive Administration	
23 Commissioner	9,100
24 University of Alaska	
25 Organized Research	2,946,400
26 Fairbanks	
27 Instruction - four year and	
28 graduate	847,400
29 Instruction - TVCC	419,000

1	Research and Professional	
2	Centers	219,800
3	Public Service	171,200
4	Academic Support TVCC	35,000
5	Student Service - four year	
6	and graduate	908,000
7	Institutional Support	332,300
8	Student Loans and Scholarships	36,000
9	Anchorage	
10	Instruction - four year	
11	and graduate	637,200
12	Instruction - Anchorage Community	
13	College	324,400
14	Instruction - Mat-Su	24,000
15	Research and Professional	
16	Centers	22,600
17	Public Service	76,400
18	Academic Support - four year	
19	and graduate	185,500
20	Academic Support - Anchorage	
21	Community College	47,500
22	Academic Support - Mat-Su	3,900
23	Student Services - Mat-Su	6,000
24	Institutional Support	222,900
25	Public Services - Eagle River	10,000
26	Southeast	
27	Instruction - Senior	13,600
28	Instruction - Juneau-Douglas	
29	Community College	179,900

1	Instruction - Ketchikan	49,000
2	Instruction - Sitka	9,500
3	Public Service	7,400
4	Academic Support - Senior	20,600
5	Academic Support - Ketchikan	3,900
6	Student Services - Ketchikan	13,000
7	Student Services - Sitka	6,000
8	Institutional Support - Juneau	119,900
9	Rural Education Affairs	
10	Instruction - Kenai	39,300
11	Instruction - Kuskokwim	57,700
12	Instruction - Northwest	152,900
13	Instruction - Central Support	18,300
14	Research and Professional Centers	48,400
15	Public Services	337,600
16	Academic Support - Northwest	8,000
17	Academic Support - Central Support	90,300
18	Student Services - Kenai	9,600
19	Student Services - Kuskokwim	73,800
20	Institutional Support - Kenai	8,900
21	Institutional Support - Kuskokwim	29,800
22	Student Services - Northwest	50,000
23	Student Loans and Scholarships	
24	- Kuskokwim	150,000
25	Social Services	
26	Department of Labor	
27	GAAB CETA Contract	58,700
28	Health	
29	Department of Health and Social Services	

1	Field Nursing	35,000
2	Handicapped Children	20,000
3	Health Planning	11,600
4	NRMEC	
5	Department of Natural Resources	
6	Land Management Classification	15,000 *
7	District Operations - South Central	
8	District	78,900
9	State Fire Protection	32,800
10	Department of Fish and Game	
11	Game/Investigations and Research	11,900
12	Sport Fish/Investigations and	
13	Research	22,500 *
14	Department of Environmental Conservation	
15	Administration and Support	
16	Office of Commissioner	12,000
17	Management Programs	8,100
18	Terrestrial Programs	
19	Air Quality	36,100 *
20	Public Protection	
21	Department of Military Affairs	
22	Air Training Support	56,300
23	Administration of Justice	
24	Alaska Court System	
25	Administration and Support	43,400 *
26	Development	
27	Department of Commerce and Economic Development	
28	Energy and Power Development	385,900 *
29	General Government	

1	Department of Administration	
2	Equal Employment Opportunity	16,400 *
3	Transportation	
4	Department of Transportation and Public	
5	Facilities	
6	Transportation Planning	476,700 *

7 * Sec. 2. The following items are appropriated and allocated for capital
8 projects from funds other than the general fund, as set out in sec. 3 of
9 this Act, to the state agencies named and for the purposes expressed:

10	Transportation	
11	Department of Transportation and Public	
12	Facilities	
13	Fairbanks International Airport	
14	(runway seal coat)	310,000
15	Kipnuk Airport Improvements	326,600
16	Kwigillingok Airport Improvements	365,900
17	Kongiganak Airport Improvements	356,700
18	Tuntutuliak Airport Improvements	286,400

19 * Sec. 3. Appropriations made by secs. 1 and 2 of this Act are from the
20 following funding sources:

21	Funding Source	Appropriation Amounts
22	Federal Receipts	\$7,999,700
23	Program Receipts	1,713,000
24	Restricted Receipts of University	
25	of Alaska	1,149,700
26	Student Fees	1,067,200
27	Indirect Cost Recovery	238,200
28	Alaska Humanities Forum	<u>15,000</u>
29		\$12,182,800

1 * Sec. 4. Except for the appropriations made by sec. 2 of this Act and
2 the amounts in sec. 1 which are followed by an asterisk, which lapse upon
3 termination of funding from the federal or other program receipt source,
4 the appropriations in this Act lapse June 30, 1978.

5 * Sec. 5. This Act takes effect immediately in accordance with AS 01.-
6 10.070(c).

53617
May 5, 1978

The Honorable John L. Rader
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

In accordance with the decision of the Superior Court in Kelley v. Hammond (the Budget & Audit case) and pursuant to article III, section 18, of the Alaska Constitution, I am transmitting for the legislature's consideration five measures relating to federal and other program receipts and also, in part, to transfers between, or revisions to, appropriations.

In its Statement of Decision of April 12, 1978, addressing the subject of "funds received by the other branches earmarked for specific uses and purposes," the Superior Court said:

I think the legislature has to address that by making an appropriation of monies to be received and fixing standards for their expenditure; and that this can be readily done without any great burden on the executive branch -- improper burden, that is, or by destroying flexibility. It simply is a matter of drafting the legislation in an appropriate manner. But to have an interim committee sit in veto power over the executive's administering these funds, carrying out the law with respect to their use, is beyond the power of the legislature in my view.

The measures I propose are an attempt to carry out the court's suggestion for appropriate legislation.

The first measure, which is not a bill in itself, is for presentation to the finance committees to amend the general appropriation bill now being considered for FY 79. It appropriates all federal and other program receipts for FY 79 which exceed those anticipated by the budget. This was the method used in Alaska from 1963

through 1970. (Prior to 1963, federal receipts were not appropriated.)

The second is proposed legislation to amend the Executive Budget Act (AS 37.07) to permit budget revisions in accordance with the Superior Court's ruling and in accordance with the Legislative Budget and Audit Committee's decision to seek a constitutional amendment. Unless the proposed constitutional amendment provides otherwise, under the Superior Court's ruling, it will still be necessary for the legislature to appropriate all federal and other program receipts even under this proposed legislation. We have petitioned the Supreme Court for review on this point.

The third measure ratifies, by way of an appropriation made by law, the expenditure or authorized expenditure of federal or other program receipts which were made under the existing law which the court ruled was unconstitutional.

The fourth measure appropriates federal or other program receipts for FY 78 for whatever time remains in FY 78 after the legislature adjourns which are not otherwise appropriated by the time of adjournment. This dovetails with the third and fifth measures.

The fifth and last measure is an omnibus appropriation bill which includes every federal or other program receipt which is known to exist. I will submit additional items as they become known.

As you know, it is impossible to budget unanticipated receipts and to appropriate with absolute perfection. The measures I propose take these realities into account, and, to the extent allowed by the constitution, provide for the participation of the legislative interim committee in the process.

With respect to the measure to transfer between appropriations or to make revisions to them, its enactment will facilitate program management, and, to that extent, its prompt enactment is desirable. However, there is no critical need for it to be enacted immediately.

The authority to spend receipts contained in the third and fifth items, i.e., for money already received in FY 78 or to be received during this fiscal year, is critical. The University of Alaska, the Alaska Court

System, and most executive departments have programs which are funded in whole or in significant part by federal or other program receipts. Under the Superior Court's ruling, only those receipts which have been appropriated by the legislature -- even those earmarked for specific uses or purposes -- may be expended. Accordingly, we are faced with the prospect of closing down programs, not making benefits available, and laying off employees, because the money which is, or will be, available has not been appropriated. Given the exigencies of the situation, I urge the passage of the third and fifth measures as quickly as is possible.

Sincerely,
S/JSH
Jay S. Hammond
Governor

COMMITTEE REPORT
SENATE

FURTHER: _____

5/5/78

Date: _____

Mr. President:

The Committee on FINANCE has had SB 615 supplemental appropriations for operating & capital expenses of state government

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: 5/5/78
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
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26 Fairbanks	
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COMMITTEE COPY

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24	- Kuskokwim	150,000
25	Social Services	
26	Department of Labor	
27	GAAB CETA Contract	58,700
28	Health	
29	Department of Health and Social Services	