

if deemed necessary, to set aside and maintain reserves therefor. Such fund shall be drawn upon solely for the purpose of paying the principal of and interest on such refunding revenue bonds, and the refunding revenue bonds shall not constitute a general obligation of the State of Alaska or the University.

Any money set aside as reserves to secure the payment of the principal of and interest on the Bonds being refunded may be used either to pay the principal of, premium if any, and interest on such Bonds or may be retained by the University as reserves to secure the payment of the principal of and interest on such refunding revenue bonds to be issued. Such refunding revenue bonds may be sold at public or private sale and the proceeds of such sale, exclusive of accrued interest, shall be applied in payment of the Bonds being refunded, or the refunding revenue bonds may be exchanged privately for and in payment and discharge of a like or greater principal amount of the Bonds being refunded. The principal amount of such refunding revenue bonds may exceed the principal amount of the Bonds being refunded to the extent necessary to pay all costs incidental to such refunding and any premium required to redeem and retire the Bonds being refunded and 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.

The effective rate of interest over the life of refunding revenue bonds shall not exceed six percent (6%) a year, and the costs of refunding and the amount of any premium which might be paid to effect the redemption of the outstanding Bonds being refunded shall not be considered in determining the effective rate of interest.

Refunding revenue bonds and the coupons attached thereto are fully negotiable instruments under the laws of the State of Alaska.

The issuance of refunding revenue bonds need not be authorized by an Act of the legislature, and the Board shall adopt the resolution or resolutions and prepare all other documents and proceedings necessary for the issuance, exchange or sale and delivery of such bonds.

The provisions of this Act relating to the maturities, payment, terms, conditions, covenants, issuance and sale of the revenue bonds shall be applicable to refunding revenue bonds except as may be otherwise specifically provided in this section.

Sec. 10. This Act shall be liberally construed in order to carry out the purposes for which it was adopted, and all existing laws in conflict with any of the provisions of this Act are superseded insofar as necessary to accomplish the purposes of and carry out the provisions of this Act.

Sec. 11. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 8, 1961

CHAPTER 57

AN ACT

Relating to the change, relocation, or removal of utility facilities for purposes of the federal-aid systems of highway construction and improvement; declaring such costs to be part of highway construction; providing for reimbursement to utilities for such costs; and providing for an effective date.

(C.S.H.B. 172)

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

Section 1. For the purposes of this Act,

a. "commissioner" shall mean the Commissioner of Public Works, or any official

or employee authorized to act for him.

b. "utility" shall include publicly, privately and cooperatively owned utilities.

c. "cost of change, relocation, or removal" shall include the entire cost in-

curred by such utility properly attributable to such change, relocation, or removal after deducting therefrom any increase in the value of the new facility and any salvage value derived from the old facility.

d. "federal-aid primary, federal-aid secondary, and Interstate System" include any highway which now or hereafter shall be a part of the federal-aid systems as provided and defined in the Federal Aid Highway Act of 1956, and any acts supplemental thereto or amendatory thereof.

Sec. 2. Whenever the commissioner shall determine and order, incident to the construction of a highway project on the federal-aid primary or secondary systems, or on the Interstate System, including extensions thereof within urban areas, that any utility facility which now is, or hereafter may be, located in, over, along, or under a road right-of-way shall be changed, relocated, or removed, the utility owning or in charge of such facility shall change, relocate, or remove the same as soon as possible in accordance with such order,

and the commissioner shall, on behalf of the state, pay the costs of such change, relocation or removal unless the facility affected had been constructed and installed in, over, along, or under the road right-of-way pursuant to a valid agreement entered into by the state and utility after July 1, 1960, which requires the utility to change, relocate, or remove its facilities on demand at its own expense. Any utility having located its facilities on state owned right-of-way after July 1, 1960 without having obtained a permit from the Department of Public Works to do so shall not be reimbursed for the cost of any change, relocation or removal of its facilities.

Sec. 3. The costs of "change, relocation or removal" as set out in Sec. 1 c. are declared to be part of the cost of highway construction and to be paid from highway funds.

Sec. 4. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 8, 1961

CHAPTER 58

AN ACT

Repealing Ch. 180, SLA 1959, and providing for an effective date.

(H.B. 199)

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

Section 1. Ch. 180, SLA 1959 is hereby

in all respects repealed.

Sec. 2. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 8, 1961

CHAPTER 59

AN ACT

Appropriating \$10,945.00 from the general fund to the Secretary of State for the fiscal year ending June 30, 1962; setting an expiration date; and providing for an effective date.

(H.B. 202)

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

Section 1. The sum of \$10,945.00 is hereby appropriated from the general fund of

the state to the Office of Secretary of State for per diem, travel, secretarial expenses, contractual expenses and other expenses necessary for conducting a survey and holding hearings to determine necessary