

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

Section 1. AS 36.25.010 is amended by adding a new subsection to read:

(c) This section does not apply to the construction of pioneer access roads nor to emergency highway repair contracts costing less than \$20,000, except that the commissioner of highways may require a payment or per-

formance bond. The commissioner of highways shall not approve final payments to the contractor, however, until the contractor files a written certification that all wages, materials, and subcontractors have been paid.

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

Approved April 21, 1964

CHAPTER 78

AN ACT

Relating to required teacher units under the public school foundation program.

(S.B. 344)

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

Section 1. AS 14.17.050(h) is amended to read:

(h) This schedule of allowable number of teacher units is only for use in determining allotments under the public school foundation program, and does not prohibit a district from hir-

ing a greater number of teachers to be paid from its own funds. If a district operates any school with less than 301 pupils in a remote and isolated area, the state Board of Education may order that school to be treated as a separate district for the purpose of determining the allowable number of teacher units the district is entitled to for that school under (d) of this section.

Approved April 21, 1964

CHAPTER 79

AN ACT

Relating to powers of the Alaska State Housing Authority; and providing for an effective date.

(C.S.H.B. 448)

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

Section 1. AS 18.55.100 is amended to read:

Sec. 18.55.100. Powers of Authority.

(a) The authority has all powers necessary to carry out the purposes of secs. 10 - 290 of this chapter including but not limited to the following:

- (1) sue and be sued;
- (2) adopt a seal;
- (3) have perpetual succession;
- (4) adopt, amend, and repeal by-laws, rules, and regulations;

(5) make and execute contracts and other instruments;

(6) in its own name, own, exchange, transfer, lease, rent, convey, or acquire by eminent domain under AS 09.55.240 - 09.55.460, or otherwise, real and personal property; provided that no project site or part of a project site may be acquired by eminent domain until the authority has secured, through negotiation, options for the purchase of at least 50 per cent of the properties included in the site, except in disaster areas;

(7) provide, subject to the applicable planning, zoning, sanitary and building laws, ordinances and regula-

tions for the construction, improvement, alteration, or repair of any housing project or any part of a housing project;

(8) operate those housing projects and to act as agent or lessee in developing or administering housing projects undertaken by the federal government;

(9) arrange or contract for services, privileges, works, or facilities for or in connection with a housing project or the occupants of a housing project and notwithstanding anything to the contrary contained in secs. 10-470 of this chapter or in any other provision of law; include in any such contract stipulations that the contractor and sub-contractors comply with requirements as to the minimum wages and maximum hours of labor, with any conditions which the federal government may have attached to its financial aid of the project, and with any pertinent state law;

(10) establish and revise rent schedules;

(11) insure any real or personal property or operations of the authority against any risk or hazards;

(12) invest in property or securities in which banks or trust companies may legally invest any funds held in reserves or sinking funds or any funds not required for immediate disbursement;

(13) purchase its bonds at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be canceled;

(14) investigate and study living and housing conditions and the clearing and reconstructing of slum areas.

(b) Notwithstanding any other provisions in secs. 10-470 of this chapter,

(1) when the local governing body certifies that an area is in need of a housing project under any of the provisions or powers within secs. 10-470 of this chapter as a result of the earthquakes of 1964 and all results and aftereffects respecting which the gov-

ernor of the state has certified the need for disaster assistance, the authority may plan, undertake, and carry out such project in the disaster area;

(2) with the approval of the local governing body, and immediately after the approval, the authority may acquire real property for the purposes of secs. 10-470 of this chapter, and demolish and remove any structure on the property, and it may pay all costs related to the acquisition, demolition, or removal, including any administrative or relocation expenses, unless payment of such costs are contrary to applicable federal law or regulation;

(3) for the purposes of this subsection, the authority shall have, in addition to its other powers, the power to file and utilize a declaration of taking and acquire real property as provided in AS 09.55.420 - 09.55.460;

(4) for the purpose of this subsection, secs. 130 and 330 of this chapter do not apply.

Sec. 2. AS 18.55.520 is amended by adding a new subsection to read:

(11) with the approval of the local governing body

(A) before approval of an urban renewal or redevelopment plan, or approval of any modifications of the plan to acquire real property in an urban renewal or redevelopment area, demolish and remove any structures on the property, and pay all costs related to the acquisition, demolition, or removal, including any administrative or relocation expenses, and

(B) to assume the responsibility to bear any loss that may arise as the result of the exercise of authority under this subsection in the event that the real property is not made part of the urban renewal or redevelopment project.

Sec. 3. AS 18.55.530(a) is amended to read:

(a) The authority may not acquire real property for a redevelopment project unless the governing body of the

municipality has approved the redevelopment plan, as prescribed in (1) of this section, except as provided in sec. 520(11) of this chapter.

Sec. 4. AS 18.55.530 is amended by adding a new subsection to read:

(k) Notwithstanding any other provision of this chapter, when the local governing body certifies that an area is in need of redevelopment or rehabilitation as a result of flood, fire, hurricane, earthquake, storm, or other catastrophe, respecting which the governor has certified the need for disaster assistance under Public Law 875, 81st Congress, or other federal law, the local governing body may approve an urban renewal or redevelopment plan and an urban renewal or redevelopment project with respect to the area without regard to the provisions relating to relocation, conformance of the urban renewal or redevelopment plan with the general plan, and the provisions of this chapter requiring a general plan for the municipality and a public hearing on the urban renewal or redevelopment project or plan.

Sec. 5. AS 18.55 is amended by adding new sections to read:

Sec. 18.55.932. Urban Redevelopment or Urban Renewal in a Disaster Area.

(a) Notwithstanding any other provisions in secs. 480 - 960 of this chapter, when the legal governing body certifies that an area is in need of redevelopment or urban renewal as a result of the earthquakes of 1964 and all results and aftereffects respecting which the governor has certified the need for disaster assistance, the authority may plan, undertake, and carry out a redevelopment project or an urban renewal project in the disaster area and the area shall constitute a slum or blighted area.

(b) In connection with the carrying out of a project under this section, the authority may, with the approval of the local governing body and before the approval of the redevelopment plan or urban renewal plan, acquire real property in the project area, de-

molish and remove any structure on the property, and pay all costs related to the acquisition, demolition, or removal, including administrative or relocation expenses.

(c) The governing body, when the authority acquires land under (b) of this section, may assume the responsibility to bear any loss that may result from the acquisition in the event that the real property is not made part of the project.

(d) Real property acquired under this section which is not made a part of the project may be disposed of without regard to sec. 540 of this chapter if the local governing body has consented to the disposal.

(e) The authority, in carrying out a project under this section, may recommend to the local governing body a redevelopment plan or an urban renewal plan without regard to the requirement in sec. 530(c) of this chapter that a general plan for the physical development of the municipality has been prepared before the recommendation, and the governing body may approve the plan without regard to the requirement in sec. 530(i) of this chapter that the plan conform with the general plan for the physical development of the area.

(f) For the purpose of this section, the authority may file and use a declaration of taking and acquire real property as provided in AS 09.55.420 - 09.55.460.

Sec. 18.55.934. State Aid for an Urban Redevelopment or Urban Renewal Project in a Disaster Area.

(a) In connection with any project carried out under sec. 932 of this chapter, the commissioner of commerce may contract with the authority, under terms approved by the governor, to provide a state grant-in-aid equal to one-half the excess of the cost of the project, as determined by the commissioner, over the federal grant-in-aid.

(b) The governor may expend

money from the natural disaster recovery fund of 1964 for state grants-in-aid provided for in (a) of this section.

Sec. 6. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 22, 1964

CHAPTER 80

AN ACT

Relating to the public employees' retirement system; and providing for an effective date.

(C.S.H.B. 262)

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

Section 1. AS 39.35.110(a)(1) is amended to read:

(1) bonds or other interest bearing obligations and securities of the (A) United States or an agency of the United States, (B) a state of the United States, or (C) a political subdivision of a state of the United States, if the political subdivision has a population as shown by the last federal census preceding the investment of not less than 30,000 inhabitants; with respect to political subdivision of this state, no population limitation applies;

Sec. 2. AS 39.35.110(a) is amended by adding new paragraphs to read:

(4) shares of federally chartered savings and loan associations in Alaska, to the extent that such investment is insured by the federal government or an agency thereof;

(5) deposits with mutual savings banks in Alaska, to the extent that such investment is insured by the federal government or an agency thereof.

Sec. 3. AS 39.35.110(c) is amended to read:

(c) In making investments the commissioner of revenue shall exercise the judgment and care under the circumstances then prevailing which a man of ordinary prudence, discretion, and intelligence exercises in the management of his own affairs not in regard to speculation but in regard to the permanent disposition of his funds, considering the probable income from

them as well as the probable safety of his capital. However, no more than 50 per cent of the pension fund may be invested at a given time in corporate stocks and bonds, nor may any more than five per cent of the voting stock of one corporation be owned. Stocks eligible for purchase are restricted to stocks which, except for bank stocks and insurance stocks, are listed upon an exchange registered with the Federal Securities and Exchange Commission.

Sec. 4. AS 39.35.360 is repealed and re-enacted to read:

Sec. 39.35.360. **Earlier Service.** (a) An employee who completes three years of service with the state after January 1, 1961, is entitled to service credit for employment rendered to the state and former territory of Alaska before January 1, 1961, regardless of the office, department, division, or agency of the state or territory in which he was employed.

(b) An employee who is entitled to service credit for previous service is not required to make retroactive contributions under this system for the period of previous service credit.

Sec. 5. AS 39.35.390(a) is amended to read:

(a) An employee is eligible for a deferred retirement benefit if his employment is terminated on or after attainment of age 50 and credited service of 15 years, and he does not withdraw the balance in his employee contribution account.

Sec. 6. This Act takes effect July 1, 1964.

Approved April 22, 1964