



LAWS OF ALASKA

1982

Source

CCSSB 768

Chapter No.

33

AN ACT

Providing for fishery product loan guarantees; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: May 17, 1982
Actual Effective Date: Sections 1, 3, 4 and 5 take effect
May 18, 1982; Section 2 takes effect January 1, 1983.

AN ACT

Providing for fishery product loan guarantees;
and providing for an effective date.

* Section 1. AS 45 is amended by adding a new chapter to read:

CHAPTER 92. FISHERY PRODUCT REVOLVING LOAN GUARANTEE FUND.

Sec. 45.92.010. ESTABLISHMENT OF FUND. The fishery product revolving loan guarantee fund is established in the Department of Revenue.

Sec. 45.92.020. FISHERY PRODUCT GUARANTEES. The department may use money in the fund to guarantee a loan made to a fish processor with facilities in Alaska for the purpose of financing

(1) the purchase and processing of fishery products from Alaska fisheries; or

(2) the repurchasing, transporting, repackaging, inspecting, and storing of Alaska fishery products that are recalled in 1982.

Sec. 45.92.030. POWERS AND DUTIES OF THE DEPARTMENT. (a) The commissioner may

(1) designate agents and delegate powers necessary to implement this chapter;

(2) adopt regulations to implement this chapter;

(3) make and execute contracts and other instruments to implement this chapter;

(4) acquire real or personal property by purchase, transfer, or foreclosure when the acquisition is necessary to protect an interest

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1 in the fund.

2 (b) The commissioner shall require that a loan guaranteed by the
3 fund be secured by collateral.

4 Sec. 45.92.040. INVESTMENT OF THE FUND. Money in the fund that is
5 not being used for loan guarantees under this chapter shall be invested
6 as provided for the investment of state treasury surplus under AS 37.-
7 10.070. Income from investment shall be transferred to the general
8 fund.

9 Sec. 45.92.050. CONDITIONS OF LOAN GUARANTEES. (a) The depart-
10 ment may guarantee a loan under this chapter if

11 (1) the term of the loan does not exceed one year;

12 (2) the loan is secured by inventory or accounts receivable
13 of the fish processor, or by other collateral acceptable to the depart-
14 ment;

15 (3) the loan is originated with and serviced by the Alaska
16 Commercial Fishing and Agriculture Bank, or by a state or federally
17 chartered financial institution located in the state.

18 (b) The department may provide a guarantee from the fund for up to
19 50 percent of a loan, but may not guarantee more than \$15,000,000 per
20 loan or \$30,000,000 per borrower. The department may not guarantee the
21 payment of annual interest on the guaranteed portion of a loan.

22 (c) Upon default by a borrower, the amount of the maximum lia-
23 bility of the fund for a loan guarantee under this chapter is the per-
24 centage of the amount in default specified by the department in the
25 guarantee agreement.

26 Sec. 45.92.055. ADDITIONAL GUARANTEES. Not less than 30 days
27 after the department enters into a contract to guarantee a loan to a
28 borrower under this chapter, the department may enter into a contract to
29 guarantee another loan to that borrower under this chapter.

1 Sec. 45.92.060. DEFINITIONS. In this chapter

2 (1) "commissioner" means the commissioner of revenue;

3 (2) "department" means the Department of Revenue;

4 (3) "facilities in Alaska" means facilities at which fisher-
5 ies products are canned, frozen, or otherwise processed for inventory,
6 including floating facilities that are documented under the laws of the
7 United States as defined in 46 U.S.C. sec. 801, and operated in waters
8 of the state;

9 (4) "fish processor" means a person engaging in a business
10 for which a license is required under AS 43.75.010 - 43.75.090;

11 (5) "fishery product" means salmon;

12 (6) "fund" means the fishery product revolving loan guarantee
13 fund.

14 * Sec. 2. AS 45.92.050(a) is amended to read:

15 (a) The department may guarantee a loan under this chapter if

16 (1) the term of the loan does not exceed one year;

17 (2) the loan is secured by inventory or accounts receivable
18 of the fish processor, or by other collateral acceptable to the depart-
19 ment;

20 (3) the loan is originated with and serviced by the Alaska
21 Commercial Fishing and Agriculture Bank, or by a state or federally
22 chartered financial institution located in the state; and

23 (4) the majority interest in the fish processor is benefi-
24 cially owned by residents of the state and the majority of owners of the
25 fish processor are residents of the state.

26 * Sec. 3. AS 45.91 is repealed.

27 * Sec. 4. Section 2(b), ch. 41, SLA 1981 is amended to read:

28 (b) A loan may not be guaranteed under (a)(3) or (e) of this
29 section unless 20 percent or more of the loan is held by the Alaska

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1 Commercial Fishing and Agriculture Bank.

2 * Sec. 5. Section 2, ch. 41, SLA 1981 is amended by adding a new sub-
3 section to read:

4 (e) An agreement between the Alaska Commercial Fishing and Agri-
5 culture Bank and the Department of Revenue under (a)(3) and (c) of this
6 section to guarantee a portion of a loan made under (a)(1) or (2) of
7 this section may be amended with the consent of all parties to the loan
8 if (1) the loan is secured by the borrower's 1981 canned salmon inven-
9 tory and by a mortgage on the borrower's real property; (2) the borrower
10 has applied for a loan from the Commercial Fishing and Agriculture Bank
11 (AS 44.81) or a state or federally chartered financial institution for
12 the commercial purchase of the 1982 Alaska salmon harvest; and (3) the
13 financial institution to which the borrower has applied under (2) of
14 this subsection certifies to the department that the borrower will
15 participate in the commercial purchase of the 1982 Alaska salmon harvest.
16 An agreement amended under this subsection shall provide that a guarantee
17 of up to 70 percent of the loan, including the portion of the loan held
18 by the Alaska Commercial Fishing and Agriculture Bank, shall be provided
19 from the fish processing loan guarantee account. An agreement amended
20 under this subsection may provide for a guarantee of the payment of
21 annual interest only on the portion of the loan guaranteed under the
22 original guarantee agreement and at a rate of not more than 10 percent.
23 An agreement amended under this subsection is void if the borrower fails
24 to participate in the commercial purchase of the 1982 Alaska salmon
25 harvest.

26 * Sec. 6. Section 2 of this Act takes effect January 1, 1983.

27 * Sec. 7. Sections 1, 3, 4, and 5 of this Act take effect immediately in
28 accordance with AS 01.10.070(c).