

1 IN THE HOUSE

BY MENARD, LARSON, FRANK
AND SHULTZ

2

HOUSE BILL NO. 456

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to agricultural loans and extending
7 the agricultural production credit law; and providing
8 for an effective date."

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

10 * Section 1. AS 03.05.015(a) is amended to read:

11 (a) The commissioner of natural resources shall establish a
12 program of agricultural production credits to be applied against
13 interest due on (1) agricultural loans made under this title or under
14 [AND] AS 44, (2) [AND INTEREST DUE ON] the sale of agricultural land
15 under AS 38.05, and (3) agricultural loans described in (d) of this
16 section. The credits shall be based on agricultural products grown or
17 raised in the state.

18 * Sec. 2. AS 03.05.015(b) is amended to read:

19 (b) The annual credit for the years 1986 - 1991 [1986 - 1988] is
20 10 percent of the total sales as documented by the farmer on Internal
21 Revenue Service Schedule F (form 1040).

22 * Sec. 3. AS 03.05.015 is amended by adding a new subsection to read:

23 (d) Residents of the state who have agricultural loans from the
24 Federal Land Bank or from the Alaska Rural Rehabilitation Corporation,
25 a nonprofit corporation, including loans made by the Alaska Rural
26 Rehabilitation Corporation that were purchased by the commissioner of
27 revenue under AS 37.10.070(a)(13), are eligible for production credits
28 under this section, and the commissioner of natural resources shall
29 provide credits to the Federal Land Bank, the Alaska Rural

1 Rehabilitation Corporation, or the commissioner of revenue for produc-
2 tion credits earned by a resident of the state under this section.

3 * Sec. 4. AS 03.10.030 is amended by adding a new subsection to read:

4 (j) The commissioner may not make a loan under this chapter
5 unless the applicant proves to the satisfaction of the commissioner
6 that other loan sources are not available to the applicant.

7 * Sec. 5. Section 2, ch. 110, SLA 1986 is amended to read:

8 Sec. 2. AS 03.05.015 is repealed December 31, 1992 [1989].

9 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).