

ance carrier, cancellation shall be effective as of the date of such other coverage.

(f) **Joint Liability.** That all claims for compensation, death benefits, physician's fees, nurse's charges, hospital services, hospital supplies, medicines, prosthetic devices, transportation charges to the nearest point where adequate medical facilities are available, burial expenses, may be made directly against either the employer or the insurer, or both, and the order or award of the Board may be made against either the employer or the insurer or both.

(g) **Revocation by Commissioner.** That if any insurer shall fail or refuse to pay any final award or judgment (except during the pendency of an appeal) rendered against it, or its insured, or if it shall fail or refuse to comply with any provisions of this Act, the Insurance Commissioner shall

revoke the approval of the policy form, and shall not accept any further proofs of insurance from it until it shall have paid said award or judgment or complied with the violated provision of this Act, and shall have resubmitted its policy form and received the approval thereof by the Insurance Commissioner.

Sec. 41. **Insurance Rates.** If the provisions of this Act require any insurance rates adjustments, said adjustments must be conditioned upon strict compliance with the rate regulation provisions of State law.

Sec. 42. **Repealer.** Sections 43-3-1 through 43-3-39 ACLA 1949, as amended by Chapter 104, SLA 1949, Chapter 133, SLA 1951, Chapter 24, SLA 1953, Chapter 60, SLA 1953 and Chapter 141, SLA 1955 are hereby repealed.

Sec. 43. **Effective Date.** This Act shall take effect July 1, 1959.

Approved May 7, 1959

CHAPTER 194

AN ACT

Relating to corporate ownership of shares in banks, amending Section 3.167 of Chapter 129, SLA 1951; and providing for an effective date.

(H.B. 135)

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

Section 1. Section 3.167 of Chapter 129, SLA 1951 is hereby amended to read as follows:

Sec. 3.167. **Corporate Ownership of Shares in Banks Prohibited.** It shall be unlawful for any corporation, foreign or domestic, to purchase or own in any manner whatsoever the capital stock, or any of it, of any corporation which is subject to the regulation of the Board, provided, that when it shall become a bona fide necessity to avoid loss, for a creditor corporation to accept shares of stock in any such regulated corporation in payment of indebtedness owing to such creditor corporation, such shares of stock may be so accepted, but in all such cases the shares of the regulated corporation

shall be disposed of in accordance with regulations of the Board; Provided, however, notwithstanding any other provisions of this Act, any domestic bank holding company organized pursuant to Chapter 126, SLA 1957, notwithstanding Sec. 3 thereof, and registered under The Bank Holding Company Act of 1956 (70 Stat. 133), which shall maintain its principal office and place of business in this state and conduct its principal operations in this State, may acquire and own all or any portion of the voting shares or other capital stock of, or all or substantially all of the assets of, any corporation which is subject to the regulations of the Federal Reserve Board and the Alaska Banking Board; Provided, further, any such holding company may be required to post a bond, in an amount equal to the par

value of the stock held by it, with the Alaska Banking Board under such condition as may be prescribed by the Alaska Banking Board to assure full protection to the public.

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

Approved May 7, 1959

CHAPTER 195

AN ACT

Pertaining to the classification of municipal corporation incorporated as cities.

(C.S.H.B. 98)

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

Section 1. Municipal corporations now or hereafter incorporated as cities of the first class which shall adopt a home rule charter pursuant to the Constitution, shall be known as "Home Rule Cities".

Sec. 2. All other municipal corpora-

tions incorporated as cities shall be known as "General Law Cities".

Sec. 3. "Home Rule Cities" shall possess all legislative powers not prohibited by law or charter.

Sec. 4. "General Law Cities" shall have such legislative powers as are now or may hereafter be authorized by law.

Approved May 8, 1959

CHAPTER 196

AN ACT

Establishing the procedure for the adoption of charters by cities of the first class; providing procedure for amending such charters; and providing for an effective date.

(H.B. 194)

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

Section 1. **City Charters.** Any city of the first class may adopt a charter for its own government, subject to the Constitution and not in conflict with the laws of the State; and any such city having adopted a charter may amend the same or adopt a new one. The charter shall be framed by a charter commission of 9 members chosen by the qualified voters of such city, at any general or special election, but no person shall be eligible as a candidate for such commission unless he shall have been, for the three years' next preceding, a qualified voter of said city. An election for the selection of a charter commission will be called by filing a petition with the city council requesting such an election, which petition shall contain

not less than ten per cent of the qualified voters of the city. Before the election may be called, the city council must approve the petition by a majority vote of its membership.

Sec. 2. **Nomination to Charter Commission.** Candidates for the members of the charter commission shall be nominated by the city council or may be nominated by petition signed by 25 qualified voters of the city. The city council or its designated officer shall prepare the ballot.

Sec. 3. **Election to Charter Commission.** At the election for the selection of members of the commission, the qualified voters shall vote first on the question "Shall a charter commission be elected to frame a proposed new charter?" and secondly to select the mem-