

Original sponsors: Peratrovich, Meland
and Whittaker

Offered: 5/18/72
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 102
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to loans for commercial fishing
7 purposes; and providing for an effective date."

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

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

10 ARTICLE 7. COMMERCIAL FISHING LOAN ACT.

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

15 Sec. 16.10.310. POWERS OF THE DEPARTMENT. (a) The department
16 may

17 (1) make loans to individual commercial fishermen who have
18 been state residents for a continuous period of five years and have had
19 a commercial gear license for three years for the repair, restoration
20 or upgrading of existing vessels and gear;

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

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

25 (4) establish amortization plans for repayment of loans,
26 which may include extensions for poor fishing seasons;

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

1 (b) The department shall consult with the Department of Fish and
2 Game on regulations and procedures established under this chapter.

3 Sec. 16.10.320. LIMITATIONS ON LOANS. A commercial fishing loan
4 may not exceed \$100,000. A loan may not run longer than 15 years or
5 bear interest exceeding seven per cent, and it shall be secured by a
6 first lien and appropriate security agreements. Loans may not exceed
7 75 per cent of the appraised value of the collateral used to secure
8 the loan.

9 Sec. 16.10.330. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a)
10 The commissioner of commerce may sell or transfer at par value or at
11 a premium or discount to any bank or other private purchaser for cash
12 or other consideration the mortgages and notes held by the Department
13 of Commerce as security for loans made under this chapter.

14 (b) The commissioner of commerce may sell or transfer at par
15 value to the Department of Revenue the mortgages and notes held by the
16 Department of Commerce as security for loans made under this chapter.
17 The Department of Revenue shall purchase all such mortgages and notes
18 offered.

19 Sec. 16.10.340. CREATION OF FUND. There is a commercial fishing
20 revolving loan fund which shall not exceed \$1,000,000 to carry out the
21 purpose of secs. 300 - 370 of this chapter.

22 Sec. 16.10.350. ADMINISTRATION OF FUND. The commissioner shall
23 administer the loan fund.

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

25 (1) "commissioner" means the commissioner of commerce;

26 (2) "department" means the Department of Commerce.

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

29 * Sec. 2. This Act shall be effective until March 15, 1973. Before that

1 time, the department shall submit to the finance committees of the
2 legislature a resume of all loans made under this Act.

3 * Sec. 3. This Act takes effect on the day after its passage and approval
4 or on the day it becomes law without approval.

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