

Introduced: 3/13/64
Referred: State Affairs

1 IN THE SENATE

BY THE HEALTH, WELFARE
AND EDUCATION COMMITTEE

2 SENATE BILL NO. 335

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 oppor-
7 tunities in redevelopment areas in the state
8 by establishing industrial development pro-
9 jects 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 Department of Com-
16 merce shall administer this chapter.

17 Sec. 41.30.020. POWERS OF THE DEPARTMENT. The depart-
18 ment may

19 (1) cooperate with political subdivisions, com-
20 munities, and area development organizations, industries,
21 enterprises, and persons in their efforts to promote the
22 expansion of industrial and commercial activities in a re-
23 development area;

24 (2) in the manner most advantageous to the state,
25 dispose of an evidence of debt, a contract, a claim, personal
26 property, or a security assigned to or held by it in connec-
27 tion with a loan made or an evidence of indebtedness purchased
28 by it;

29 (3) collect or compromise obligations assigned to

1 or held by it, or refer them to the Department of Law for
2 suit or collection;

3 (4) manage, improve, or sell real property acquired
4 by it under this chapter.

5 Sec. 41.30.030. DEPARTMENT REGULATIONS. (a) The
6 department shall adopt procedural regulations describing

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

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

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

13 (b) The department shall adopt substantive regulations
14 implementing the conditions in secs. 40 and 50 of this chap-
15 ter.

16 Sec. 41.30.040. LOANS. The department may purchase
17 evidence of indebtedness and make loans to aid in financing a
18 project in a redevelopment area for industrial or commercial
19 usage approved under federal law and qualifying for federal
20 area redevelopment assistance.

21 Sec. 41.30.050. LIMITATIONS ON LOANS. (a) The depart-
22 ment may not purchase evidences of indebtedness or make loans
23 to assist establishments to relocate from one area of the
24 state to another.

25 (b) The department may purchase evidences of indebted-
26 ness and make loans only if

27 (1) the applicants for assistance have been
28 approved by the department;

29 (2) the project for which assistance is sought is

1 reasonably calculated to provide more than a temporary
2 alleviation of unemployment or under-employment within the
3 redevelopment area;

4 (3) the department receives reasonable assurance
5 of repayment.

6 (c) The department may not provide assistance in an
7 amount that is more than 10 per cent of the aggregate cost to
8 the applicant of the particular project.

9 (d) Assistance extended under this chapter is only
10 repayable after all other loans made in connection with the
11 project have been repaid in full.

12 (e) If assistance extended under this chapter is
13 secured, its security is subordinated to a lien securing any
14 other loan made in connection with the same project.

15 * Sec. 2. This Act takes effect on July 1, 1964.

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