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1 IN THE SENATE

2 SENATE BILL NO. 284

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Alaska Regional Corporation
7 Organizational Loan Fund."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 Sec. 44.19.341. DECLARATION OF PURPOSE. It is the purpose of
11 secs. 341 - 348 of this chapter to make available low interest loans
12 to promote and facilitate the creation and organization by the 12
13 existing regional Alaska Native associations of the 12 regional
14 corporations required to be organized under sec. 7 of the Alaska
15 Native Claims Settlement Act, P.L. 92-203, and the creation of which
16 is a condition precedent to the receipt of the initial money payment
17 from the Alaska Native Fund under sec. 6, P.L. 92-203.

18 Sec. 44.19.342. ALASKA REGIONAL CORPORATION ORGANIZATIONAL LOAN
19 FUND CREATED. There is created the Alaska regional corporation
20 organizational loan fund in the Local Affairs Agency, which may not
21 exceed \$5,625,000, to carry out the purposes of secs. 341 - 348 of
22 this chapter.

23 Sec. 44.19.343. LOANS. Upon proper application by an existing
24 regional Native association listed in sec. 7, P.L. 92-203, the agency
25 shall make a loan to that association for the purpose of creating and
26 organizing a regional corporation in order to qualify for the first
27 fiscal year money available to regional corporations from the Alaska
28 Native Fund under sec. 6, P.L. 92-203.

29 Sec. 44.19.344. DUTIES OF THE AGENCY. The Local Affairs Agency

1 shall

2 (1) administer the loan fund;

3 (2) adopt and enforce regulations necessary to carry out the
4 purposes of secs. 341 - 348 of this chapter;

5 (3) oversee the use by the regional Native associations of
6 money borrowed from the loan fund.

7 Sec. 44.19.345. LIMITATION ON LOANS. (a) The amount of an
8 organizational loan provided for under secs. 341 - 348 of this chapter
9 shall be determined by the agency but may not exceed the amount the
10 regional Native association, if it was a regional corporation, is
11 eligible to receive under sec. 6(a)(1)(A), P.L. 92-203, during the
12 fiscal year in which the Act takes effect. In determining that maximum
amount, the agency shall use the 1970 census enumeration until the
enrollment under sec. 5, P.L. 92-203, is completed.

15 (b) A loan may not run longer than three years nor bear a rate of
16 interest that exceeds eight per cent.

17 Sec. 44.19.346. REPAYMENT OF LOANS. Repayment of loans under
18 secs. 341 - 348 of this chapter shall be on an annual basis and repayment
19 shall commence no later than 90 days after receipt of the money autho-
20 rized to be appropriated from the Alaska Native Fund to the regional
21 corporation under sec. 6(a)(1)(A), P.L. 92-203.

22 Sec. 44.19.347. EXPIRATION OF LOAN FUND. Because the purposes for
23 which the loan fund is created are limited, no loan may be made from
24 the loan fund after five years from the effective date of secs. 341 -
25 348 of this chapter.

26 Sec. 44.19.348. DEFINITIONS. In secs. 341 - 348 of this chapter

27 (1) "agency" means the Local Affairs Agency;

28 (2) "loan fund" means the Alaska Regional Corporation
29 Organizational Loan Fund.