



LAWS OF ALASKA

1981

Source

CSSB 226(Res) am

Chapter No.

97

AN ACT

Relating to the mining loan fund; 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TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.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: July 26, 1981
Actual Effective Date: July 27, 1981

AN ACT

Relating to the mining loan fund; and providing for an effective date.

* Section 1. AS 27.09.020 is repealed and reenacted to read:
Sec. 27.09.020. ELIGIBILITY. The department may make loans under this chapter to

(1) an individual who has at least five years of mining or prospecting experience in the state and who is a resident of the state;

(2) a partnership if at least half of the partners each have five years mining or prospecting experience in the state and at least half of the partners are residents of the state; or

(3) a corporation that has at least five years of mining or prospecting experience in the state if at least 51 percent of its shares are held by residents of the state; and

(4) a corporation that does not meet the requirements of (3) of this section if at least 51 percent of its shares are held by persons having at least five years of mining or prospecting experience in the state and at least 51 percent of its shares are held by persons who are residents of the state.

* Sec. 2. AS 27.09.040(c)(2) is amended to read:

(2) a second priority lien or mortgage which is subordinate to a valid first priority lien or mortgage [IN FAVOR OF A PRIVATE LENDING INSTITUTION] if the total of the financing by the lender making the first mortgage [PRIVATE LENDING INSTITUTION] and by the loan

Chapter 97

1 made under this chapter does not exceed 75 percent of the appraised
2 value of the collateral used to secure the loan.

3 * Sec. 3. AS 27.09.040(d) is amended to read:

4 (d) Unless the loan under this chapter was made to underwrite
5 placer mining activities, repayment of the loan principal shall begin
6 not later than one year after the date mineral production begins or
7 five years from the date the loan is made, whichever is sooner. For
8 loans made under this chapter to underwrite placer mining activities,
9 the department may not require repayment of principal to begin before
10 the end of the second placer mining season after the loan is made. The
11 accrual of interest on a loan made under this chapter begins when the
12 loan is made, and the accrued interest shall be repaid on an annual [A
13 MONTHLY] basis, or repayment may be on a monthly or quarterly basis if
14 the department and the borrower so agree. In this subsection "placer
15 mining season" means the time during a consecutive 12-month period when
16 placer mining activities may be conducted by virtue of the thawed and
17 fluid condition of the streams and rivers in the mining area.

18 * Sec. 4. AS 27.09 is amended by adding a new section to read:

19 Sec. 27.09.045. REFINANCING. The department may refinance a loan
20 under this chapter by making a loan to pay outstanding mining debts.
21 When an original loan is to be refinanced, the department may not
22 refinance more than 49 percent of the amount of the original loan. The
23 terms in AS 27.09.040 apply to mining debts refinanced under this
24 section.

25 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
26 070(c).