

ALASKA STATE LEGISLATURE



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HB 121 – Sectional Analysis

"An Act relating to the examinations, board, loans, records, and lobbying contracts of the Alaska Commercial Fishing and Agriculture Bank; and providing for an effective date."

Section 1: This section adjusts the lending power of the bank by eliminating the borrowing limits on certain types of loans. It also removes the residency requirement for certain types of capital loans if the facility is located within the state as well as expands the types of loans that may be given to nonmembers. It also makes loans available for certain tourism operations and for operations dedicated to the development or exploitation of natural resources.

Section 2: It adds commercial agriculture to the current provision allowing loans to nonmembers for commercial fisheries in certain areas.

Section 3: Changes the dollar limitation on loans to nonmembers from \$25,000 to \$50,000.

Section 4: Increases the debt to capital ratio from eight percent to 25%.

Section 5: Confirming language containing to bank examinations added in section seven. Also corrects a typographical error in statute.

Section 6: Allows the bank to make available a list of those eligible to serve as director to those members eligible to vote.

Section 7: Provides that the Department of Commerce, Community, and Economic Development shall audit the bank at least once every thirty-six months.

Section 8: Repeals AS 44.81.020(f) setting director compensation and AS 44.99.030(a)(2) prohibiting lobbying by the bank.

Section 9: Delays the audit established in section seven until one year after the effective date of the Act.

Section 10: Makes the Act effective immediate.