

by any such municipal corporation, independent school district, public utility district or other local governmental unit and shall also be subject to any title or equity of such entity predicated upon or growing out of any such lien

or assessment.

Sec. 4. This Act shall take effect immediately upon its passage and approval, or upon its becoming law without such approval.

Became law without signature May 2, 1959

CHAPTER 167

AN ACT

Relating to general obligation and revenue bonds issued by municipal corporations and public utility districts for public works and capital improvements; repealing 16-5-1 through 16-5-9 ACLA 1949 and substituting 16-5-1 through 16-5-6 thereof; and providing for an effective date.

(H.C.S.S.B. 109)

Be it enacted by the Legislature of the State of Alaska:

Section 1. 16-5-1 through 16-5-9 ACLA 1949 are hereby repealed. The following sections 16-5-1 through 16-5-6 are hereby enacted in their place:

16-5-1. Municipalities: General Obligation Bonds for Public Works. Municipal corporations in the State of Alaska are hereby authorized to construct, improve, extend, better, repair, reconstruct, or acquire public works of a permanent character and to incur bonded indebtedness and issue negotiable general obligation bonds for any or all of such purposes. Such public works shall include but not be limited to streets, bridges, wharves and harbor facilities, off-street parking facilities, sewers and sewage-disposal plants, municipal buildings, schools, libraries, gymnasias and athletic fields, fire houses, and public utilities.

16-5-2. Municipalities: General Obligation Bond Election: Notice Thereof: Ratification by Majority Vote. No bonded indebtedness shall be incurred by any municipal corporation in the State of Alaska unless the proposal to incur such indebtedness be first submitted to the qualified electors of such municipal corporations at an election called for such purpose, and not less than a majority vote of those qualified to vote and voting on the question at such election shall be in favor thereof. The qualifications of voters at such

election shall be as prescribed by the Constitution of the State of Alaska, and the governing body of the municipality may prescribe additional voting qualifications at such bond issue elections. The registration for such election, the manner of conducting the same, the notice thereof, the form of ballot, and the canvass of the returns shall be prescribed by the governing body of such municipality.

16-5-3. Municipalities: General Obligation Bonds: Issuance, Form and Terms of Bonds: Interest: Sale. Bonds issued pursuant to the preceding two sections shall bear such date or dates, may be in such denominations, may mature in such amounts and at such time or times, may be payable at such place or places, may be sold at either public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner, as shall be prescribed by the governing body of the municipality issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds

so issued shall bear interest at a rate to be fixed by the governing body of the municipality issuing the same, payable annually or semiannually.

The governing body of the municipality issuing the bonds shall provide for the levy and collection of taxes in amounts sufficient to pay the principal of and interest on the bonds as the same become due, and may, in addition to payment from the levy and collection of ad valorem taxes, provide for payment of said principal and interest from such special funds or other revenues as the said governing body may specifically pledge for such payments. Such pledge of special funds or other revenues shall constitute a binding obligation, according to its terms, to continue the collection of such special funds or revenues so long as the bonds or any of them, are outstanding against the municipality, notwithstanding any other provision of law.

16-5-4. Revenue Bonds by Municipalities or Utility Districts: Works Included. Municipal corporations and public utility districts in the State of Alaska, acting by and through their governing bodies, are authorized without other authority then is contained in sections 16-5-4 through 16-5-6 herein to construct, reconstruct, improve, extend, better, repair, equip, or acquire public works of permanent character which may be operated upon a revenue-producing basis, and, upon majority vote of those qualified to vote and voting on the question in such municipal corporation or public utility district, to issue bonds for such purposes payable solely from unpledged revenue of the public works for which such bonds are issued, including future additions and improvements. The qualifications of voters at such election shall be as prescribed by the Constitution of the State of Alaska, and the governing body of the municipality or public utility district may prescribe additional voting qualifications at such bond issue elections. Such public works shall include but not be limited to water facilities, sewers and sewage-

disposal facilities, heating plants and distribution facilities, gas plants and distribution facilities, electric power and light plants, and distribution facilities.

16-5-5. Revenue Bonds: Execution and Issuance: Interest: Sale. Bonds issued under sections 16-5-4 through 16-5-6 herein shall bear such date or dates, may be in such denominations, may mature in such amounts and at such time or times, may be payable at such place or places, may be sold at either public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges, and may be executed by such officers and in such manner as shall be prescribed by the governing body. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate to be fixed by the governing body, payable annually or semi-annually.

16-5-6. Revenue Bonds: Covenants. Bonds issued under sections 16-5-4 through 16-5-6 herein or the proceedings of the governing body authorizing their issuance may contain such covenants as the governing body deems advisable concerning the rates or fees to be charged for services rendered by the public works, the revenue of which is pledged to the payment of such bonds; the deposit and use of the revenue of such public works; the issuance of additional bonds payable from revenue of such public works; and the rights of the bondholders in case of default in the payment of the principal of or interest on the bonds, including the appointment of a receiver to operate such public works.

Sec. 2. This Act shall take effect immediately upon its passage and approval, or upon its becoming law without such approval.

Became law without signature May 2, 1959