

retained by the state to secure the payment of the principal and interest on such refunding bonds to be issued.

Such refunding bonds and the coupons attached thereto shall be fully negotiable instruments under the laws of the state. The effective rate of interest over the life of such refunding bonds shall not exceed 6% per annum and the amount of any premium which might be paid to effect the redemption of outstanding bonds shall not be considered in determining such effective rate of interest.

Such refunding bonds may be exchanged for the bonds being refunded or such refunding bonds may be sold in the manner and at such prices as the state bond committee shall determine to be for the best interest of the state and its inhabitants either at public or private sale.

The issuance of such refunding bonds need not be authorized by the qualified voters of the state and the state bond committee is hereby authorized and di-

rected to adopt the resolution or resolutions and prepare all other documents necessary for the issuance, exchange or sale, and delivery of such bonds. The provisions of this Act relating to the terms, conditions, covenants, issuance, and sale of general obligation bonds of the state shall be applicable to such refunding bonds except as may be otherwise specifically provided in this section.

Sec. 7. This Act shall be known as the "State Bonding Act of 1960."

Sec. 8. This Act shall be liberally construed in order to carry out the purposes for which it was adopted and all existing laws, acts, chapters, sections, or provisions thereof in conflict with any of the provisions of this Act are hereby superseded insofar as necessary to accomplish the purposes of and carry out the provisions of this Act.

Sec. 9. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 23, 1960

CHAPTER 176

AN ACT

Relating to the reclassification of cities; and providing for an effective date.

(C.S.S.B. 165)

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

Section 1. **Definitions.** In this Act unless clearly not applicable

- (1) "city" means a city of the second, third, or fourth class;
- (2) "clerk" means the city clerk or other city official performing similar duties;
- (3) "council" means the governing body of a city;
- (4) "secretary" means the Secretary of State of the State of Alaska;
- (5) "mayor" means the chief executive officer of a city;
- (6) "voter" means a person who

has been a resident of the city for at least 30 days and is qualified to vote under the provisions of Sec. 1, Art. V. of the state constitution;

- (7) the singular includes the plural.

Sec. 2. **Application for Reclassification.** a. Reclassification of a city with a resident population of at least 400 persons may be initiated by the mayor and the council of the city or by 50 voters of the city who subscribe to a petition for reclassification by applying to the secretary to reclassify the city to a city of the first class.

b. Cities of the third and fourth class with a resident population of at least 200 persons may petition to be reclassified as a city of the second class in the

same manner as provided herein for reclassification as a city of the first class.

Sec. 3. Hearing and Investigation. a. Upon receipt of an application for reclassification, the secretary shall immediately notify the city officials that they shall conduct a hearing on the question of reclassification in the city on a specific date not less than 30 nor more than 40 days after the receipt of the application.

b. Notices of the time, date, place, and subject of the hearing shall be posted in at least three conspicuous public places in the city. The notices shall be posted at least 20 days before the date of the hearing.

c. At the hearing the mayor and council shall listen to those, if any, opposed to reclassification and to those, if any, in favor of reclassification. They shall investigate the feasibility and the desirability of the reclassification both at the hearing and from other sources of information which will aid them in determining the ability of the city to operate as a city of a higher class and the desirability of the city being so reclassified.

Sec. 4. Election. a. If it appears to the mayor and council that it is in any way feasible or desirable for the city to be reclassified and at all possible that the voters will approve reclassification, the mayor shall call for an election for the purpose of voting on the question of reclassification and for electing a council.

b. The mayor shall call for the election to be held on a specific date not less than 30 nor more than 45 days from the date of the hearing unless a regular election is to occur not less than 30 nor more than 60 days from the date of the hearing, in which case the election shall be held on the same day as the regular election.

c. The election shall be conducted by the officials of the city as for any regular city election. Notice of the election shall be the same as the notice for the hearing, except that if there is to be more than one polling place the notice shall provide the voters with the location of each polling place, the hours each will be open, and the residence qualifications, if any, for voting at each.

d. Any voter may file for the office of councilman with the city clerk from the date of the mayor's call for the election until the ninth day before the election.

e. The clerk shall prepare two ballots as follows:

(1) One ballot shall be on the question of reclassification. It shall contain one question set forth in substantially the following manner:

Mark Only One

- FOR reclassification to a city of the _____ class.
- AGAINST reclassification to a city of the _____ class.

(2) The other ballot shall be on the election of officers. It shall list the names of all those candidates for councilman. Names shall not be listed against one another but rather in alphabetical order under a heading substantially as follows:

"For the Council — Vote for Six" (or "Five" for a city of the second class)
A box in which a voter may place his mark shall precede each name.

f. After the ballots have been counted and the vote canvassed, the clerk shall notify the mayor of the results by a certificate sworn to by the clerk and a witness.

Sec. 5. Action by the Mayor and Council. Upon receipt of the certificate of the results of the election, the mayor shall act as follows:

(1) if the voters reject the proposed reclassification by a majority of those voting on the question, the mayor shall notify the persons who originally requested the reclassification of the results, and that a request to reclassify the city may not be entertained again for six months from the date of the election on the question;

(2) if the voters approve the proposed reclassification by a majority of those voting on the question, the mayor shall notify the persons who originally requested the reclassification, the clerk, and the secretary of the results, and that the city will be reclassified. He shall then notify the six (or five for a city of the second class) candidates for the

council who received the most votes that they have been elected to the first council.

Sec. 6. Reclassification: Taking of Office. a. Within 10 days after he has been notified by the mayor of the results of the election, the secretary shall issue a proclamation reclassifying the city as a city of the first class or second class, declaring its corporate status and right to organize its city government as provided by law.

b. On the day of the secretary's proclamation, the mayor and the council of the city shall cease to hold office, and the council elected at the election on reclassification shall take office and organize according to law.

Sec. 7. Effective Date. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 23, 1960

CHAPTER 177

AN ACT

Providing for preference in employment for Alaska residents in contracts for state, borough, city, and school district construction, repair, preliminary surveys, engineering studies, and maintenance work; providing for penalties and providing for an effective date.

(H.B. 353)

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

Section 1. Employment Preference. a. In the performance of contracts let by the state, boroughs, cities and school districts for construction, repair, preliminary surveys, engineering studies or maintenance work, 95% Alaska residents must be employed where such are available and qualified; except where 10 or less persons are employed under such contract, in which case 90% Alaska residents must be employed where such are available and qualified. In all cases of public works projects, preference must be given to Alaska residents.

b. As used in this Act, the term

(1) "resident" means any person who has actually resided in Alaska for not less than one year prior to the time of his employment on any public works project;

(2) "qualified" means one who, except for apprentices, is a journeyman mechanic in his particular trade;

(3) "contractor" means the contractor including any and all sub-contractors.

c. Apprentices must be properly registered apprentices in their particular craft.

d. In any reduction of work force, resident workers, except supervisory personnel, shall be terminated last.

Sec. 2. Application to Federal Contracts. In contracts involving expenditure of federal aid funds, this Act shall not be enforced in any manner that conflicts with federal statutes giving preference to veterans or prohibiting other preferences or discriminations among United States citizens.

Sec. 3. Employment of Aliens. Contractors shall not employ aliens upon state, borough, city, and school district public works projects unless the alien worker has in good faith declared his intention of becoming a citizen, and further meets the residence requirement set out in Section 1 hereof.

Sec. 4. Employment of Prisoners. No prisoner currently serving sentence in a penal or correctional institution shall be employed on any public works project subject to the provisions of this Act.

Sec. 5. Unavailability of Resident Workers. When resident labor is unavailable, the contractor shall inform the commissioner of labor of the number of additional workers needed. The commissioner of labor shall investigate the facts