

Offered: 4/26/85
Referred: Rules

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE BILL NO. 78 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act making miscellaneous amendments to state loan
7 programs; and providing for an effective date."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. AS 16.10.310(a) is amended to read:
10 (a) The department may
11 (1) make loans to
12 (A) individual commercial fishermen who have been
13 state residents for a continuous period of two years immediately
14 preceding the date of application for a loan under AS 16.10.300 -
15 16.10.370 and have had a crewmember or commercial fishing license
16 under AS 16.05.480 or a permit under AS 16.43 for the year imme-
17 diately preceding the date of application and any other two of
18 the past five years, and who actively participated in the fishery
19 during those periods, for the purchase of entry permits;
20 (B) an individual for the repair, restoration, or up-
21 grading of existing vessels and gear, for the purchase of entry
22 permits and gear, and for the construction and purchase of ves-
23 sels, if the individual [AN INDIVIDUAL WHO] has been a state
24 resident for a continuous period of two years immediately pre-
25 ceding the date of application for a loan under AS 16.10.300 -
26 16.10.370, and either [WHO]
27 (i) because of lack of training or lack of em-
28 ployment opportunities in the area of residence does not
29 have occupational opportunities available other than

1 commercial fishing; or

2 (ii) is economically dependent on commercial
3 fishing for a livelihood and for whom commercial fishing has
4 been a traditional way of life [FOR THE INDIVIDUAL] in
5 Alaska [, FOR THE REPAIR, RESTORATION OR UPGRADING OF EXIST-
6 ING VESSELS AND GEAR, FOR THE PURCHASE OF ENTRY PERMITS AND
7 GEAR, AND FOR THE CONSTRUCTION AND PURCHASE OF VESSELS;

8 (C) CORPORATIONS, PARTNERSHIPS, OR JOINT VENTURES, 100
9 PERCENT OF WHICH ARE OWNED BY INDIVIDUAL COMMERCIAL FISHERMEN WHO
10 HAVE BEEN STATE RESIDENTS FOR A CONTINUOUS PERIOD OF TWO YEARS
11 IMMEDIATELY PRECEDING THE DATE OF APPLICATION FOR A LOAN UNDER
12 AS 16.10.310(a)(1)(B) AND HAVE HAD A CREWMEMBER OR COMMERCIAL
13 FISHING LICENSE UNDER AS 16.05.480 OR A PERMIT UNDER AS 16.43 FOR
14 THE YEAR IMMEDIATELY PRECEDING THE DATE OF APPLICATION AND ANY
15 OTHER TWO OF THE PAST FIVE YEARS, AND WHO ACTIVELY PARTICIPATED
16 IN THE FISHERY DURING THAT PERIOD, FOR THE REPAIR, RESTORATION OR
17 UPGRADING OF EXISTING VESSELS AND GEAR, FOR THE PURCHASE OF GEAR,
18 AND FOR THE CONSTRUCTION AND PURCHASE OF VESSELS];

19 (2) designate agents and delegate its powers to them as
20 necessary;

21 (3) adopt regulations necessary to carry out its functions;

22 (4) establish amortization plans for repayment of loans,
23 which may include extensions for poor fishing seasons or for adverse
24 market conditions for Alaskan products;

25 (5) enter into agreements with private lending intuitions,
26 other state agencies, or agencies of the federal government, to carry
27 out the purposes of AS 16.10.300 - 16.10.370;

28 (6) enter into agreements with other agencies or organiza-
29 tions to create an outreach program to make loans under AS 16.10.300 -

1 16.10.370 in rural areas of the state;

2 (7) allow an assumption of a loan if

3 (A) the applicant has been a state resident for a
4 continuous period of two years immediately preceding the date of
5 the request for an assumption; and

6 (B) approval of the assumption would be consistent
7 with the purposes of AS 16.10.300; an applicant for a loan
8 assumption may not be disqualified because the applicant does not
9 meet the loan eligibility requirements of (1) of this subsection;

10 (8) prequalify loan applicants for a limited entry permit
11 loan and charge a fee not to exceed \$200 for prequalification.

12 * Sec. 2. AS 16.10.310 is amended by adding a new subsection to read:

13 (c) In determining whether an individual commercial fisherman is
14 reasonably likely to be able to repay a loan made under AS 16.10.300 -
15 16.10.370, the commissioner shall consider the individual commercial
16 fisherman's income from commercial fishing and from all other sources.

17 * Sec. 3. AS 16.10.315 is amended to read:

18 Sec. 16.10.315. ALLOCATION OF LOANS. The department shall
19 allocate at least 10 percent of the money that is appropriated for a
20 state fiscal year to make loans under AS 16.10.310 for loans of
21 \$35,000 or less made under AS 16.10.310(a)(1)(B) [AND (C)]. An allo-
22 cation made under this section terminates on April 15 of the state
23 fiscal year for which the allocation is made.

24 * Sec. 4. AS 16.10.320(a) is amended to read:

25 (a) Except as permitted in (h) of this section, a [A] loan
26 under AS 16.10.300 - 16.10.370 [16.10.310 - 16.10.370]

27 (1) may not exceed a term of 15 years, except for exten-
28 sions under AS 16.10.310(a)(4);

29 (2) may not bear interest exceeding 10-1/2 percent;

1 (3) must [SHALL] be secured by a first priority lien and
2 appropriate security agreement; and

3 (4) may not exceed 90 percent of the appraised value of the
4 collateral used to secure the loan[, EXCEPT THAT A LOAN GRANTED UNDER
5 AS 16.10.333 FOR THE PURCHASE OF AN ALASKA LIMITED ENTRY PERMIT MAY
6 NOT EXCEED AN AMOUNT DETERMINED IN ACCORDANCE WITH (f) OR (h) OF THIS
7 SECTION].

8 * Sec. 5. AS 16.10.320(d) is amended to read:

9 (d) The total of balances outstanding on loans [LOANS] made to a
10 borrower under AS 16.10.310(a)(1)(A) may not exceed [A TOTAL OF]
11 \$300,000. The total of balances outstanding on loans [LOANS] made to
12 a borrower under AS 16.10.310(a)(1)(B) [OR (C)] may not exceed [A
13 TOTAL OF] \$100,000. [A LOAN TO AN ASSOCIATE OF THE BORROWER IS CON-
14 sidered to be a loan to the borrower. FOR THE PURPOSES OF THIS SEC-
15 tion, "ASSOCIATE OF THE BORROWER" MEANS

16 (1) A CORPORATION OR OTHER ORGANIZATION OF WHICH THE BOR-
17 ROWER IS AN OFFICER, DIRECTOR OR PARTNER, OR IS, DIRECTLY OR INDI-
18 RECTLY, THE BENEFICIAL OWNER OF 10 PERCENT OR MORE ON ANY CLASS OF
19 EQUITY SECURITIES;

20 (2) A PERSON WHO IS, DIRECTLY OR INDIRECTLY, THE BENEFICIAL
21 OWNER OF 10 PERCENT OR MORE OF ANY CLASS OF EQUITY SECURITIES OF THE
22 BORROWER;

23 (3) A TRUST OR OTHER ESTATE IN WHICH THE BORROWER HAS A
24 SUBSTANTIAL BENEFICIAL INTEREST OR AS TO WHICH THE BORROWER SERVES AS
25 TRUSTEE OR IN A SIMILAR FIDUCIARY CAPACITY.]

26 * Sec. 6. AS 16.10.320(e) is amended to read:

27 (e) Two or more individual commercial fishermen who each satisfy
28 the requirements specified in AS 16.10.310(a)(1)(B) may jointly,
29 whether operating as a corporation, partnership, joint venture, or

1 otherwise, obtain a commercial fishing loan for the repair, restora-
2 tion, or upgrading of an existing vessel and gear, for the purchase of
3 gear, and for the construction [OF A FISHING VESSEL] or the purchase
4 of a [AN EXISTING] fishing vessel. Loans granted under this subsec-
5 tion

6 [(1)] may not exceed the amount specified in (d) of this
7 section multiplied by the number of qualified commercial fishermen
8 applying for the loan [;

9 (2) MAY NOT EXCEED A TERM OF 15 YEARS;

10 (3) SHALL BE SECURED BY A FIRST PRIORITY LIEN AND APPRO-
11 PRIATE SECURITY AGREEMENT;

12 (4) MAY NOT BEAR INTEREST EXCEEDING 10-1/2 PERCENT;

13 AND

14 (5) MAY NOT EXCEED 90 PERCENT OF THE APPRAISED VALUE OF
15 THE COLLATERAL USED TO SECURE THE LOAN].

16 * Sec. 7. AS 16.10.320(i) is amended to read:

17 (i) If a loan is made to a borrower under AS 16.10.310(a)(1)(A),
18 a subsequent loan may not be made to the borrower [OR AN ASSOCIATE OF
19 THE BORROWER] under AS 16.10.310(a)(1)(B) [OR (C)]. If a loan is made
20 to a borrower under AS 16.10.310(a)(1)(B) [OR (C)], a subsequent loan
21 may be made to the borrower [OR AN ASSOCIATE OF THE BORROWER] under
22 AS 16.10.310(a)(1)(A) if the total of the balances outstanding on
23 loans received by the borrower [OR THE ASSOCIATE] under AS 16.10.310
24 does not exceed \$300,000.

25 * Sec. 8. AS 16.10.333(a) is amended to read:

26 (a) Loans under AS 16.10.310(a) [AS 16.10.320(a)] may be made to
27 an individual commercial fisherman for the purchase of a limited entry
28 permit upon certification by the commission that the fisherman is a
29 person who qualifies as a transferee for the permit under AS 16.43 and

1 the regulations adopted by the commission.

2 * Sec. 9. AS 16.10.335 is amended to read:

3 Sec. 16.10.335. DEFAULT AND FORECLOSURE. (a) If the debtor
4 defaults upon a note for which a limited entry permit has been pledged
5 as security under AS 16.10.333 or [UNDER AS] 16.10.338, the commis-
6 sioner shall provide the debtor, by both [REGISTERED OR] certified and
7 first class mail sent to the debtor's last known address on file with
8 the commissioner, with a notice of default that [WHICH] includes

9 (1) a description of the security given for the note in-
10 cluding the number assigned to the pledged permit by the commission;

11 (2) the date upon which the default occurred;

12 (3) the amount of arrearages as of the date of the notice,
13 the total amount remaining on the note less unearned interest, and the
14 amount of daily interest;

15 (4) a statement that the debtor may, within 15 days after
16 [OF] the postmark date of the notice, request a hearing to submit
17 evidence showing the debtor has not defaulted;

18 (5) a statement that the note may be reinstated if brought
19 current within 60 days after [FROM] the postmark date of the notice;

20 (6) a statement that the note may be paid in full less
21 unearned interest within 120 days after [FROM] the postmark date of
22 the notice;

23 (7) the place where reinstatement or payment in full may be
24 made; and

25 (8) a notice in at least 10-point bold type stating:
26 "IMPORTANT: YOUR FAILURE TO REINSTATE OR PAY THIS NOTE IN FULL BY THE
27 DATE SPECIFIED WILL RESULT IN A FORFEITURE OF ALL RIGHTS TO THE PERMIT
28 AND THE POSSIBILITY OF LEGAL ACTION BEING INSTITUTED AGAINST YOU."

29 (b) In each case of a limited entry permit being pledged as

1 security under AS 16.10.333 or 16.10.338, the debtor shall maintain on
2 file with the department an address where notice of default is to be
3 sent, if necessary, and where that notice will be timely received by
4 the debtor.

5 (c) Upon presentation of evidence of mailing in accordance with
6 (a) of this section, the receipt of the notice of default by the
7 debtor will be presumed for all purposes. This presumption is rebut-
8 table by presentation of evidence sufficient to demonstrate lack of
9 receipt of notice through no fault of the debtor. Upon presentation
10 of evidence sufficient to prove lack of receipt of notice through no
11 fault of the debtor, the notice is a nullity.

12 (d) Upon good cause shown, the commissioner may waive any of the
13 time limits in (a) of this section, if the department receives from
14 the debtor or the debtor's representative a request for the waiver
15 before the expiration of the time limit for which the waiver is
16 sought.

17 (e) Except as otherwise provided in (c) and (d) of this section,
18 upon [UPON] the debtor's failure to satisfy the note within the time
19 specified in (a)(6) of this section, the debtor's interest in the
20 permit is terminated by operation of law without further notice. Any
21 entry permit cards issued to the debtor under the permit must [SHALL]
22 be cancelled immediately upon receipt by the commission of a certifi-
23 cate of termination containing a copy of the notice required by (a) of
24 this section issued by the commissioner.

25 * Sec. 10. AS 16.10.339 is amended to read:

26 Sec. 16.10.339. REGULATIONS. The [COMMISSION, WITH THE APPROVAL
27 OF THE] department[,] shall adopt regulations to implement AS 16.10.-
28 333 - 16.10.337.

29 * Sec. 11. AS 16.10 is amended by adding a new section to read:

1 Sec. 16.10.355. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR FORE-
2 CLOSURE. The department shall dispose of property acquired through
3 default or foreclosure of a loan made under AS 16.10.300 - 16.10.370
4 or former AS 16.10.650 - 16.10.720. Disposal shall be made in a
5 manner that serves the best interests of the state, and may include
6 the amortization of payments over a period of years, but may not be by
7 lease.

8 * Sec. 12. AS 16.10 is amended by adding a new section to read:

9 Sec. 16.10.507. SPECIAL ACCOUNT ESTABLISHED. (a) There is
10 established as a special account within the fisheries enhancement
11 revolving loan fund the foreclosure expense account. This account is
12 established as a reserve from fund equity.

13 (b) The commissioner may expend money credited to the foreclo-
14 sure expense account when necessary to protect the state's security
15 interest in collateral on loans made under AS 16.10.520 or to defray
16 expenses incurred during foreclosure proceedings after a default by an
17 obligor.

18 * Sec. 13. AS 16.10 is amended by adding a new section to read:

19 Sec. 16.10.555. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
20 FORECLOSURE. The Department of Commerce and Economic Development
21 shall dispose of property acquired through default or foreclosure of a
22 loan made under AS 16.10.500 - 16.10.620. Disposal shall be made in a
23 manner that serves the best interests of the state, and may include
24 the amortization of payments over a period of years.

25 * Sec. 14. AS 26.15 is amended by adding a new section to read:

26 Sec. 26.15.085. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
27 FORECLOSURE. The Department of Commerce and Economic Development
28 shall dispose of property acquired through default or foreclosure of a
29 loan made under this chapter. Disposal shall be made in a manner that

1 serves the best interests of the state, and may include the amortiza-
2 tion of payments over a period of years.

3 * Sec. 15. AS 26.15 is amended by adding a new section to read:

4 Sec. 26.15.095. SPECIAL ACCOUNT ESTABLISHED. (a) There is
5 established as a special account within the Alaska World War II veter-
6 ans' revolving fund the foreclosure expense account. This account is
7 established as a reserve from fund equity.

8 (b) The commissioner of commerce and economic development may
9 expend money credited to the foreclosure expense account when neces-
10 sary to protect the state's security interest in collateral on loans
11 made under AS 26.15.040 or to defray expenses incurred during fore-
12 closure proceedings after a default by an obligor.

13 * Sec. 16. AS 27.09 is amended by adding a new section to read:

14 Sec. 27.09.015. SPECIAL ACCOUNT ESTABLISHED. (a) There is
15 established as a special account within the mining loan fund the fore-
16 closure expense account. This account is established as a reserve
17 from fund equity.

18 (b) The commissioner of commerce and economic development may
19 expend money credited to the foreclosure expense account when neces-
20 sary to protect the state's security interest in collateral on loans
21 made under AS 27.09.010 or to defray expenses incurred during fore-
22 closure proceedings after a default by an obligor.

23 * Sec. 17. AS 27.09 is amended by adding a new section to read:

24 Sec. 27.09.055. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
25 FORECLOSURE. The department shall dispose of property acquired
26 through default or foreclosure of a loan made under this chapter.
27 Disposal shall be made in a manner that serves the best interests of
28 the state, and may include the amortization of payments over a period
29 of years.

1 * Sec. 18. AS 44.33 is amended by adding a new section to read:

2 Sec. 44.33.242. SPECIAL ACCOUNT ESTABLISHED. (a) There is
3 established as a special account within the child care facility re-
4 volving loan fund the foreclosure expense account. This account is
5 established as a reserve from fund equity.

6 (b) The commissioner of commerce and economic development may
7 expend money credited to the foreclosure expense account when neces-
8 sary to protect the state's security interest in collateral on loans
9 made under AS 44.33.245 or to defray expenses incurred during fore-
10 closure proceedings after a default by an obligor.

11 * Sec. 19. AS 44.33 is amended by adding a new section to read:

12 Sec. 44.33.272. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
13 FORECLOSURE. The department shall dispose of property acquired
14 through default or foreclosure of a loan made under AS 44.33.240 -
15 44.33.275. Disposal shall be made in a manner that serves the best
16 interests of the state, and may include the amortization of payments
17 over a period of years.

18 * Sec. 20. AS 44.81.210(a) is amended by adding a new paragraph to
19 read:

20 (23) make a loan to a person, regardless of residency, if
21 the board of directors of the bank determines that the loan is
22 necessary to preserve the value of property held by the bank as
23 security for a loan that was made under (a)(1) of this section and
24 that is in default.

25 * Sec. 21. AS 45.87 is amended by adding a new section to read:

26 Sec. 45.87.015. SPECIAL ACCOUNT ESTABLISHED. (a) There is
27 established as a special account within the bulk fuel revolving loan
28 fund the foreclosure expense account. This account is established as
29 a reserve from fund equity.

1 (b) The commissioner of commerce and economic development may
2 expend money credited to the foreclosure expense account when neces-
3 sary to protect the state's security interest in collateral on loans
4 made under this chapter or to defray expenses incurred during fore-
5 closure proceedings after a default by an obligor.

6 * Sec. 22. AS 45.87 is amended by adding new sections to read:

7 Sec. 45.87.040. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
8 FORECLOSURE. The department shall dispose of property acquired
9 through default or foreclosure of a loan made under this chapter.
10 Disposal shall be made in a manner that serves the best interests of
11 the state, and may include the amortization of payments over a period
12 of years.

13 Sec. 45.87.060. REGULATIONS. The department shall adopt regu-
14 lations to implement this chapter.

15 * Sec. 23. AS 45.88 is amended by adding a new section to read:

16 Sec. 45.88.015. SPECIAL ACCOUNT ESTABLISHED. (a) There is
17 established, as a special account within the revolving loan fund
18 established under AS 45.88.010, the foreclosure expense account. This
19 account is established as a reserve from fund equity.

20 (b) The commissioner of commerce and economic development may
21 expend money credited to the foreclosure expense account when neces-
22 sary to protect the state's security interest in collateral on loans
23 made under AS 45.88.020 or to defray expenses incurred during fore-
24 closure proceedings after a default by an obligor.

25 * Sec. 24. AS 45.88 is amended by adding a new section to read:

26 Sec. 45.88.050. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
27 FORECLOSURE. The Department of Commerce and Economic Development
28 shall dispose of property acquired through default or foreclosure of a
29 loan made under this chapter. Disposal shall be made in a manner that

1 serves the best interests of the state, and may include the amortiza-
2 tion of payments over a period of years.

3 * Sec. 25. AS 45.89 is amended by adding a new section to read:

4 Sec. 45.89.015. SPECIAL ACCOUNT ESTABLISHED. (a) There is
5 established as a special account within the residential energy conser-
6 vation fund the foreclosure expense account. This account is estab-
7 lished as a reserve from fund equity.

8 (b) The commissioner may expend money credited to the foreclo-
9 sure expense account when necessary to protect the state's security
10 interest in collateral on loans made under AS 45.89.030 or to defray
11 expenses incurred during foreclosure proceedings after a default by an
12 obligor.

13 * Sec. 26. AS 45.89 is amended by adding new sections to read:

14 Sec. 45.89.050. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
15 FORECLOSURE. The department shall dispose of property acquired
16 through default or foreclosure of a loan made under this chapter.
17 Disposal shall be made in a manner that serves the best interests of
18 the state, and may include the amortization of payments over a period
19 of years.

20 Sec. 45.89.070. REGULATIONS. The department shall adopt regu-
21 lations to implement this chapter.

22 * Sec. 27. AS 45.90 is amended by adding a new section to read:

23 Sec. 45.90.015. SPECIAL ACCOUNT ESTABLISHED. (a) There is
24 established as a special account within the tourism revolving fund the
25 foreclosure expense account. This account is established as a reserve
26 from fund equity.

27 (b) The commissioner of commerce and economic development may
28 expend money credited to the foreclosure expense account when neces-
29 sary to protect the state's security interest in collateral on loans

1 made under AS 45.90.020 or to defray expenses incurred during fore-
2 closure proceedings after a default by an obligor.

3 * Sec. 28. AS 45.90 is amended by adding a new section to read:

4 Sec. 45.90.050. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
5 FORECLOSURE. The Department of Commerce and Economic Development
6 shall dispose of property acquired through default or foreclosure of a
7 loan made under this chapter. Disposal shall be made in a manner that
8 serves the best interests of the state, and may include the amortiza-
9 tion of payments over a period of years.

10 * Sec. 29. AS 45.95 is amended by adding a new section to read:

11 Sec. 45.95.055. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
12 FORECLOSURE. The Department of Commerce and Economic Development
13 shall dispose of property acquired through default or foreclosure of a
14 loan made under this chapter. Disposal shall be made in a manner that
15 serves the best interests of the state, and may include the amortiza-
16 tion of payments over a period of years.

17 * Sec. 30. AS 45.95 is amended by adding a new section to read:

18 Sec. 45.95.065. SPECIAL ACCOUNT ESTABLISHED. (a) There is
19 established as a special account within the small business revolving
20 loan fund the foreclosure expense account. This account is estab-
21 lished as a reserve from fund equity.

22 (b) The commissioner may expend money credited to the foreclo-
23 sure expense account when necessary to protect the state's security
24 interest in collateral on loans made under AS 45.95.020 or to defray
25 expenses incurred during foreclosure proceedings after a default by an
26 obligor.

27 * Sec. 31. AS 45.98 is amended by adding a new section to read:

28 Sec. 45.98.015. SPECIAL ACCOUNT ESTABLISHED. (a) There is
29 established as a special account within the historical district

1 revolving loan fund the foreclosure expense account. This account is
2 established as a reserve from fund equity.

3 (b) The commissioner of commerce and economic development may
4 expend money credited to the foreclosure expense account when neces-
5 sary to protect the state's security interest in collateral on loans
6 made under this chapter, or to defray expenses incurred during fore-
7 closure proceedings after a default by an obligor.

8 * Sec. 32. AS 45.98.020 is amended to read:

9 Sec. 45.98.020. HISTORICAL DISTRICT LOANS. Upon endorsement and
10 plan approval by a local historical district commission established
11 under AS 29.48.108 and the recommendation of a majority of the members
12 of the Historic Sites Advisory Committee, the Department of Commerce
13 and Economic Development may make loans to a person, firm, business or
14 municipality subject to applicable laws for the restoration, improve-
15 ment, rehabilitation, or maintenance of

16 (1) a structure which is [(1)] within the boundaries of a
17 historical district established under AS 29.48.110 and [;]

18 [(2)] identified as important in state or national history as
19 provided for in AS 29.48.110(b); or [AND]

20 (2) a [(3) ANOTHER] building or structure within a histor-
21 ical district, that is [AND] suitable for superficial modification so
22 that it can conform to the period or motif of the surrounding build-
23 ings or structures that are the reason for the area's designation as a
24 historical district.

25 * Sec. 33. AS 45.98 is amended by adding a new section to read:

26 Sec. 45.98.055. DISPOSAL OF PROPERTY ACQUIRED BY DEFAULT OR
27 FORECLOSURE. The Department of Commerce and Economic Development
28 shall dispose of property acquired through default or foreclosure of a
29 loan made under this chapter. Disposal shall be made in a manner that

1 serves the best interests of the state, and may include the amortiza-
2 tion of payments over a period of years.

3 * Sec. 34. AS 16.10.310(b), 16.10.320(f), and 16.10.333(f) are re-
4 pealed.

5 * Sec. 35. This Act takes effect July 1, 1985.