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Referred: Resources and  
Finance

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1 IN THE HOUSE

2 HOUSE BILL NO. 540

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the resource recovery revolving loan  
7 fund; 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 97. RESOURCE RECOVERY

11 REVOLVING LOAN FUND.

12 Sec. 45.97.010. DECLARATION OF POLICY. It is the policy of this  
13 chapter to develop means to recover the waste of energy and other re-  
14 sources from discarded materials throughout the state by means of long-  
15 term, low-interest loans.

16 Sec. 45.97.020. POWERS OF THE DEPARTMENT. The commissioner of  
17 commerce and economic development may

18 (1) designate agents and delegate his powers to them as  
19 necessary;

20 (2) adopt regulations necessary to carry out his duties under  
21 this chapter;

22 (3) establish amortization plans for repayment of loans; and

23 (4) make loans to qualified borrowers as described in sec. 60  
24 of this chapter.

25 Sec. 45.97.030. LIMITATION ON LOANS. (a) A single resource  
26 recovery loan may not exceed \$50,000 for the construction, capital  
27 improvement, or operational expenses of a resource recovery facility.

28 (b) No loan may exceed 90 per cent of the total cost of a facility  
29 as determined by the commissioner.

1 (c) The rate of interest may not exceed six per cent a year on the  
2 unpaid balance.

3 (d) No repayment of principal is required for an initial period of  
4 five years, and no interest on the principal shall accrue during that  
5 period.

6 (e) Money loaned shall be delivered to the borrower in the form of  
7 a warrant drawn on the treasury, vouchered in the manner prescribed for  
8 state disbursing officers, and charged against the resource recovery  
9 revolving loan fund. Each voucher shall be approved by the commissioner  
10 or a bonded deputy authorized to act as a certifying officer. Upon  
11 repayment of loans by installments, or otherwise, in accordance with the  
12 prescribed terms, or upon liquidation by foreclosure or other process,  
13 or upon receipt of interest or other revenue, the money so received  
14 shall be turned over to the commissioner of revenue for deposit in the  
15 resource recovery revolving loan fund.

16 Sec. 45.97.040. POWER OF COMMISSIONER TO ASSIGN AND SELL MORT-  
17 GAGES. The commissioner may assign and sell or transfer at par value or  
18 at a premium or discount loan mortgages executed under this chapter to  
19 the Department of Revenue or any bank or other private purchaser in  
20 consideration of receiving cash, bonds, debentures and notes in return  
21 as security for loans granted under this chapter, and upon conditions he  
22 considers advantageous to the state resource recovery program.

23 Sec. 45.97.050. CREATION OF FUND. There is created the resource  
24 recovery revolving loan fund to carry out the purposes of this chapter.  
25 This fund shall be used for no other purpose.

26 Sec. 45.97.060. ELIGIBILITY FOR LOANS. A person, educational  
27 institution, nonprofit association, business concern or municipality is  
28 eligible for a loan under this chapter.

29 Sec. 45.97.070. DEFINITIONS. In this chapter

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(1) "commissioner" means the commissioner of the Department of Commerce and Economic Development;

(2) "resource recovery facility" means a concern that engages in the business of beverage container collection, recycling or other organized effort to recover waste energy and other resources from discarded materials.

\* Sec. 2. This Act takes effect July 1, 1977.

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