

interest thereon, and all costs and expenses in connection with any action or proceedings by or on behalf of such holders if required to be paid by a court are fully met and discharged. The state further does hereby pledge to and agree with any federal agency providing funds, mortgage insurance or other assistance to the operations of the Association that the state will not limit or alter the rights and powers hereby vested in the Association in any manner which would be inconsistent with the due performance of any agreements between the Association and such federal agency.

It is hereby determined that the creation of the Association is in all respects for the benefit of the people of the state and for the improvement of their health, safety, welfare, comfort and security, and that said purposes are public purposes and that the Association will be performing an essential governmental function in the exercise of the powers conferred upon it by this Act. The state covenants with the purchasers and all subsequent holders and transferees of notes, bonds and debentures issued by the Association, in consideration of the acceptance of and payment for the notes, bonds and debentures, that the notes, bonds and debentures of the Association, issued pursuant to the Act and the

income therefrom and all its fees, charges, gifts, grants, revenues, receipts, and other monies received or to be received, pledged to pay or secure the payment of such notes, bonds or debentures shall at all times be free from taxation and assessments of every kind and nature, except for estate and gift taxes and taxes on transfers.

Bonds, notes and debentures of the Association, the income therefrom, and the income and revenues of the Association shall at all times be free from taxation and assessments of every kind and nature.

Notwithstanding the provisions of any other act, bonds, notes and debentures of the Association are hereby made authorized and legal investments for all departments, boards and commissions of the state and its political subdivisions, all banks, savings banks, trust companies, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business and all guardians, committees, trustees and other fiduciaries.

Sec. 11. 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 17, 1961

CHAPTER 104

AN ACT

Relating to the seizure and forfeiture of certain conveyances used in the transportation of illegally possessed narcotic drugs; and providing for an effective date.

(C.S.H.B. 25)

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

Section 1. Any vessel, vehicle, aircraft or other conveyance used in the transportation of any illegally possessed narcotic drug, shall be seized and forfeited to the state in a proceeding in rem by order of the court issuing the process by virtue of which the conveyance was seized, or before which the person violating the law, or the conveyance is taken, by the officer or officers making the seizure. An illegally possessed narcotic drug is any narcotic drug which has been or is possessed with intent to sell or offer for sale in violation of any laws or regulations of

the United States or of this state dealing therewith; or which has been acquired or is possessed, sold, transferred, or offered for sale, in violation of any laws of the United States or of this state dealing therewith; or which has been acquired by theft, robbery, or burglary.

Sec. 2. The court having jurisdiction over the conveyance so seized shall order an immediate hearing as to whether the conveyance was being used in the transportation of any illegally possessed narcotic drug, and take such evidence as is offered and determine the same as in civil cases. Should the court find from a preponderance of the testimony that the

conveyance so seized was being used for the transportation of any illegally possessed narcotic drug, it shall render judgment accordingly and declare the conveyance forfeited to the state. Thereupon, the conveyance shall be delivered to the Department of Public Safety under the order of said court, to be sold at public auction.

Sec. 3. No conveyance used as a common carrier, in the transaction of business as such common carrier, shall be forfeited under the provisions of this Act unless the owner or other person legally in charge of the conveyance was at the time of the alleged illegal act a consenting party or privy thereto. No conveyance shall be forfeited by reason of any act or omission established by the owner thereof to have been committed or omitted by any person other than such owner while such conveyance was unlawfully in the possession of a person who acquired possession thereof in violation of the criminal laws of the United States or this state. No conveyance shall be forfeited under the provisions of this Act, unless the owner of the conveyance was, at the time of the alleged illegal act, a consenting party to

said illegal act or privy thereto. A person holding any lien, mortgage or conditional sales contract on a conveyance seized under the provisions of this Act may appear before the court in the proceeding for forfeiture to petition for remittance or mitigation of the forfeiture. The court shall remit or mitigate the forfeiture if it determines that the petitioner has an interest in the conveyance which he acquired in good faith and without knowledge or reason to believe that the conveyance was being or would be used in the transportation of any illegally possessed narcotic drug.

Sec. 4. When used in this Act:

(1) the term "conveyance" includes any vessel, vehicle, trailer or aircraft.

(2) the term "narcotic drug" means any narcotic drug as now or hereafter defined by the federal internal revenue laws, or the regulations issued thereunder, the federal Marihuana Tax Act of 1937, or the regulations issued thereunder.

Sec. 5. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 17, 1961

CHAPTER 105

AN ACT

Relating to securities; requiring registration of securities; amending Ch. 198, SLA 1959; repealing and re-enacting subparagraph (9), subsec. (b), Sec. 302, Ch. 198, SLA 1959; repealing subsec. (d), Sec. 312, Ch. 198, SLA 1959; and providing for an effective date.

(H.B. 35)

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

Section 1. Subsec. (b), Sec. 301, Ch. 198, SLA 1959 is amended to read as follows:

(b) "Agent" means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect purchase or sale of securities. "Agent" does not include an individual who represents an issuer in (1) effecting transactions in a security exempted by clause (1), (2), (3), (4), or (5) of section 302 (a), (2) effecting transactions exempted by section 302 (b), or (3) effecting transactions with existing employees, partners, or

directors of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting any person in this state. A partner, officer, or director of a broker-dealer or issuer, or a person occupying a similar status or performing similar functions, is an agent only if he otherwise comes within this definition.

Sec. 2. Sec. 301, Ch. 198, SLA 1959 is amended by adding a new subsection (m) to read as follows:

(m) "Non-issuer" means not directly or indirectly for the benefit of the issuer.

Sec. 3. Subsec. (a), Sec. 302, Ch. 198, SLA 1959 is amended to read as follows: