

Introduced: 2/26/64  
Referred: Commerce and  
Resources

1 IN THE HOUSE

BY THE RULES COMMITTEE  
BY REQUEST

2 HOUSE BILL NO. 355

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to create permanent employment op-  
7 portunities in redevelopment areas in the  
8 state by establishing industrial development  
9 projects in the areas; to promote and assist  
10 economic development by private enterprise;  
11 and providing for an effective date."

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

13 \* Section 1. AS 41 is amended by adding a new chapter to read:

14 CHAPTER 30. AREA REDEVELOPMENT.

15 Sec. 41.30.010. ADMINISTRATOR. The board of directors  
16 of the Alaska State Development Corporation shall administer  
17 this chapter. The duties and powers imposed on the board of  
18 directors by this chapter are entirely separate and apart  
19 from the duties and powers imposed on the board of directors  
20 by AS 44.59. The board of directors is entitled to trans-  
21 portation expenses and per diem authorized by law.

22 Sec. 41.30.020. POWERS OF THE BOARD OF DIRECTORS. The  
23 board of directors may, in making loans under sec. 040 of  
24 this chapter;

25 (1) cooperate with political subdivisions,  
26 communities, and area development organizations, industries,  
27 enterprises, and persons in their efforts to promote the  
28 expansion of industrial and commercial activities in a  
29 redevelopment area;

1 (2) in the manner most advantageous to the state,  
2 dispose of an evidence of debt, a contract, a claim,  
3 personal property, or a security assigned to or held by it  
4 in connection with a loan made or an evidence of indebt-  
5 edness purchased by it;

6 (3) collect or compromise obligations assigned to  
7 or held by it, or refer them to the Department of Law for  
8 suit or collection;

9 (4) manage, improve, or sell real property acquir-  
10 ed by it.

11 Sec. 41.30.030. BOARD OF DIRECTOR REGULATIONS. (a) The  
12 board of directors shall adopt procedural regulations describ-  
13 ing

14 (1) how a person applies for a loan under this  
15 chapter, and his recourse if an application is disapproved;

16 (2) how it disposes of property under sec. 20(2)  
17 or (4) of this chapter;

18 (3) how it collects or compromises obligations  
19 under sec. 20(3) of this chapter.

20 (b) The board of directors shall adopt substantive  
21 regulations implementing the conditions in secs. 40 and 50  
22 of this chapter.

23 Sec. 41.30.040. LOANS. The board of directors may  
24 purchase evidence of indebtedness and make loans to aid in  
25 financing a project in a redevelopment area for industrial or  
26 commercial usage approved under federal law and qualifying  
27 for federal area redevelopment assistance.

28 Sec. 41.30.050. LIMITATIONS ON LOANS. (a) The board  
29 of directors may not purchase evidences of indebtedness

1 or make loans to assist establishments to relocate from one  
2 area of the state to another.

3 (b) The board of directors may purchase evidences of  
4 indebtedness and make loans only if

5 (1) the applicants for assistance have been  
6 approved by the board of directors;

7 (2) the project for which assistance is sought is  
8 reasonably calculated to provide more than a temporary  
9 alleviation of unemployment or under-employment within the  
10 redevelopment area;

11 (3) the board of directors receives reasonable  
12 assurance of repayment.

13 (c) The board of directors may not provide assistance in  
14 an amount that is more than 10 per cent of the aggregate cost,  
15 but not more than \$50,000, to the applicant of the particular  
16 project.

17 (d) The board of directors may not make loans at an  
18 interest rate of less than four per cent.

19 (e) Assistance extended by the state under this Act  
20 shall in no event exceed the total aggregate of \$2,000,000.

21 \* Sec. 2. This Act takes effect on the day after its passage  
22 and approval or on the day it becomes law without such approval.  
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