

For Further Information

Additional information concerning other State and Federal loan programs may be obtained from:

Director
Division of Economic Enterprise
Department of Economic Development
Pouch EE
Juneau, Alaska 99801
Telephone: (907) 465-2020

or
Manager
Anchorage Field Office
Department of Economic Development
7th Floor McKay Bldg.
338 Denali Street
Anchorage, Alaska 99501
Telephone: (907) 277-1936

State of Alaska Business Loan Program

Commercial Fishing



Prepared By

Division of Economic Enterprise
Department of Economic Development
State of Alaska



Purpose

The Commercial Fishing Loan Fund, created in 1972 (AS 16.10.370), is designed to provide funds in order to promote the development and continued maintenance of commercial fishing gear and vessels throughout the state, by means of long-term low interest loans.

The objective of this fund is to provide aid in upgrading existing vessels and gear engaged in the fishing industry of Alaska.

Eligibility

Individual commercial fishermen who have been state residents for a continuous period of five years and have had a commercial fishing license for three years may apply under this program for the purchase of new vessels or for the repair, restoration or upgrading of existing vessels and gear or construction of a new vessel.

Benefits

Loans of up to \$100,000 may be obtained under this program and shall be secured by acceptable collateral not exceeding 75 percent of the appraised value of the collateral offered. Interest rates are limited to a maximum of seven percent, and repayment periods may run as long as fifteen years. In certain cases repayment plans may include extensions for poor fishing seasons.

Participation by a financial institution is not required, however, the Department may enter into agreements with private lending institutions to carry out the purposes of this program.

Funding

Appropriations have been approved by the legislature for the funding of this program. Repayment funds may be used for additional loans. The fiscal responsibility for the program lies with the Department of Commerce.

Application Procedure

The Alaska Department of Commerce, through the Division of Business Loans, is responsible for administering this program. Requests for application forms or answers to specific questions should be referred to:

Director
Division of Business Loans
Department of Commerce
State of Alaska
Pouch DB
Juneau, Alaska 99801
Telephone: (907) 465-2510

An outline of required information needed before processing loan applications is presented below:

1. Letter of intent
2. Business Resume
3. Personal Resume
4. Year End Financial Statements
5. Collateral
6. Appraisal of Collateral
7. Pro Forma Financial Statement
8. Tax Returns
9. Proof of Vessel and Gear Licenses

Related Programs

State:

Small Business Revolving Loan Fund

Federal:

National Marine Fisheries Service
Farm Credit Administration

COMMITTEE REPORT

HOUSE

1/30/77

Mr. Speaker:

Date 7-30-78

The Committee on STIMSON has had SB 571

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR RESOURCES SB 571 AND THAT

CS FOR SB 571 DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. HB-571
 Title: An Act relating to the Commercial Fishing Revolving Loan Fund
 Requested by: _____ Date: January 20, 1976
 Return Date Requested: _____
 Agency: Commerce & Ec. Development Program: Development

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Division of Business Loans

A. EXPENDITURES: (Thousands of dollars)

OBJECT	<u>NONE</u>					
	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars) NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS: NONE

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This fund has \$150,000 in uncommitted funds. With passage of this legislation we can continue making commercial fishing loans with our present staff. If this legislation does not pass, and we do not receive additional funding to make loans, the present staff could be reduced by two positions.

IV. ATTACHMENTS

V. DATE: 1-20-76 PREPARED BY: Paul Jones Director

Original: Legislative Finance
 cc: Budget and Management
 ✓ Prime Sponsor (First Legislator Named)

Original sponsor: Miller, Duncan
and Gardiner

Offered: 1/30/76
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 571

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the commercial fishing revolving
7 loan fund; and providing for an effective date."

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

9 * Section 1. AS 16.10.330(b) is amended to read:

10 (b) The commissioner of commerce may sell or transfer at par value
11 to the Department of Revenue the mortgages, bonds and notes held by the
12 Department of Commerce as security for loans made under this chapter.
13 However, the commissioner of commerce may not transfer an interest in a
14 vessel documented under the laws of the United States to the Department
15 of Revenue, except as permitted by the Ship Mortgage Act of 1920 (46
16 U.S.C. secs. 911 - 984; 41 Stat. 1000), as amended, and the Shipping Act
17 of 1916 (46 U.S.C. secs. 801 - 842; 39 Stat. 728), as amended, so long
18 as those two Acts remain ambiguous with respect to whether or not a
19 state or state agency qualifies as a citizen of the United States for
20 purposes of those two Acts. The Department of Revenue, for the fiscal
21 year ending June 30, 1976, shall purchase all the mortgages, bonds and
22 notes offered until the current principal amount of all the mortgages,
23 bonds and notes purchased and held by the Department of Revenue equals
24 \$7,000,000. The Department of Revenue, for the fiscal year ending
25 June 30, 1977, shall purchase all the mortgages, bonds and notes offered
26 until the current principal amount of all the mortgages, bonds and notes
27 purchased and held by the Department of Revenue equals \$9,000,000.
28 After June 30, 1977, the Department of Revenue shall purchase all the
29 mortgages, bonds and notes offered [\$5,000,000].

1 * Sec. 2. AS 16.10.340 is amended to read:

2 Sec. 16.10.340. CREATION OF FUND. There is a commercial fishing
3 revolving loan fund [WHICH SHALL NOT EXCEED \$1,000,000] to carry out the
4 purpose of secs. 300 - 370 of this chapter.

5 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
6 070(c,.