

1 IN THE HOUSE

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2

HOUSE BILL NO. 476

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act establishing a revolving loan fund for haz-
7 arduous waste reduction and a loan review committee to
8 review and advise concerning these loans; authorizing
9 a hazardous waste reduction technical assistance
10 project for small businesses; and providing for an
11 effective date."

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

13 * Section 1. AS 44.33.020 is amended by adding a new paragraph to read:

14 (30) administer the hazardous waste reduction loan fund
15 (AS 44.33.635 - 44.33.649).

16 * Sec. 2. AS 44.33 is amended by adding new sections to read:

17 ARTICLE 10. HAZARDOUS WASTE REDUCTION LOAN FUND.

18 Sec. 44.33.635. HAZARDOUS WASTE REDUCTION REVOLVING LOAN FUND.

19 There is established in the Department of Commerce and Economic Devel-
20 opment the hazardous waste reduction revolving loan fund to carry out
21 the purposes of AS 44.33.635 - 44.33.649. The fund may not be used
22 for any other purpose.

23 Sec. 44.33.637. POWERS AND DUTIES OF THE DEPARTMENT IN ADMINIS-
24 TERING THE FUND. (a) The department may

25 (1) on the recommendation of the committee established
26 under AS 44.33.645, make loans to qualifying businesses to make haz-
27 arduous waste reduction improvements;

28 (2) adopt regulations necessary to carry out the provisions
29 of AS 44.33.635 - 44.33.649; and

1 (3) sell or transfer at par value or at a premium to a bank
2 or other private purchaser for cash or other consideration the mort-
3 gages and notes held by the department as security for loans made
4 under AS 44.33.635 - 44.33.649.

5 (b) The department shall

6 (1) develop eligibility standards for loans;

7 (2) adopt guidelines for the determination of loan terms;

8 and

9 (3) dispose of property acquired through default or fore-
10 closure of a loan made under AS 44.33.635 - 44.33.649; disposal shall
11 be made in a manner that serves the best interests of the state and
12 may include the amortization of payments over a period of years.

13 Sec. 44.33.639. LOAN TERMS. (a) A loan made by the department
14 under AS 44.33.635 - 44.33.649 may not exceed \$10,000.

15 (b) The duration for repayment of a loan may not exceed 10
16 years.

17 (c) The department shall pay all principal and interest payments
18 on loans under AS 44.33.635 - 44.33.649 into the hazardous waste
19 reduction revolving loan fund.

20 (d) If a borrower ceases operation, any loan to the facility
21 from the fund is due on the date the borrower ceases operation.

22 Sec. 44.33.641. ELIGIBILITY FOR LOANS. A business is eligible
23 for a loan under AS 44.33.635 - 44.33.649 if

24 (1) the business owner submits to the department a plan for
25 the use of the loan funds that is recommended for approval under
26 AS 44.33.647 and approved by the commissioner; and

27 (2) the applicant meets additional eligibility standards
28 established by the department under AS 44.33.637.

29 Sec. 44.33.643. SPECIAL ACCOUNT ESTABLISHED. (a) There is

1 established as a special account within the hazardous waste reduction
2 revolving loan fund the foreclosure expense account. This account is
3 established as a reserve from fund equity.

4 (b) The commissioner may expend money credited to the fore-
5 closure expense account when necessary to protect the state's security
6 interest in collateral on loans made under AS 44.33.635 - 44.33.649 or
7 to defray expenses incurred during foreclosure proceedings after a
8 default by an obligor.

9 Sec. 44.33.645. LOAN REVIEW COMMITTEE. (a) The Hazardous Waste
10 Reduction Loan Review Committee is established in the department. The
11 committee consists of five members, appointed by the governor, to
12 include:

- 13 (1) a representative of the University of Alaska;
- 14 (2) an environmental engineer;
- 15 (3) an owner of a small business;
- 16 (4) an officer or employee of the Department of Environmen-
17 tal Conservation; and
- 18 (5) a public member.

19 (b) The term of office of each member of the committee is three
20 years and until a successor is appointed.

21 (c) A vacancy in the membership of the committee shall be filled
22 as provided in AS 39.05.060(b).

23 (d) The committee shall elect a presiding officer from among its
24 members.

25 (e) Each member of the committee is entitled to travel expenses
26 and per diem allowed by law for each day in actual attendance and in
27 travel to or from

- 28 (1) a meeting of the committee; or
- 29 (2) other activity of the committee that is approved by the

1 commissioner.

2 Sec. 44.33.647. RESPONSIBILITIES OF THE LOAN REVIEW COMMITTEE.

3 The committee shall

4 (1) recommend to the department regulations and changes to
5 regulations necessary to carry out the hazardous waste reduction
6 revolving loan program;

7 (2) advise the commissioner in the review and appraisal of
8 loan applications submitted under AS 44.33.635 - 44.33.649 and recom-
9 mend loans for the commissioner's approval.

10 Sec. 44.33.649. DEFINITIONS. In AS 44.33.635 - 44.33.649

11 (1) "commissioner" means the commissioner of commerce and
12 economic development;

13 (2) "committee" means the Hazardous Waste Reduction Loan
14 Review Committee;

15 (3) "department" means the Department of Commerce and
16 Economic Development;

17 (4) "fund" means the hazardous waste reduction loan fund
18 established in AS 44.33.635;

19 (5) "hazardous waste reduction improvements" means improve-
20 ments and practices implemented in a plant or facility that reduce,
21 avoid, or eliminate the generation of hazardous wastes at the source.

22 * Sec. 3. AS 44.46.020 is amended to read:

23 Sec. 44.46.020. DUTIES OF DEPARTMENT. The Department of En-
24 vironmental Conservation shall

25 (1) have primary responsibility for coordination and devel-
26 opment of policies, programs and planning related to the environment
27 of the state and of the various regions of the state;

28 (2) have primary responsibility for the adoption and en-
29 forcement of regulations setting standards for the prevention and

1 abatement of all water, land, subsurface land and air pollution, and
2 other sources or potential sources of pollution of the environment,
3 including by way of example only, petroleum and natural gas pipelines;

4 (3) promote and develop programs for the protection and
5 control of the environment of the state;

6 (4) take actions that are necessary and proper to further
7 the policy declared in AS 46.03.010;

8 (5) adopt regulations for

9 (A) the prevention and control of public health nui-
10 sances;

11 (B) the regulation of sanitation and sanitary prac-
12 tices in the interest of public health;

13 (C) standards of cleanliness and sanitation in con-
14 nection with the construction, operation, and maintenance of a
15 camp, cannery, food handling establishment, food manufacturing
16 plant, mattress manufacturing establishment, industrial plant,
17 school, barbershop, hairdressing or cosmetology establishment,
18 soft drink establishment, beer and wine dispensaries, and for
19 other similar establishments in which lack of sanitation may
20 create a condition which causes disease;

21 (D) the regulation of quality and purity of commer-
22 cially compressed air sold for human respiration;

23 (6) administer, by contract, a hazardous waste reduction
24 technical assistance program for small businesses.

25 * Sec. 4. This Act takes effect July 1, 1988.