

Gullufsen ..... \$500.00

(6) For the payment of additional services, after the adjournment of the Legislature, including the taking of inventory, the monies to be divided equally between the House of Representatives and the Senate ..... \$1000.00

(7) For the payment of Social Security matching funds .... \$1000.00

Sec. 3. All monies expended under this Act shall be disbursed as provided by law upon vouchers approved by the President of the Senate and the Speaker of the House of Representatives.

Sec. 4. An emergency is hereby declared to exist and this Act shall be in full force and effect from and after the date of its passage and approval.

Approved April 2, 1957

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## CHAPTER 158

### AN ACT

To appropriate the sum of \$320.00 to pay Gus A. Benson for services rendered to the Territory of Alaska; and declaring an emergency.

(H. B. 245)

**Be it enacted by the Legislature of the Territory of Alaska:**

Section 1. The sum of \$320.00 is hereby appropriated out of monies in the Territory not otherwise appropriated for the purpose of paying Gus A. Benson for services rendered to the Territory of Alaska during the spring of 1955 on the Territorial Telephone Land Lines between Eureka to Rampart and

Hot Springs-Tolovana to Minto.

Sec. 2. Payment of the sum of \$320.00 shall be made upon a voucher approved by the Treasurer of Alaska.

Sec. 3. An emergency is hereby declared to exist and this Act shall be in full force and effect from and after the date of its passage and approval.

Approved April 2, 1957

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## CHAPTER 159

### AN ACT

Authorizing the construction and equipping of certain buildings of and at the University of Alaska and the issuance and sale of not to exceed \$1,827,000 of negotiable general obligation bonds of the Territory of

Alaska to provide the money necessary for the same; creating a University of Alaska Construction Fund; making an appropriation; creating a University of Alaska Bond Redemption Fund and providing funds for the payment of such bonds therefrom; authorizing the issuance and sale of refunding bonds; and declaring an emergency.

(H. B. 235)

**Be it enacted by the Legislature of the Territory of Alaska:**

Section 1. The University of Alaska is hereby authorized to construct and equip, or provide for the construction and equipping of, one or more dormitory buildings for men students, one or more dormitory buildings for women students, houses for the faculty, one or more apartment buildings for married students, and an auditorium and an engineering laboratory building, on the campus of the University at College, Alaska, and to acquire and install or provide for the acquisition and installation of all personal property required to fully equip the same with all necessary facilities and utilities.

Sec. 2. For the purpose of providing part or all of the funds to be used, with or without matching funds, United States or Territorial grants, or any other funds which may become available, to construct and equip such buildings, the issuance and sale of general obligation bonds of the Territory of Alaska in the total principal sum of not to exceed \$1,827,000 is hereby authorized. The full faith, credit and resources of the Territory of Alaska shall be and are hereby pledged for the payment of the principal of and interest on such bonds. In addition thereto there may also be pledged for the payment of the principal of and interest on part or all of such bonds part or all of any revenues which may be derived from the opera-

tion, use and occupancy of any or all of the buildings and facilities of the University; and any amount or amounts so pledged shall constitute a first and prior charge against such revenues and shall become the property of the Territory, to be collected by the Comptroller of the University and promptly remitted to the Territorial Treasurer for deposit in the University of Alaska Bond Redemption Fund. Such bonds shall contain an unconditional promise to pay the principal thereof and interest thereon when due and, including each coupon attached thereto, shall be fully negotiable instruments for all purposes.

Sec. 3. Such bonds shall be sold in such amounts or series and at such time or times as found necessary by the President and Board of Regents of the University. Each issue or series of such bonds shall bear interest at a rate or rates not to exceed six per cent over the life thereof, and no single interest or coupon rate shall be greater than six per cent per annum; shall be sold for not less than their par value plus accrued interest; shall be serial bonds, and shall mature in annual installments which need not be equal; the earliest maturing bonds thereof shall become payable not more than three years from the date of issue, and the latest maturing bonds thereof shall become payable on or before thirty years from the date of issue, it being hereby found and declared that the prob-

able life of each of the buildings of the University of Alaska authorized to be constructed and equipped out of the proceeds of these bonds will be at least thirty years; shall be subject to redemption prior to their fixed maturities not earlier than two years from date of issue and, if found reasonably necessary by the Finance Committee to accomplish the most advantageous sale thereof, at a first premium not greater than four per cent, which premium shall be reduced in multiples of not less than one-quarter of one per cent for the redemption of bonds of succeeding maturities; shall be dated on the first or fifteenth of any month not later than January 1, 1967, and may not be issued and delivered later than six months after January 1, 1967; shall be in denominations of \$1,000 each; shall be payable to bearer, and shall be registered only as to principal at the option of the holder thereof; each such bond shall be executed on behalf of the Territory by its Governor, shall be attested by the Treasurer of the Territory, one of which signatures may be the facsimile signature of such Governor or such Treasurer, shall have the seal of the Territory impressed thereon, and the interest coupons attached thereto shall be executed with the facsimile signatures of said officials, and such signatures or facsimile signatures of such Treasurer and Governor shall be valid and sufficient for all purposes and shall have the same effect as if the persons so officially signing or executing such bonds had remained in office until the delivery of the same to the purchasers, although the term of office of such persons or either of them may have expired or they may otherwise have ceased to be such officers before such de-

livery; shall be sold at public sale, notice of which shall be published at least once a week for two consecutive weeks in a newspaper of general circulation in the capital of the Territory, and the first publication thereof shall be at least twenty days prior to such sale date; shall be issued under and subject to such terms, conditions and covenants providing for the payment of the principal thereof and interest thereon and such other terms, conditions, covenants and protective provisions safeguarding such payment as found reasonably necessary by the Finance Committee for the most advantageous sale thereof, which may include the creation of a reserve account to secure the payment of such principal and interest into which it shall be pledged there will be paid, from the same moneys pledged for the payment of such principal and interest, within a fixed time from the date of issue of such bonds an amount at least equal to the next calendar year's debt service thereon, which covenant may also contain a pledge for the maintenance and replenishment of such reserve account throughout the life thereof; if found reasonably necessary by the Finance Committee to accomplish the most advantageous sale of such bonds or any issue or series thereof, such Committee shall select a trustee for the owners and holders of such series or issue of bonds and/or for the safeguarding and disbursement of the proceeds of their sale for the uses and purposes for which they were issued, and shall fix the rights, duties, powers and obligations of such trustee or trustees.

Sec. 4. The Finance Committee is hereby authorized and directed to adopt the resolution or resolutions and prepare all other documents necessary for the issuance, sale and

delivery of such bonds or any part thereof when instructed in writing to do so by the President and Board of Regents of the University, and if deemed reasonably necessary and advisable, may procure architectural or engineering, municipal investment, and legal services at reasonable and customary fees to assist it in accomplishing the most advantageous sale of such bonds, which fees may be paid from the proceeds of sale of such bonds or otherwise. Such resolution or resolutions shall fix the amount, date, maturities, terms, form, conditions and covenants of such bonds as authorized in the preceding section of this Act, and shall fix the place or places of payment, one of which shall be the office of the Treasurer of the Territory of Alaska, the date of sale of such bonds, and the form and manner of publishing the notice thereof.

Sec. 5. That there be and is hereby created in the office of the Treasurer of the Territory a special fund of the Territory to be known as the "University of Alaska Construction Fund". The proceeds of the sale of the bonds authorized herein or any part thereof (exclusive of accrued interest, which shall be paid into the Bond Redemption Fund hereinafter created), together with any other moneys of the University or the Territory which are or may become available for the same purposes for which these bonds are authorized, shall be deposited in the University of Alaska Construction Fund.

Sec. 6. The sum of \$1,827,000 or so much thereof as shall be found necessary, is appropriated from the University of Alaska Construction Fund to the University of Alaska to be expended by it to carry out the provisions of this Act and to

pay all expenses incident to the sale and issuance of the bonds authorized herein.

Sec. 7. That there be and is hereby created in the office of the Treasurer of the Territory another special fund of the Territory, to be known as the "University of Alaska Bond Redemption Fund", which Fund shall be exclusively used for the payment of the principal of and interest on the bonds authorized by and issued under this Act. If said bonds are issued in different issues or series and under different dates, separate principal and interest retirement funds and reserve accounts may be created in said Bond Redemption Fund for the purpose of paying and securing the payment of the principal of and interest on each of said separate issues or series of said bonds.

The Finance Committee shall, on or before December thirty-first of each year, commencing with the year in which any of such bonds are issued, certify to the Treasurer of the Territory the amount needed in the next ensuing calendar year to meet principal, interest and reserve account requirements on such bonds or issues or series thereof then outstanding, and the Treasurer of the Territory shall thereupon deposit such amount in such University of Alaska Bond Redemption Fund and, if required by the indenture or indentures under which said bonds or issues or series thereof were issued, credit the same to the various principal and interest retirement funds and reserve accounts therein at the time and in the amounts so required. Said amounts so deposited shall be taken from the General Fund of the Territory or out of any other moneys in the Treasury not otherwise appropriated, and each such

amount so certified each year by the Finance Committee to the Treasurer of the Territory shall be a first and prior charge against all revenues received by the Treasurer that are applicable to the General Fund of the Territory and are not otherwise appropriated: Provided, however, that the amount so taken each year from the General Fund may be reduced by the amount of the revenue derived from the operation, use and occupancy of any of the buildings and facilities of the University, pledged to the payment of the principal of and interest on any of such bonds, and actually received by the Treasurer of the Territory for such purpose, as provided in Section 2 of this Act. Such revenue so received shall be credited to the principal and interest retirement funds and reserve accounts in such Bond Redemption Fund to which it is specifically pledged.

Sec. 8. The owner and holder of any or all of said bonds or the trustee or trustees for the owners and holders of such bonds or any issue or series thereof may by mandamus or other appropriate proceedings require and compel the transfer and payment of moneys as authorized and directed in this Act and the enforcement of any other terms, conditions and covenants under which such bonds or any issue or series thereof were issued and sold.

Sec. 9. The Legislature may provide additional means for raising moneys for the payment of the principal of and interest on the bonds authorized herein, and this Act shall not be deemed to provide an exclusive method for such payment.

Sec. 10. Any part or all of the outstanding bonds authorized here-

in, or any part or all of each outstanding issue or series of such bonds, may be refunded prior to their maturity by the issuance of refunding bonds of the Territory, if, in the opinion of the Finance Committee such refunding is advantageous to and in the best interests of the Territory of Alaska and/or the operation of the University of Alaska and its facilities. The principal of and interest on such refunding bonds shall be payable from the same source or sources of money as pledged for the payment of the principal of and interest on the bonds being refunded, and for the payment thereof shall have the same lien position on such moneys so pledged thereto as the lien on such money pledged for the payment of the principal of and interest on the bonds being refunded. The moneys in any reserve account set aside to secure the payment of the principal of and interest on said bonds being refunded may be used either to pay the principal of and interest on such bonds or may be transferred to a reserve account created to secure the payment of the principal of and interest on such refunding bonds. Such refunding bonds may be sold at public or private sale, but at not less than par and accrued interest, and the proceeds of such sale, exclusive of such accrued interest, shall be applied in payment of the bonds being refunded, or such refunding bonds may be exchanged privately for and in payment and discharge of a like or greater amount of the bonds being refunded. The principal amount of such refunding bonds may exceed the principal amount of the bonds being refunded to the extent necessary to pay premiums required to redeem and retire the bonds being refunded and/or to

fund interest due or about to become due on such bonds, and the holder or holders of any bonds being refunded need not pay accrued interest on the refunding bonds to be delivered in exchange therefor if and to the extent that interest is due or accrued and unpaid on the outstanding bonds being refunded. Such refunding bonds shall mature in annual installments or amounts so scheduled as not to extend by more than six months the maturity of any portion of the debt being refunded. Such refunding bonds shall bear interest at a coupon rate or rates to be fixed by the Finance Committee which shall in no event, however, exceed six per cent per annum, and the total amount of interest to be paid over the life of the refunding bonds shall not exceed the total amount of interest to be paid over the life of the bonds being refunded: Provided, however, that any premium paid for the redemption of such bonds being refunded need not be included in the interest cost over the life of the refunding bonds.

Such refunding bonds shall be issued under proceedings duly and regularly adopted and authorized by the Finance Committee, shall bear such date or dates, may be in

such denominations, may be payable at such place or places, one of which shall be the office of the Treasurer of the Territory, may be sold at either public or private sale or may be exchanged as above provided, may be redeemable ahead of their fixed maturities with or without premium, shall be payable to bearer and may be registered as to principal only, may mature in such amounts within the limitation fixed in the previous paragraph of this section, may be in such form, may be executed by such territorial officers and sealed in such manner, contain such terms and conditions, and the payment of the principal thereof and interest thereon may be secured by such covenants as prescribed by the Finance Committee and deemed necessary and most advantageous by it. Such refunding bonds and each coupon attached thereto shall contain an unconditional promise to pay the principal thereof and interest thereon when due, and shall be fully negotiable instruments for all purposes.

Sec. 11. An emergency is hereby declared to exist and this Act shall be in full force and effect from and after the date of its passage and approval.

Approved April 2, 1957

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## CHAPTER 160

### AN ACT

**To provide for the constructing and equipping of mental health hospitals and other facilities; prescribing powers and duties of the mental health authority; requiring review by the Legislative Audit Committee of certain actions of the mental health authority; authorizing an appropriation; and declaring an emergency.**