

Introduced: 3/2/81  
Referred: Resources and  
Finance

1 IN THE SENATE

BY FAHRENKAMP, FERGUSON,  
BENNETT AND PARR

2 SENATE BILL NO. 226

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 AS 27.09.020 is repealed and reenacted to read:

10 Sec. 27.09.020. ELIGIBILITY. The department may make loans under  
11 this chapter to

12 (1) an individual who has at least five years of mining or  
13 prospecting experience in the state and who is a resident of the state;

14 (2) a partnership if more than half of the partners each  
15 have five years mining or prospecting experience in the state and more  
16 than half of the partners are residents of the state; or

17 (3) a corporation which has at least five years of mining or  
18 prospecting experience in the state if at least 51 percent of its  
19 shares are held by residents of the state;

20 (4) a corporation which does not meet the requirements of  
21 (3) of this section if at least 51 percent of its shares are held by  
22 persons having at least five years of mining or prospecting experience  
23 in the state; and at least 51 percent of its shares are held by persons  
24 who are residents of the state; or

25 (5) a person holding a business license under AS 43.70 if  
26 the business is managed by an individual with at least five years  
27 experience as the manager of a business.

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

29 (2) a second priority lien or mortgage which is subordinate

1 to a valid first priority lien or mortgage [IN FAVOR OF A PRIVATE  
2 LENDING INSTITUTION] if the total of the financing by the lender mak-  
3 ing the first mortgage [PRIVATE LENDING INSTITUTION] and by the loan  
4 made under this chapter does not exceed 75 percent of the appraised  
5 value of the collateral used to secure the loan.

6 \* Sec. 3. AS 27.09 is amended by adding a new section to read:

7 Sec. 27.09.045. REFINANCING. The department may refinance a loan  
8 under this chapter by making a loan to pay outstanding debts. The  
9 terms in AS 27.09.040 apply to debts refinanced under this section.

10 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-  
11 070(c).