

1 IN THE HOUSE

BY MESSRS. RADER, GIERSDORF
AND MR. HAMMOND

2 HOUSE BILL NO. 73

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for loans to fishermen;
7 providing for the administration of the
8 loan program by the Commissioner of Commerce;
9 prescribing the powers of the Commissioner
10 of Commerce with reference to the making of
11 loans to fishermen; creating a revolving
12 fund; prescribing eligibility for loans; and
13 providing for an effective date."

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

15 Section 1. SHORT TITLE. This Act shall be known as the
16 Alaska Fishermen's Small Loan Act.

17 Sec. 2. DECLARATION OF POLICY. It is declared to be the
18 policy of this Act to remove fishermen from the financial control
19 of non-resident cannery and fish brokerage firms, and to generally
20 relieve financial distress among Alaskan fishermen by means of
21 short term loans.

22 Sec. 3. ADMINISTRATION: LOCAL ADVISORY COMMITTEES. This
23 Act shall be administered by the Commissioner of Commerce. As
24 Administrator of the Fishermen's Loan Act, he shall cooperate with
25 agencies of the Federal government and with other state agencies
26 and political subdivisions within the State of Alaska.

27 He shall establish such local advisory committees as may be
28 necessary or deemed expedient to assist in carrying out any duties
29 assigned to him. He shall determine the number of members to

1 serve thereon and their respective terms of office. Such local
2 advisory committees shall not be entitled to travel or per diem
3 allowances.

4 Sec. 4. POWERS: The Commissioner of Commerce shall have
5 all the following powers:

6 (1) To make loans to individual resident Alaska fisher-
7 men or partnerships of fishermen, with the exception of members
8 or employees of the Department of Fish and Game, or members of
9 any local advisory boards established hereunder, to finance and
10 refinance operations, maintenance, replacement, repairs and equip-
11 ment of fishing vessels and gear. Loans shall not exceed a total
12 of two thousand (\$2,000.00) dollars to any one person at any one
13 time. Such loans shall not be for a term longer than ten months
14 and shall be secured by such collateral as the Commissioner may re-
15 quire including, but not limited to, assignment in futuro of wages
16 or income derived from fishing. Loans shall bear interest at the
17 rate of four (4%) percent per annum, provided, however, the Com-
18 missioner shall have the power to increase said interest rate on
19 any new loans for the purpose of covering existing or anticipated
20 losses, reserves for losses and costs of administration or de-
21 crease said interest rate on any new loans when income from interest
22 exceeds existing or anticipated losses, reserves for losses and
23 costs of administration.

24 (2) Designate agents and delegate such of his powers as
25 he deems necessary to such agents.

26 (3) Adopt and promulgate rules and regulations necessary
27 or convenient to carry out his functions in making, extending,
28 servicing and collection of loans pursuant to the Administrative
29 Procedure Act.

1 (4) Establish amortization plans for repayment of loans,
2 which may include delayed payment of principal and/or interest
3 for a period not to exceed one (1) year.

4 (5) To enter into agreements with private loaning insti-
5 tutions, other state agencies or agencies of the Federal govern-
6 ment, to carry out the purposes of this Act.

7 (6) Service and collect all loans made, including taking
8 such legal action as may be necessary, or entering into compromises
9 or refinancing agreements.

10 . Sec. 5. ELIGIBILITY. No loan shall be made unless the
11 applicant shall:

12 (1) Be a resident of Alaska and a bona fide commercial
13 fisherman having held a commercial fishing license in Alaska for
14 a period not less than four years immediately preceding the making
15 of the loan; Provided, however, the Commissioner may waive this
16 requirement when the applicant fails to qualify due to military
17 service, age, illness, closed fishing areas or similar disability.

18 (2) Give satisfactory evidence of his ability to oper-
19 ate successfully which shall include past earnings as a fisherman;
20 and

21 (3) Give satisfactory evidence that he is unable to
22 secure a commercial loan from a bank or like lending institution
23 authorized to do business in Alaska.

24 Sec. 6. CREATION OF FUND. There is hereby created a Fisher-
25 men's Revolving Loan Fund in such amounts as may be hereafter
26 appropriated to carry out the purposes and provisions of this Act.
27 All repayments of principal, interest, fees, charges, court costs,
28 or any sums recovered by compromise or by the sale of collateral
29 shall revert to this fund.

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Sec. 7. EFFECTIVE DATE. This Act shall become effective immediately upon its passage or approval or upon its becoming law without such approval.