

ALASKA STATE LEGISLATURE

SESSION ADDRESS
Alaska State Capitol
Juneau, AK 99801-1182
(907) 465-4925
Fax (907) 465-3517



INTERIM ADDRESS
305 Center Ave, Ste 1
Kodiak, AK 99615
(907) 486-4925
Fax (907) 486-5264

Senator Gary Stevens

SECTIONAL ANALYSIS

SENATE BILL 95

Mariculture Revolving Loan Fund

- Section 1: Adds a declaration of policy for the state's Mariculture Revolving Loan Fund (AS 16.10.890-16.10.945)
- Section 2: Amends a spanned statutory citation in AS 16.10.900 to conform with the provision added by section 1 of the bill.
- Section 3: Require 40% of the money appropriated to the fund be used for (1) making loans to state residents and Alaskan organizations and businesses that operate hatcheries or aquatic farms for the purpose of producing aquatic plants or shellfish or conduct shellfish enhancement projects or (2) making grants to certain nonprofits. Requires the remaining 60% of the funds appropriated to the fund to be used for other loans from the fund.
- Section 4: Authorizes the Department of Commerce, Community, and Economic Development (department) to make loans to an eligible applicant for the planning, construction, and operation of a (1) hatchery that artificially propagates marine aquatic plants or shellfish or (2) shellfish enhancement project. Permits the department to make grants for organizational and planning purposes to certain nonprofit organizations. Amends spanned statutory citations to conform with the provision added by section 1 of the bill.
- Section 5: Limits the amount the department may make in grants to nonprofits for organizational and planning purposes, to \$500,000.
- Section 6: Expands the classes of person eligible for a loan from the fund to include state residents or entities organized under state law that (1) hold a permit to operate a hatchery or aquatic farm for the purposes of producing aquatic plants or shellfish or (2) conduct shellfish enhancement projects.
- Section 7: Conforms the residency requirements for fund loan applicants to reflect that entities organized under state law are also eligible for loans from the fund.
- Section 8: Establishes new loan terms for loans from the fund, including a loan cap of \$100,000 / 20-year term for residents, and \$1,000,000 / 30-year term for existing mariculture farms.

Senator.Gary.Stevens@akleg.gov

ALASKA STATE LEGISLATURE

SESSION ADDRESS
Alaska State Capitol
Juneau, AK 99801-1182
(907) 465-4925
Fax (907) 465-3517



INTERIM ADDRESS
305 Center Ave, Ste 1
Kodiak, AK 99615
(907) 486-4925
Fax (907) 486-5264

Senator Gary Stevens

SECTIONAL ANALYSIS

SENATE BILL 95

(continued)

- Section 9: Provides that a subsequent loan may not be made to a resident of the state or entity organized under the laws of the state that holds a permit to operate a hatchery or aquatic farm for the purpose of producing aquatic plants or shellfish or that conducts shellfish enhancement projects if the person's outstanding balance exceeds \$1,000,000.
- Section 10: Allows a loan to be made from the fund for the purchase of boats or vessels determined to be integral to the operation of a hatchery.
- Section 11: Amends a spanned statutory citation in AS 16.10.915(d) to conform with the provision added by section I of the bill.
- Section 12: Adds a new subsection to AS 16.10 .915. Prohibits the department from making certain loans from the fund unless the department determines that (1) a loan applicant's hatchery or enhancement project will be managed in a manner reasonably expected to result in repayment of the loan and (2) the applicant's hatchery or enhancement project is in the public interest.
- Section 13: Provides when the department may require repayment of principal and interest on loans made from the fund to residents of the state, or entities organized under the laws of the state, that (1) hold a permit to operate a hatchery or aquatic farm for the purpose of producing aquatic plants or shellfish or (2) conduct shellfish enhancement projects.
- Section 14: Provides authority for certain associations of limited entry permit holders to levy and collect an assessment from its members to secure or repay a loan from the fund. Allows the department to rely on certain assessments in deciding whether to make a loan from the fund.
- Section 15: Amends a spanned statutory citation in AS 16.10 .935 to conform with the provision added by section I of the bill.
- Section 16: Adds new definitions for AS 16.10.890- 16.10.945.
- Section 17: Clarifies that changes made by the bill to loan terms from the fund do not apply to loans made before the bill's effective date.
- Section 18: Provides the bill with an immediate effective date.