



LAWS OF ALASKA

2004

Source
SB 387 am

Chapter No.
38

AN ACT

Authorizing the making of certain commercial fishing loans to eligible community quota entities for the purchase of certain fishing quota shares; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Authorizing the making of certain commercial fishing loans to eligible community quota
2 entities for the purchase of certain fishing quota shares; and providing for an effective date.

3 _____
4 * **Section 1.** AS 16.10.310(a)(1) is amended to read:

5 (1) make loans

6 (A) to individual commercial fishermen who have been state
7 residents for a continuous period of two years immediately preceding the date
8 of application for a loan under AS 16.10.300 - 16.10.370, who have had a
9 crewmember or commercial fishing license under AS 16.05.480 or a permit
10 under AS 16.43 for the year immediately preceding the date of application and
11 any other two of the past five years, and who actively participated in the
12 fishery during those periods

13 (i) for the purchase of entry permits; or

1 (ii) to upgrade existing vessels and gear for the purpose
2 of improving the quality of Alaska seafood products;

3 (B) to an individual for the repair, restoration, or upgrading of
4 existing vessels and gear, for the purchase of entry permits and gear, and for
5 the construction and purchase of vessels, if the individual has been a state
6 resident for a continuous period of two years immediately preceding the date
7 of application for a loan under AS 16.10.300 - 16.10.370, and either

8 (i) because of lack of training or lack of employment
9 opportunities in the area of residence, does not have occupational
10 opportunities available other than commercial fishing; or

11 (ii) is economically dependent on commercial fishing
12 for a livelihood and for whom commercial fishing has been a traditional
13 way of life in Alaska;

14 (C) for the purchase of quota shares for fisheries in or off the
15 state by individual commercial fishermen who

16 (i) have been state residents for a continuous period of
17 two years immediately preceding the date of application for a loan
18 under AS 16.10.300 - 16.10.370;

19 (ii) for any two of the past five years, possessed a
20 crewmember or commercial fishing license under AS 16.05.480 or a
21 permit under AS 16.43 and actively participated in a fishery for which
22 the license or permit was issued;

23 (iii) qualify as transferees for quota shares under
24 applicable law; and

25 (iv) are not eligible for financing from other recognized
26 commercial lending institutions to purchase quota shares;

27 (D) to an individual commercial fisherman to satisfy past due
28 federal tax obligations, if the fisherman has been a state resident for a
29 continuous period of two years immediately preceding the date of application
30 for the loan, has filed past and current federal tax returns with the federal
31 government, has executed an agreement with the federal government for

1 repayment of past due federal tax obligations, and either

2 (i) has had a crewmember or commercial fishing license
3 under AS 16.05.480 or a permit under AS 16.43 for the year
4 immediately preceding the date of application and any other two of the
5 past five years, and has actively participated in the fishery during those
6 periods;

7 (ii) because of lack of training or lack of employment
8 opportunities in the area of residence, does not have occupational
9 opportunities available other than commercial fishing; or

10 (iii) is economically dependent on commercial fishing
11 for a livelihood and for whom commercial fishing has been a traditional
12 way of life in Alaska;

13 **(E) for the purchase of fishing quota shares by a**
14 **community quota entity eligible under federal statute or regulation to**
15 **purchase the fishing quota shares if the community quota entity is not**
16 **eligible or qualified for financing from other recognized commercial**
17 **lending institutions to purchase the fishing quota shares;**

18 * **Sec. 2.** AS 16.10.320(d) is amended to read:

19 (d) The total of balances outstanding on loans made to a borrower under
20 AS 16.10.310(a)(1)(A) may not exceed \$300,000. The total of balances outstanding
21 on loans made to a borrower under AS 16.10.310(a)(1)(B) may not exceed \$100,000.
22 The total balances outstanding on loans made to a borrower under
23 AS 16.10.310(a)(1)(C) may not exceed \$300,000. The total of balances outstanding
24 on loans made to a borrower under AS 16.10.310(a)(1)(D) to satisfy past due federal
25 tax obligations may not exceed \$30,000. **The total of balances outstanding on loans**
26 **made under AS 16.10.310(a)(1)(E) may not exceed \$2,000,000 per community**
27 **eligible under federal statute or regulation to establish or participate in the**
28 **establishment of a community quota entity.** Excluding loans made under
29 **AS 16.10.310(a)(1)(C), (D), and (E)** [AS 16.10.310(a)(1)(C) AND (D)], the total of
30 balances outstanding on all loans, including debt refinancing under AS 16.10.310(a),
31 made to a borrower under AS 16.10.300 - 16.10.370 may not exceed \$300,000.

1 * **Sec. 3.** This Act takes effect on the date that the commissioner of community and
2 economic development certifies to the revisor of statutes and the lieutenant governor that
3 federal regulations authorizing community quota entities in this state to purchase fishing
4 quota shares for certain fisheries under the federal individual fishing quota program are
5 effective.