

Original sponsors: Rogers, Brown,
Carney, et al

Offered: 5/18/81
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

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CS FOR HOUSE BILL NO. 456 (Finance) am

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to agriculture."

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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 AS 03.10.010 is repealed and reenacted to read: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 AS 03.10.020(1) is repealed and reenacted to read: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

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products to resident individuals, partnerships, cooperatives, and

corporations;

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 AS 03.10.030(a) is repealed and reenacted to read:

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

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 AS 03.10.030(b) is repealed and reenacted to read:

(b) A loan to an individual resident farmer, homesteader, or greenhouse gardener or to a partnership or corporation composed of farmers, homesteaders, or greenhouse gardeners may not exceed \$750,000 for farm development and \$500,000 for chattels.

* Sec. 6. AS 03.10.030 is amended by adding a new subsection to read:

(g) A loan may not be made under this chapter unless the department determines that sufficient capital is not available from other sources on reasonable terms.

* Sec. 7. AS 03 is amended by adding a new chapter to read:

CHAPTER 18. ALASKA AGRICULTURAL PRODUCTS BOARD.

Sec. 03.18.005. PURPOSES OF CHAPTER. The purposes of this chapter are to

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

(2) enable the agricultural industry in the state to stimulate consumer identification of Alaska agricultural products so as to increase the use and consumption of agricultural products harvested and processed in the state; and

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

Sec. 03.18.010. ALASKA AGRICULTURAL PRODUCTS BOARD. (a) There

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

12 (b) The board shall elect a presiding officer annually and shall
13 hold at least one regular meeting a year. The board shall meet at the
14 call of the presiding officer or upon the written request of four
15 appointed members.

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

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

21 Sec. 03.18.030. DUTIES. The board shall

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

25 (2) contract with persons to promote the sale of agricultural
26 products;

27 (3) cooperate with any other local, state or national board,
28 organization, or agency engaged in work or activities similar to the
29 work and activities of the board and contract with those organizations

1 or agencies for carrying on joint programs of consumer education, sales
2 promotion, quality promotion, advertising, and research in the produc-
3 tion; processing, or distribution of agricultural products;

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

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

8 (6) employ an executive director and other employees it
9 considers necessary and prescribe their duties and fix their compensa-
10 tion;

11 (7) establish offices and incur expenses incidental to their
12 establishment;

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

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

20 Sec. 03.18.050. DEFINITIONS. In this chapter

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

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

25 * Sec. 8. AS 41.10.040 is amended to read:

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

29 * Sec. 9. AS 41.10.060 is repealed and reenacted to read:

1 Sec. 41.10.060. QUALIFICATIONS OF BOARD MEMBERS. The board shall
2 consist of resident farmers and ranchers and shall be geographically
3 representative of the state.

4 * Sec. 10. AS 41.10 is amended by adding a new section to read:

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

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

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

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

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

20 * Sec. 11. AS 44.81 is amended by adding a new section to read:

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

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

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

27 * Sec. 12. AS 44.81.350 is amended by adding a new paragraph to read:

28 (5) "agricultural processing facilities" means facilities
29 which process agricultural products and includes but is not limited to

1 port facilities for the storage and shipment of grain, centralized
2 grain handling facilities, slaughterhouses, dairy plants, and vegetable
3 processing plants.

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

12 * Sec. 14. Of the members first appointed by the governor to the Alaska
13 Agricultural Products Board under AS 03.18.010 enacted in sec. 8 of this
14 Act, three members serve for one year, three members for two years, three
15 members for three years, and two members for four years.

16 * Sec. 15. The first report required by the Alaska Agricultural Products
17 Board under AS 03.18.040 enacted in sec. 8 of this Act shall be submitted to
18 the First Session of the Thirteenth Legislature.

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