

Offered: 1/26/84
Referred: Finance

Original sponsors: Moss, Kerttula
and Fahrenkamp

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 336 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act relating to federal crop insurance; and
7 providing for an effective date."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. AS 03.10.030(c) is amended to read:
10 (c) A short term loan, to be amortized within one year, not to
11 exceed \$350,000 to any one borrower may be made for operating
12 purposes, except that a loan made under this subsection may not exceed
13 \$200,000 unless the loan is made to a borrower in a farm disaster area
14 declared under AS 03.10.058. An applicant for a short term loan may
15 be required to purchase insurance through the Federal Crop Insurance
16 Act (7 U.S.C. 1501-1520) as a condition of the loan.
17 * Sec. 2. AS 03 is amended by adding a new chapter to read:
18 CHAPTER 13. FEDERAL CROP INSURANCE CONTRIBUTIONS.
19 Sec. 03.13.010. AGREEMENT WITH FEDERAL CROP INSURANCE CORPO-
20 RATION. The department shall enter into an agreement with the Federal
21 Crop Insurance Corporation under which the department agrees to pay to
22 the corporation a portion of federal crop insurance premiums paid by
23 producers of agricultural commodities in this state. The agreement
24 shall provide for a corresponding reduction in the federal crop insur-
25 ance premium paid by those producers.
26 Sec. 03.13.020. AMOUNT OF CONTRIBUTIONS. Under the agreement,
27 the department shall pay to the corporation for each covered producer
28 an amount equal to the amount that the corporation pays for that
29 producer under 7 U.S.C. 1508(b)(3) of the Federal Crop Insurance Act

1 (7 U.S.C. 1501 - 1520), except as provided otherwise in this chapter.

2 Sec. 03.13.030. LIMITATION. Thirty percent of each producer's
3 premium, as calculated by the corporation, on coverage of up to 65
4 percent of the recorded or appraised average yield, as adjusted, shall
5 be paid by the state.

6 Sec. 03.13.040. APPROPRIATIONS. (a) The payments to the corpo-
7 ration shall be made from funds appropriated from the general fund to
8 the department for that purpose.

9 (b) If for any year the amount appropriated is insufficient to
10 fully fund the contribution required by AS 03.12.020, the department
11 shall allocate funds on a first come basis.

12 Sec. 03.13.050. DEFINITIONS. In this chapter, "corporation"
13 means the Federal Crop Insurance Corporation (7 U.S.C. 1503).

14 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
15 10.070(c).