

Original sponsors: Rogers, Brown,
Carney, et al

Offered: 5/15/81
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2

CS FOR HOUSE BILL NO. 456 (Resources)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to agriculture; and providing for an
7 effective date."

8

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

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* Section 1. PURPOSE. It is the purpose of this Act to promote

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(1) the development of economically viable, environmentally

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sound, and energy-efficient agricultural production which will help diversify

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and stabilize the economy of the state; and

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(2) the self-sufficiency of Alaskans in the production of food

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supplies.

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* Sec. 2. AS 03.10.010 is repealed and reenacted to read:

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Sec. 03.10.010. DECLARATION OF POLICY. It is the policy of this

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chapter to promote the development of agriculture throughout the state

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by means of low-interest loans.

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* Sec. 3. AS 03.10.020(1) is repealed and reenacted to read:

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(1) make loans

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(A) for development of farms and greenhouses and for

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the storage, processing, and marketing of farm produce, livestock,

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and machinery

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(i) to individual resident farmers, homesteaders,

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greenhouse gardeners; and

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(ii) to partnerships, cooperatives, and corporations

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composed of resident farmers, homesteaders, and greenhouse

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gardeners;

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(B) for storage and processing plants for agricultural

1 products to resident individuals, partnerships, cooperatives, and
2 corporations;

3 * Sec. 4. AS 03.10.030(a) is repealed and reenacted to read:

4 (a) A loan may not run longer than 30 years or the useful life of
5 the chattel nor bear interest exceeding six percent, and it shall be
6 secured by a real estate or chattel mortgage, or both.

7 * Sec. 5. AS 03.10.030(b) is repealed and reenacted to read:

8 (b) A loan to an individual resident farmer, homesteader, or
9 greenhouse gardener or to a partnership or corporation composed of
10 farmers, homesteaders, or greenhouse gardeners may not exceed \$500,000
11 for farm development and \$300,000 for chattels.

12 * Sec. 6. AS 03.10.030(d) is repealed and reenacted to read:

13 (d) A loan for an irrigation system under this chapter may be
14 made in an amount and for a term determined by the commissioner.

15 * Sec. 7. AS 03.10.030 is amended by adding a new subsection to read:

16 (g) A loan may not be made under this chapter unless the depart-
17 ment determines that sufficient capital is not available from other
18 sources on reasonable terms.

19 * Sec. 8. AS 03 is amended by adding a new chapter to read:

20 CHAPTER 18. ALASKA AGRICULTURAL PRODUCTS BOARD.

21 Sec. 03.18.010. ALASKA AGRICULTURAL PRODUCTS BOARD. (a) There
22 is established in the Department of Natural Resources the Alaska Agri-
23 cultural Products Board consisting of 11 members appointed by the
24 governor. Members of the board shall be residents of the state. The
25 board shall consist of persons who are representative of processors of
26 agricultural products in the state and farmers who have actively engaged
27 in farming in the state during at least one of the three years preceding
28 appointment. The commissioner of natural resources is a nonvoting, ex
29 officio member of the board. Members of the board serve terms of four

1 years. Six appointed members of the board constitute a quorum.

2 (b) The board shall elect a presiding officer annually and shall
3 hold at least one regular meeting a year. The board shall meet at the
4 call of the presiding officer or upon the written request of four
5 appointed members.

6 (c) Members of the board do not receive a salary, but are entitled
7 to per diem and travel expenses authorized by law for boards and commis-
8 sions under AS 39.20.180.

9 Sec. 03.18.020. MEETINGS PUBLIC. Meetings of the board are
10 public and shall be held under AS 44.62.310.

11 Sec. 03.18.030. DUTIES. The board shall

12 (1) conduct programs of education, research, advertising, or
13 sales promotion designed to accomplish the purposes of this chapter;

14 (2) contract with persons to promote the sale of agricultural
15 products;

16 (3) cooperate with any other local, state or national board,
17 organization, or agency engaged in work or activities similar to the
18 work and activities of the board and contract with those organizations
19 or agencies for carrying on joint programs of consumer education, sales
20 promotion, quality promotion, advertising, and research in the produc-
21 tion, processing, or distribution of agricultural products;

22 (4) conduct or contract for scientific research to develop
23 and discover the health, dietetic, or other uses of agricultural
24 products;

25 (5) prepare an annual budget for the board;

26 (6) employ an executive director and other employees it
27 considers necessary and prescribe their duties and fix their compensa-
28 tion;

29 (7) establish offices and incur expenses incidental to their

1 establishment;

2 (8) present facts to, and negotiate with local, state, or
3 federal governmental agencies on matters affecting quality production,
4 processing, or distribution of agricultural products.

5 Sec. 03.18.040. ANNUAL REPORTS. The board shall prepare an
6 annual report suggesting methods to promote high quality and markets
7 for agricultural products. The report shall be submitted to the legis-
8 lature on February 15 of each year.

9 Sec. 03.18.050. DEFINITIONS. In this chapter

10 (1) "agricultural products" means plants and animals useful
11 to man which are produced in the state for human food and does not
12 include aquatic plants and animals;

13 (2) "board" means the Alaska Agricultural Products Board.

14 * Sec. 9. AS 38.05.069(c)(1) is amended to read:

15 (1) the director may convey or lease an interest in the land
16 only for agricultural purposes, and all other interests in the land
17 remain in the state; the sale or lease shall be at public auction and,
18 if the land conveyed or leased contains over 40 acres, before the con-
19 tract of sale or lease is signed the purchaser or lessee shall agree
20 to a farm conservation plan which has been approved by the director
21 and which may be modified by agreement between the purchaser or lessee
22 and the director;

23 * Sec. 10. AS 38.05.069(e) is amended by adding a new paragraph to read:

24 (3) "farm conservation plan" means an agreement which

25 (A) describes the location of the land that will be
26 cleared or cultivated;

27 (B) describes the location of buildings or other im-
28 provements that will be constructed on the land; and

29 (C) describes the soil conservation measures that will

1 be taken by the purchaser or lessee.

2 * Sec. 11. AS 41.10.040 is amended to read:

3 Sec. 41.10.040. SOIL CONSERVATION BOARD. The district is governed
4 by the Alaska Soil Conservation Board composed of five [THREE] members.

5 * Sec. 12. AS 41.10.060 is repealed and reenacted to read:

6 Sec. 41.10.060. QUALIFICATIONS OF BOARD MEMBERS. The board shall
7 consist of resident farmers and ranchers and shall be geographically
8 representative of the state.

9 * Sec. 13. AS 41.10 is amended by adding a new section to read:

10 Sec. 41.10.095. DUTIES OF BOARD. The board shall

11 (1) receive and review reports concerning the use of soil
12 resources in the state;

13 (2) hold public hearings and meetings to determine whether
14 land in the state is being used in a manner consistent with sound soil
15 conservation practice;

16 (3) furnish the commissioner of natural resources with re-
17 ports of findings and make recommendations for specific action neces-
18 sary to provide for the effective and orderly development of farming
19 and grazing land in the state; and

20 (4) review an appeal by an applicant or lessee from a deci-
21 sion of the director of the division of lands or the commissioner of
22 natural resources concerning the leasing of state agricultural or
23 grazing land and submit its recommendations to the commissioner or
24 hearing officer.

25 * Sec. 14. AS 44.81 is amended by adding a new section to read:

26 Sec. 44.81.215. AGRICULTURAL PROCESSING FACILITIES LOAN. The
27 bank may make a loan to provide financing for

28 (1) the construction or improvement of agricultural proces-
29 sing facilities in the state;

1 (2) the working capital requirements of an agricultural
2 processing facility in the state.

3 * Sec. 15. AS 44.81.350 is amended by adding a new paragraph to read:

4 (5) "agricultural processing facilities" means facilities
5 which process agricultural products and includes but is not limited to
6 port facilities for the storage and shipment of grain, centralized
7 grain handling facilities, slaughterhouses, dairy plants, and vegetable
8 processing plants.

9 * Sec. 16. Within 90 days after the effective date of this Act the
10 governor shall appoint two additional members to the Alaska Soil Conserva-
11 tion Board under AS 41.10.040 amended in sec. 11 of this Act. The initial
12 terms of the additional members shall be two and three years respectively.
13 The present members of the board shall complete their terms of office. All
14 appointments, whether to fill vacancies or the new positions, shall be made
15 so as to bring about the composition of the board provided in AS 41.10.060
16 as amended by sec. 12 of this Act.

17 * Sec. 17. Of the members first appointed by the governor to the Alaska
18 Agricultural Products Board under AS 03.18.010 enacted in sec. 8 of this
19 Act, three members serve for one year, three members for two years, three
20 members for three years, and two members for four years.

21 * Sec. 18. The first report required under AS 03.18.040 by the Alaska
22 Agricultural Products Board enacted in sec. 8 of this Act shall be submitted
23 to the First Session of the Thirteenth Legislature.

24 * Sec. 19. The Department of Health and Social Services may provide to
25 applicants who qualify for state assistance under AS 47.25 seeds, supplies,
26 and tools for home gardens up to a value of \$50 for each qualifying house-
27 hold.

28 * Sec. 20. AS 03.10.030(f) is repealed.

29 * Sec. 21. This Act takes effect July 1, 1981.