

Introduced: 2/16/70
Referred: Resources and
Finance

1 IN THE HOUSE

BY HENSLEY AND KERTTULA

2 HOUSE BILL NO. 723

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the division of cooperatives within
7 the Department of Economic Development."

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

9 * Section 1. AS 44.45 is amended by adding new sections to read:

10 ARTICLE 8. COOPERATIVES DIVISION.

11 Sec. 44.45.250. COOPERATIVES DIVISION. The cooperatives division
12 shall

13 (1) provide technical assistance to potential cooperatives
14 by drawing on professional, specialized, and technical employees of
15 the department and other agencies;

16 (2) encourage the people of the state's rural villages to
17 form cooperatives to improve their living conditions;

18 (3) make loans to villages from the cooperative loan fund
19 for the purposes of creating and carrying out the functions of coopera-
20 tives;

21 (4) carry out project feasibility analyses to serve as bases
22 for ascertaining whether a cooperative should be formed.

23 Sec. 44.45.260. COOPERATIVE LOAN FUND. There is established a
24 cooperative loan fund which shall be administered by the division. The
25 fund is composed of money appropriated by the legislature to the
26 division for the purposes of secs. 250 - 280 of this chapter. Expendi-
27 tures may be made from this fund for the administration of secs. 250 -
28 280 of this chapter as well as for the loans authorized by the provisions
29 of sec. 250(3) of this chapter.

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Sec. 44.45.270. REPAYMENT TO THE GENERAL FUND. All money made available to the cooperative loan fund from the general fund of the state is a loan from the general fund. All surplus at the end of a fiscal year over amounts made available to the fund from the general fund of the state shall be repaid to the general fund until the loan is repaid in full. Repayment need not begin until after the first five complete fiscal years after the fund is created.

Sec. 44.45.280. GENERAL LIMITATIONS ON LOANS. (a) In making loans, the division shall consider the proposed purpose of the loan and the integrity and management ability of the borrowers.

(b) The division may make only loans that are economically or socially advantageous to the state and the general public welfare.

* Sec. 2. AS 44.45.050(a) is amended by adding a new paragraph to read:
(3) the cooperatives division.