

Original sponsor: Poland

Offered: 5/27/77  
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 184

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act increasing the limitation on commercial fishing  
7 loans; and providing for an effective date."

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

9 \* Section 1. AS 16.10.320 is amended to read:

10 Sec. 16.10.320. LIMITATIONS ON LOANS. A commercial fishing loan  
11 may not exceed \$200,000 [\$100,000]. A loan may not run longer than 15  
12 years or bear interest exceeding seven per cent, and it shall be secured  
13 by a first lien and appropriate security agreements, except that a lien  
14 in favor of the state is not required for loans guaranteed fully by the  
15 federal government under the Federal Ship Financing Act of 1972 (46  
16 U.S.C. secs. 1271 - 1279b; 86 Stat. 909), as amended [, AND LOANS  
17 GRANTED UNDER SEC. 310(a)(1)(B) OF THIS CHAPTER MAY BE SECURED BY OTHER  
18 ACCEPTABLE COLLATERAL AS DETERMINED APPROPRIATE BY THE DEPARTMENT,  
19 INCLUDING BUT NOT LIMITED TO A PLEDGE OF ASSESSMENTS FROM FISHERMEN TO  
20 FINANCE THE ESTABLISHMENT OF HATCHERIES UNDER SECS. 400 470 OF THIS  
21 CHAPTER]. In the case of a security agreement given to secure a loan  
22 made under secs. 300 - 370 of this chapter and covering a vessel docu-  
23 mented under the laws of the United States and so long as the Ship  
24 Mortgage Act of 1920 (46 U.S.C. secs. 911 - 984; 41 Stat. 1000), as  
25 amended, and the Shipping Act of 1916 (46 U.S.C. secs. 801 - 842; 39  
26 Stat. 728), as amended, remain ambiguous with respect to whether or not  
27 a state or state agency qualifies as a citizen of the United States for  
28 purposes of those Acts, the first lien requirement of this section may  
29 be satisfied by the recordation and endorsement of a first preferred

1 ship mortgage under the Ship Mortgage Act of 1920, and by perfection of  
2 a security interest under the Uniform Commercial Code - Secured Trans-  
3 actions (AS 45.05.690 - 45.05.794), if the approval of the Secretary of  
4 Commerce is obtained under 46 U.S.C. sec. 839 for the transfer to the  
5 department of the interest in a vessel documented under the laws of the  
6 United States. In the case of a security agreement given to secure a  
7 loan made under secs. 300 - 370 of this chapter and covering a vessel  
8 documented under the laws of the United States, the first lien require-  
9 ment of this section may also be satisfied by use of a trust deed and  
10 bond issue under it, if the trustee is a citizen of the United States  
11 and obtains a first preferred ship mortgage on the vessel under the Ship  
12 Mortgage Act of 1920, and the approval of the Secretary of Commerce is  
13 obtained under 46 U.S.C. secs. 839 and 961 for the transfer of the bond  
14 or bonds to the department if the trustee is not a trustee approved by  
15 the Secretary of Commerce under 46 U.S.C. secs. 808, 835 and 961.

16 [EXCEPT FOR LOANS GRANTED UNDER SEC. 310(a)(1)(B) OF THIS CHAPTER,  
17 LOANS] Loans may not exceed 75 per cent of the appraised value of the  
18 collateral used to secure the loan.

19 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-  
20 070(c).