

CHAPTER 92

AN ACT

Authorizing the Treasurer of Alaska to loan cities of the third class funds not to exceed \$50,000 from the general fund of the Territory, said funds to be used for payment of construction and equipping of new school buildings commenced after January 1, 1954; providing for method of repayment, interest and a pledge of School Funds; and declaring an emergency.

(H. B. 203)

Be it Enacted by the Legislature of the Territory of Alaska:

Section 1. The Treasurer of Alaska is hereby authorized to loan to cities of the third class sums of money from the general fund of the Territory of Alaska not to exceed \$50,000.00, said funds to be used for the exclusive purpose of paying for the construction and equipping of new school buildings in such cities commenced after January 1, 1954.

Section 2. Insofar as construction and equipping of new school buildings commenced after the effective date of this Act is concerned, detailed plans of such improvements together with detailed financial information relative to repayment of any loan to be applied for under this Act must be submitted in advance of the construction to the Territorial Treasurer and to the Commissioner of Education for the Territory of Alaska. Upon determining such plans to be feasible, the Treasurer and Commissioner

of Education shall approve the same, but unless such plans are so approved by both such officers prior to the commencement of construction the city shall not be eligible for a loan under this Act. This section, however, shall not apply to construction commenced prior to the effective date of this Act.

Section 3. Any loan made under the provisions of this Act shall be evidenced by a promissory note executed by the Mayor and City Clerk of the city and bearing interest at the rate of 3% per annum on the amount of the loan from the date such loan shall be made. Such loan shall be secured by a pledge of all future revenues of such city from the School Fund provided for by Chapter 42 SLA 1949 as amended, and shall be repayable in full in not to exceed twenty years from the date of such loan.

Section 4. An emergency is hereby declared to exist and this Act shall take effect immediately upon its passage and approval.

Approved March 26, 1955