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CS FOR HOUSE BILL NO. 389()

**IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION**

BY

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVES SEATON, Peggy Wilson

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to loans made to commercial fishermen under the Commercial Fishing**
2 **Loan Act for product quality improvements and energy efficiency upgrades; and**
3 **providing for an effective date."**

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

5 *** Section 1.** AS 16.10.320 is amended by adding a new subsection to read:

6 (D) For a new loan under AS 16.10.300 - 16.10.370 made on or after the
7 effective date of this Act, the department may provide a reduction of the interest rate
8 of not more than two percent if at least 50 percent of the loan proceeds are used by the
9 borrower for product quality improvements or energy efficiency upgrades if the
10 improvements or upgrades use products manufactured or produced in the state. When
11 the department offers a reduction under this subsection, the department shall provide
12 the reduction to all loan applicants who meet the criterion described in this subsection.
13 In this subsection, "manufactured or produced" means processing, developing, or
14 making an item into a new item with a distinct character and use.

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* **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).