

Introduced: 2/18/81
Referred: Labor & Commerce and
Finance

1 IN THE HOUSE

BY RANDOLPH, BEIRNE AND
FANNING

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 23

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a personal loan program for
7 Alaska residents; and providing for an effective
8 date."

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

10 * Section 1. PURPOSE AND INTENT. The major problem facing Alaska today
11 is that state government has surplus wealth which occurs as a result of its
12 ownership and control of land and other natural resources including sub-
13 surface minerals. This problem has reached a great magnitude illustrated by
14 the increase of money available for appropriation by the legislature by
15 approximately \$1.15 billion in one month at the beginning of the 1981 legis-
16 lative session. Estimates by legislative fiscal analysts project about \$327
17 billion in revenues from the Prudhoe Bay oil fields alone, or more than
18 \$800,000 for each man, woman, and child presently in Alaska. This surplus
19 wealth threatens the well-being of Alaskans by making them dependent on
20 government programs, by encouraging the rampant growth of government, by
21 depriving the private economy of the wealth, and by replacing individual
22 consumer choice in the free market with governmental allocation of resources
23 based on political rather than economic criteria. While ultimately this
24 problem can only be resolved by transferring the ownership of natural
25 resources to the private ownership of individual Alaskans, interim steps
26 must be taken to divest state government of this threatening surplus wealth
27 in a manner which will benefit Alaskans in an equitable manner. While
28 "handouts" are distasteful to all self-respecting individuals, this Act is
29 designed as a necessary and efficient interim step in the process of return-

ing unwarranted state government surplus wealth to a free and prosperous
economy of private individuals.

* Sec. 2. AS 45 is amended by adding a new chapter to read:

CHAPTER 85. PERSONAL LOAN PROGRAM FOR ALASKA RESIDENTS.

Sec. 45.85.010. PERSONAL LOAN PROGRAM ESTABLISHED. A personal loan program is established in the Department of Commerce and Economic Development. The department shall make personal loans to persons who are eligible under AS 45.85.040. Repayments of personal loans made under this chapter shall be paid into the general fund.

Sec. 45.85.020. ADMINISTRATION. The commissioner shall administer the personal loan program according to regulations adopted under the Administrative Procedure Act (AS 44.62).

Sec. 45.85.030. CONDITIONS OF PERSONAL LOANS. (a) A personal loan made under this chapter shall be for \$10,000.

(b) Interest may not be charged on a personal loan made under this chapter.

(c) Repayment of a personal loan shall begin within five years from the date of the loan, and the personal loan shall be fully repaid within 15 years from the date of the loan.

(d) Security may not be required for a personal loan made under this chapter, and an eligible applicant may not be subjected to a credit investigation as a condition of obtaining a personal loan.

Sec. 45.85.040. ELIGIBILITY FOR PERSONAL LOAN. A person is eligible to receive a personal loan under this chapter if the person

(1) is a resident of Alaska;

(2) is 18 years or older.

Sec. 45.85.050. DEFINITIONS. In this chapter

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

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(2) "department" means the Department of Commerce and Economic Development;

(3) "resident" means an individual domiciled in the state who has been a resident for at least one year immediately preceding his application for a loan under this chapter.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-070(c).