

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

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CS FOR HOUSE BILL NO. 304

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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SECOND LEGISLATURE - SECOND SESSION

5

A BILL

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For an Act entitled: "An Act creating an Agricultural Loan Board; expanding the capitalization of the agricultural revolving loan fund; amending and re-enacting Sec. 4, Ch. 122, SLA 1953, as last amended by Sec. 1, Ch. 41, SLA 1961; amending Sec. 5, Ch. 122, SLA 1953, as amended by Sec. 2, Ch. 41, SLA 1961; repealing Secs. 1, 2, 3, 6, 7 and 8, Ch. 122, SLA 1953; and providing for an effective date."

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

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Section 1. AGRICULTURAL LOAN BOARD. (a) There is hereby

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created within the division of agriculture an Agricultural Loan

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Board to carry out the provisions of this Act. The Board consists

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of five members, three of whom shall be farmers, one a banker and

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one representing the general public. The members shall be appointed

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ed by the governor from among competent residents of the state

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representing the principal agricultural areas, and their appointment

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is subject to confirmation by the legislature. A majority of

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the membership constitutes a quorum to transact business.

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(b) The term of office of board members shall be for four

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years, except that those first appointed shall be designated to

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serve two for four years and three for two years. If a vacancy

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occurs by resignation or otherwise during a term, the governor

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shall appoint to fill the unexpired term, subject to confirmation

1 by the legislature at its next session.

2 (c) The board shall meet within 30 days after appointment by
3 the governor, shall promulgate such rules and regulations relat-
4 ing to the agricultural loan program as they deem desirable and
5 necessary, and as are within the powers delegated by this Act.
6 At its first meeting the board shall elect from among its members
7 a president, vice president and secretary. The board shall co-
8 operate with agencies of the federal government concerned with
9 agriculture and with other state agencies and political sub-
10 divisions within Alaska.

11 (d) The board shall establish such local advisory committees
12 as may be necessary or deemed expedient to assist in carrying out
13 any duty assigned to it.

14 (e) The board shall hold regular meetings at least once
15 annually at such times and places as it deems desirable, and shall
16 hold such special meetings as are deemed necessary by the presi-
17 dent or requested by two or more members.

18 (f) The members of the board shall receive actual travel
19 expenses and per diem while attending meetings of the board.

20 Sec. 2. Sec. 4, Ch. 122, SLA 1953, as amended by Ch. 156,
21 SLA 1955, and Sec. 1, Ch. 41, SLA 1961, is amended to read:

22 Sec. 4. THE AGRICULTURAL LOAN BOARD SHALL HAVE THE
23 FOLLOWING POWERS:

24 (a) To make loans to [MAKE LOANS TO] individual resi-
25 dent Alaska farmers, homesteaders, and partnerships or
26 corporations composed of farmers and homesteaders, for
27 development of farms, storage and processing of farm pro-
28 duce, livestock and machinery. To make loans to individuals,
29 partnerships or corporations, for storage and processing

1 plants for agricultural products.

2 Farm Development Loans shall not exceed \$40,000.00 nor
3 raise the total real estate indebtedness above \$40,000.00.
4 Such loans shall not run longer than twenty years nor bear
5 interest in excess of 5½% [4½%], and shall be secured by a
6 real estate or chattel mortgage or both.

7 Chattel Loans shall not exceed \$25,000.00 for each
8 farm unit; shall not run longer than five years or the use-
9 ful life of the chattel, nor bear interest in excess of 6%
10 [5%], and shall be secured by a real estate or chattel
11 mortgage, or both.

12 Short Term Crop Loans. Short Term Crop Loans, to be
13 amortized within one year, not to exceed \$5,000.00 to any
14 one borrower may be made for emergency purposes, but shall
15 not bear interest in excess of 6%.

16 (b) Adopt rules and regulations necessary to carry out
17 its functions.

18 (c) To enter into agreements with private loaning
19 institutions, other state agencies or agencies of the fed-
20 eral government, to carry out the purposes of this Act.

21 Sec. 3. Sec. 5, Ch. 122, SLA 1953, as amended by Sec. 2,
22 Ch. 41, SLA 1961, is amended to read:

23 Sec. 5. CREATION OF FUND. (a) There is hereby created
24 an agricultural revolving loan fund which fund shall not
25 exceed \$3,000,000.00 [\$2,000,000.00] to carry out the
26 purposes and provisions of this Act under the administration
27 of the Agricultural Loan Board.

28 (b) The Board is authorized to negotiate loans from
29 the various state funds in the custody of the commissioners

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of the Departments of Administration and Revenue. Loans
to the Board shall be secured by real estate or chattel
mortgage or both.

Sec. 4. Secs. 1, 2, 3, 6, 7 and 8, Ch. 122, SLA 1953, are
repealed.

Sec. 5. This Act takes effect on the day after its passage
and approval or on the day it becomes law without such approval.