

HOUSE BILL NO. 354

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES GUTTENBERG, Miller, Gara

Introduced: 2/22/12

Referred: House Special Committee on Energy, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act providing for and relating to the issuance of general obligation bonds for the**
2 **purpose of paying the cost of trucking natural gas; and providing for an effective date."**

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

4 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 GENERAL OBLIGATION BONDS. For the purpose of paying the cost of trucking
7 natural gas to Fairbanks, general obligation bonds of the state in the principal amount of not
8 more than \$200,000,000, if ratified by a majority of the qualified voters of the state who vote
9 on the question, shall be issued and sold. The full faith, credit, and resources of the state are
10 pledged to the payment of the principal of and interest and redemption premium, if any, on
11 the bonds. The bonds shall be issued under the provisions of AS 37.15 as those provisions
12 read at the time of issuance.

13 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

1 NATURAL GAS TRUCKING FUND. If the issuance of the bonds is ratified by a
2 majority of the qualified voters of the state who vote on the question, a special fund of the
3 state to be known as the "natural gas trucking fund" shall be established, to which shall be
4 credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for the
5 accrued interest and premiums.

6 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
7 read:

8 ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY. The
9 amount of \$200,000,000 is appropriated from the natural gas trucking fund to the Alaska
10 Industrial Development and Export Authority to be used to finance transportation of natural
11 gas by truck by a non-profit entity or licensed utility from the North Slope of Alaska to
12 Fairbanks.

13 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

15 STATE BOND COMMITTEE. If the issuance of the bonds is ratified by a majority of
16 the qualified voters of the state who vote on the question, the amount of \$1,000,000 or as
17 much of that amount as is found necessary is appropriated from the general fund of the state
18 to the state bond committee to carry out the provisions of this Act and to pay expenses
19 incident to the sale and issuance of the bonds authorized in this Act. The amounts expended
20 from the appropriation authorized by this section shall be reimbursed to the general fund from
21 the proceeds of the sale of the bonds authorized by this Act.

22 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
23 read:

24 ADVANCE PLANNING. The amount withdrawn from the public facility planning
25 fund (AS 35.10.135) for the purpose of advance planning for the capital improvements
26 financed under this Act shall be reimbursed to the fund from the proceeds of the sale of bonds
27 authorized by this Act.

28 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

30 LAPSE; REDEMPTION; REIMBURSEMENT. The unexpended and unobligated
31 balance of the appropriation made in sec. 3 of this Act lapses under AS 37.25.020 and is

1 appropriated to the state bond committee to redeem bonds sold under this Act. The amounts
2 expended from the general fund to pay the principal, interest, and redemption premium on
3 bonds issued under this Act shall be reimbursed to the general fund from the appropriation
4 made under this section to the extent that the money is not needed to redeem the bonds.

5 * **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to
6 read:

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

10 **PROPOSITION**

11 State General Obligation \$200,000,000

12 Trucking Natural Gas Bonds

13 Shall the State of Alaska issue its general obligation bonds in
14 the principal amount of not more than \$200,000,000 for the
15 purpose of paying the cost of trucking natural gas?

16 Bonds Yes []

17 Bonds No []

18 * **Sec. 8.** This Act takes effect immediately under AS 01.10.070(c).