

Introduced: 2/8/71
Referred: Commerce and
Finance

1 IN THE HOUSE

BY SPECKING, DEGNAN, FERGUSON,
KERTTULA, MOORE AND SWANSON

2 HOUSE BILL NO. 147

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to rural communications development
7 loans; and providing for an effective date."

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

9 * Section 1. AS 45 is amended by adding a new chapter to read:

10 CHAPTER 95. RURAL COMMUNICATIONS DEVELOPMENT LOANS.

11 Sec. 45.95.010. DECLARATION OF POLICY. It is the policy of this
12 chapter to promote the development of communication systems in Alaska
13 rural communities by means of the state making long-term low interest
14 loans available for the purchase and installation of communication
15 equipment and associated materials.

16 Sec. 45.95.020. POWERS OF THE DEPARTMENT OF COMMERCE. When the
17 division of communications, Department of Public Works, determines
18 that the communications system of a rural community is inadequate
19 and is not likely to be improved in the near future by existing
20 private or public means, the Department of Commerce may

21 (1) if other credit is not readily available on reasonable
22 terms, make loans to persons or cities of any class for the purchase
23 and installation of communication equipment and associated materials;

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

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

28 (4) establish amortization plans for repayment of loans,
29 which may include delayed payments of principal and interest for not

1 to exceed five years;

2 (5) enter into agreements with private lending institutions,
3 other state agencies or agencies of the federal government, to carry
4 out the purposes of this chapter.

5 Sec. 45.95.030. LIMITATION ON LOANS. A loan provided for under
6 this chapter may not exceed \$20,000. A loan may not run longer than
7 35 years nor bear interest exceeding five per cent, and it shall be
8 secured by a real estate or chattel mortgage, or by both.

9 Sec. 45.95.040. CREATION OF FUND. (a) There is created a
10 rural communications development loan fund which shall not exceed
11 \$250,000 to carry out the purposes of this chapter.

12 (b) The commissioner of commerce shall administer the loan
13 fund.

14 Sec. 45.95.050. DEFINITION. In this chapter "rural community"
15 means a community having a population, as determined by the latest
16 reliable data, of at least 25 and not more than 600 persons residing
17 within a three-mile radius of a designated centrally located point or
18 structure within the community and includes cities incorporated under
19 state law, villages chartered under the federal Indian Reorganization
20 Act, and other villages having a democratically elected council or
21 other democratically elected body performing governmental functions.

22 * Sec. 2. This Act takes effect on July 1, 1971.
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