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Bullard
3/19/12

CS FOR HOUSE BILL NO. 261(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVES EDGMON, MILLETT, AND THOMPSON

A BILL

FOR AN ACT ENTITLED

"An Act relating to loans for the purchase of commercial fishing entry permits; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*** Section 1.** AS 16.10.320(d) is amended to read:

(d) The total of balances outstanding on loans made to a borrower under AS 16.10.310(a)(1)(A) may not exceed \$300,000. The total of balances outstanding on loans made to a borrower under AS 16.10.310(a)(1)(B) may not exceed \$200,000 for the purchase of an entry permit and may not exceed \$100,000 for all other loans under that subparagraph. The total of balances outstanding on loans made to a borrower under AS 16.10.310(a)(1)(C) may not exceed \$300,000. The total of balances outstanding on loans made to a borrower under AS 16.10.310(a)(1)(D) to satisfy past due federal tax obligations may not exceed \$35,000. The total of balances outstanding on loans made under AS 16.10.310(a)(1)(E) may not exceed \$2,000,000 for each community eligible under federal statute or regulation to establish or

1 participate in the establishment of a community quota entity. The total of balances
2 outstanding on loans made to a borrower under AS 16.10.310(a)(1)(F) may not exceed
3 \$300,000. Excluding loans made under AS 16.10.310(a)(1)(E), the total of balances
4 outstanding on all loans, including debt refinancing under AS 16.10.310(a), made to a
5 borrower under AS 16.10.300 - 16.10.370 may not exceed \$400,000.

6 * **Sec. 2.** AS 16.10.320(i) is amended to read:

7 (i) If a loan is made to a borrower under AS 16.10.310(a)(1)(A), a subsequent
8 loan may not be made to the borrower under AS 16.10.310(a)(1)(B), unless the loan
9 requested under AS 16.10.310(a)(1) is for propulsion engine or generator engine
10 replacement on an existing vessel for the purpose of improving fuel efficiency or is
11 for the purchase of an entry permit. If a loan is made to a borrower under
12 AS 16.10.310(a)(1)(B), a subsequent loan may be made to the borrower under
13 AS 16.10.310(a)(1)(A) if the total of the balance outstanding on loans received by the
14 borrower under AS 16.10.310(a)(1)(A) and (B) does not exceed \$400,000.

15 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

17 APPLICABILITY. The increase in balances outstanding permitted by
18 AS 16.10.320(d), as amended by sec. 1 of this Act, on loans made to a borrower under
19 AS 16.10.310(a)(1)(B), applies only to a person who first receives a loan under
20 AS 16.10.310(a)(1)(B) on or after the effective date of this Act.

21 * **Sec. 4.** This Act takes effect July 1, 2012.