

Introduced: 5/18/81
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 581

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 the mining loan fund; and provid-
7 ing for an effective date."

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

9 * Section 1. AS 27.09.010 is amended to read:

10 Sec. 27.09.010. MINING LOAN FUND. There is established in the
11 Department of Commerce and Economic Development the mining loan fund.
12 Subject to the limitations of AS 27.09.040, the [THE] department may
13 make loans from the fund in an amount equal to an amount loaned by a
14 private lending institution to underwrite advanced mineral exploration,
15 development, or mining in the state.

16 * Sec. 2. AS 27.09.030(f) is amended to read:

17 (f) Information acquired under this section is confidential and
18 may not be disclosed except to the person who supplied the information,
19 to a private lending institution making a loan for advanced mineral
20 exploration in conjunction with an application for a loan under this
21 chapter, or except by order of the court.

22 * Sec. 3. AS 27.09.040(a)(1) is amended to read:

23 (1) may not exceed \$1,000,000 [\$5,000,000];

24 * Sec. 4. AS 27.09.040(a)(4) is amended to read:

25 (4) may not exceed 37.5 [75] percent of the appraised value
26 of the collateral used to secure the loan.

27 * Sec. 5. AS 27.09.040(b) is amended to read:

28 (b) A loan may not be made under this chapter if it would result
29 in an outstanding debt of the borrower to the fund in excess of

1 \$1,000,000 [\$5,000,000].

2 * Sec. 6. AS 27.09.040(c)(2) is amended to read:

3 (2) a second priority lien or mortgage which is subordinate
4 to a valid first priority lien or mortgage in favor of a private lend-
5 ing institution if the total of the financing by the private lending
6 institution and by the loan made under this chapter does not exceed
7 37.5 [75] percent of the appraised value of the collateral used to
8 secure the loan.

9 * Sec. 7. This Act takes effect July 1, 1981.