

Original sponsors: Rogers, Brown,
Carney, et al

Offered: 5/18/81
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 456 (Finance)

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:

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

10 (1) the development of economically viable, environmentally
11 sound, and energy-efficient agricultural production which will help diversify
12 and stabilize the economy of the state; and

13 (2) the self-sufficiency of Alaskans in the production of food
14 supplies.

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 AS 03.10.010 is repealed and reenacted to read:

16 Sec. 03.10.010. DECLARATION OF POLICY. It is the policy of this
17 chapter to promote the development of agriculture throughout the state
18 by means of low-interest loans.

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 AS 03.10.020(1) is repealed and reenacted to read:

20 (1) make loans

21 (A) for development of farms and greenhouses and for
22 the storage, processing, and marketing of farm produce, livestock,
23 and machinery

24 (i) to individual resident farmers, homesteaders,
25 greenhouse gardeners; and

26 (ii) to partnerships, cooperatives, and corporations
27 composed of resident farmers, homesteaders, and greenhouse
28 gardeners;

29 (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 AS 03.10.030(a) is repealed and reenacted to read: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 eight percent, and the loan
6 shall be 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 AS 03.10.030(b) is repealed and reenacted to read: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 \$750,000
11 for farm development and \$500,000 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 AS 03.10.030(d) is repealed and reenacted to read: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. 03.18.005. PURPOSES OF CHAPTER. The purposes of this
22 chapter are to

23 (1) enable the agricultural industry to maintain and enhance
24 the quality and purity of agricultural products harvested and processed
25 by farmers and food processors in the state;

26 (2) enable the agricultural industry in the state to stimu-
27 late consumer identification of Alaska agricultural products so as to
28 increase the use and consumption of agricultural products harvested and
29 processed in the state; and

1 (3) stabilize and diversify the distribution of agricultural
2 products processed and harvested in the state by encouraging consumers
3 to purchase Alaska agricultural products.

4 Sec. 03.18.010. ALASKA AGRICULTURAL PRODUCTS BOARD. (a) There
5 is established in the Department of Natural Resources the Alaska Agri-
6 cultural Products Board consisting of seven members appointed by the
7 governor. Members of the board shall be residents of the state. The
8 board shall consist of persons who are representative of processors of
9 agricultural products in the state and farmers who have actively
10 engaged in farming in the state during at least one of the three years
11 preceding appointment. The commissioner of natural resources or his
12 designee, the director of the agricultural experiment station, and the
13 director of the cooperative extension service are nonvoting, ex officio
14 members of the board. Members of the board serve terms of four years.
15 Six appointed members of the board constitute a quorum.

16 (b) The board shall elect a presiding officer annually and shall
17 hold at least one regular meeting a year. The board shall meet at the
18 call of the presiding officer or upon the written request of four
19 appointed members.

20 (c) Members of the board do not receive a salary, but are entitled
21 to per diem and travel expenses authorized by law for boards and
22 commissions under AS 39.20.180.

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

25 Sec. 03.18.030. DUTIES. The board shall

26 (1) conduct or sponsor programs of market research and
27 education, advertising, or sales promotion designed to accomplish the
28 purposes of this chapter;

29 (2) contract with persons to promote the sale of agricultural

1 products;

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

8 (4) conduct or contract for scientific research to develop
9 and discover the health, dietetic, or other uses of agricultural
10 products;

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

12 (6) employ an executive director and other employees it
13 considers necessary and prescribe their duties and fix their compensa-
14 tion;

15 (7) establish offices and incur expenses incidental to their
16 establishment;

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

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

24 Sec. 03.18.050. DEFINITIONS. In this chapter

25 (1) "agricultural products" means plants and animals useful
26 to man which are produced in the state for human food and does not
27 include aquatic plants and animals or timber products;

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

29 * Sec. 9. AS 41.10.040 is amended to read:

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

3 * Sec. 10. AS 41.10.060 is repealed and reenacted to read:

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

7 * Sec. 11. AS 41.10 is amended by adding a new section to read:

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

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

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

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

18 (4) review an appeal by an applicant or lessee from a deci-
19 sion of the director of the division of forest, land and water manage-
20 ment or the commissioner of natural resources concerning a sale or
21 lease of state agricultural or grazing land and submit its recommenda-
22 tions to the commissioner or hearing officer.

23 * Sec. 12. AS 44.81 is amended by adding a new section to read:

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

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

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

1 * Sec. 13. AS 44.81.350 is amended by adding a new paragraph to read:
2 (5) "agricultural processing facilities" means facilities
3 which process agricultural products and includes but is not limited to
4 port facilities for the storage and shipment of grain, centralized
5 grain handling facilities, slaughterhouses, dairy plants, and vegetable
6 processing plants.

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

15 * Sec. 15. Of the members first appointed by the governor to the Alaska
16 Agricultural Products Board under AS 03.18.010 enacted in sec. 8 of this
17 Act, three members serve for one year, three members for two years, three
18 members for three years, and two members for four years.

19 * Sec. 16. The first report required by the Alaska Agricultural Products
20 Board under AS 03.18.040 enacted in sec. 8 of this Act shall be submitted to
21 the First Session of the Thirteenth Legislature.

22 * Sec. 17. This Act takes effect July 1, 1981.
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