

Introduced: 2/16/70  
Referred: Special Monetary  
Investment Committee,  
Resources and Finance

IN THE HOUSE

BY CORNELIUS AND HAUGEN

HOUSE BILL NO. 726

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to loans for commercial fishing purposes."

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

\* Section 1. AS 16.10 is amended by adding new sections to read:

ARTICLE 7. COMMERCIAL FISHING LOAN ACT.

Sec. 16.10.300. DECLARATION OF POLICY. It is the policy of the state, under secs. 300 - 370 of this chapter, to promote the development and continued maintenance of commercial fishing gear and vessels throughout the state by means of long-term low interest loans.

Sec. 16.10.310. POWERS OF THE DEPARTMENT. The department may

(1) make loans to individual commercial fishermen who have been state residents for a continuous period of five years for the purpose of renovating commercial fishing vessels, and purchasing gear and electronic equipment;

(2) designate agents and delegate its powers to them as necessary;

(3) adopt rules and regulations necessary to carry out its functions;

(4) establish amortization plans for repayment of loans, which may include delayed payments of principal and interest for not to exceed five years;

(5) enter into agreements with private lending institutions, other state agencies or agencies of the federal government, to carry out the purposes of secs. 300 - 370 of this chapter.

1           Sec. 16.10.320. LIMITATIONS ON LOANS. (a) A commercial fishing  
2 loan may not exceed \$300,000. A loan may not run longer than 30 years  
3 or bear interest exceeding eight per cent, and it shall be secured by  
4 a chattel mortgage. The chattel mortgage which secures a loan may  
5 be of any priority if the total indebtedness on the vessel or gear  
6 does not exceed \$300,000.

7           (b) A short-term loan, to be amortized within one year and not  
8 to exceed \$25,000 to any one borrower, may be made for emergency  
9 purposes.

10          Sec. 16.10.330. SALE OR TRANSFER OF NOTES. The commissioner may  
11 sell or transfer at par value or at a premium or discount to the  
12 Department of Revenue or a bank or other private purchaser for cash  
13 or other consideration the notes held by the Department of Fish and  
14 Game as security for loans made under secs. 300 - 370 of this chapter.

15          Sec. 16.10.340. CREATION OF FUND. There is a commercial fishing  
16 revolving loan fund which shall not exceed \$25,000,000 to carry out  
17 the purpose of secs. 300 - 370 of this chapter.

18          Sec. 16.10.350. ADMINISTRATION OF FUND. The commissioner shall  
19 administer the loan fund.

20          Sec. 16.10.360. DEFINITIONS. In secs. 300 - 370 of this chapter

- 21           (1) "commissioner" means the commissioner of fish and game;  
22           (2) "department" means the Department of Fish and Game.

23          Sec. 16.10.370. SHORT TITLE. Secs. 300 - 370 of this chapter may  
24 be cited as the Commercial Fishing Loan Act.  
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