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1115 000  
By: Metcalfe for 'checking for updated date'  
H. Labor & Commerce 1981-1982

Dated Filed 1-11-82  
Date Recd. 1-12-82  
Referral State Affairs & Finance  
Comm. Hearing 2-8-82 - after passed & House Banking Committee for review & then Getman & Co.  
" action see

F/N herein

1-14-82 Metcalfe notified  
1st they will notify  
people they want  
get them  
Gen. Jenkins notified  
Dr. Hatch - Div. Bus Loans  
Veterans Affairs  
Madelon Ratto 276-14  
wants it heard 11-14??  
Fish & Game - Men, Johnson  
Rat. Movement - for 'C & K' affo  
National Resources - Mark Wil  
Bob Stevens on 1st Dep. 11-14-82  
K. St. Council, Stacks & med  
federal notes promotion for  
Rat Movement & testify

1  
2

Requested by Common Wealth North.

Three major group of loans

I - Housing

II - Business

III - Social

draft.

Don Hostab - Banks will not service loans  
in "social" category. - - -

Tie up loose ends.  
No new loans

Red Mourant - Co RA -

Sec. 23 - Mr. Day Jenkins

Comm. Williams -

request L

all 3 & 8 loans =  
Energy loan  
AP A  
Power Authority

Special Comm. on Banking. - - -

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 630  
 Title Relating to State Loan Programs  
 Requested by House Labor & Commerce Committee Date 1/11/82

II. FISCAL DETAIL

Agency Affected Dept. of Commerce & Economic Development, Dept of Revenue  
 Program Category Affected Development  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83   | FY 84   | FY 85   | FY 86   | FY 87   |
|--------------------------|-------|---------|---------|---------|---------|---------|
| 100 PERSONAL SERVICES    |       | 1,750.6 | 1,925.7 | 2,118.2 | 2,330.1 | 2,563.1 |
| 200 TRAVEL               |       | 200.0   | 220.0   | 242.0   | 266.2   | 292.8   |
| 300 CONTRACTUAL          |       | 500.0   | 550.0   | 605.0   | 665.5   | 732.1   |
| 400 COMMODITIES          |       | 50.0    | 55.0    | 60.5    | 66.5    | 73.2    |
| 500 EQUIPMENT            |       | 130.0   |         |         |         |         |
| 600 LAND & STRUCTURES    |       |         |         |         |         |         |
| 700 GRANTS, CLAIMS, ETC. |       |         |         |         |         |         |
| <b>TOTAL</b>             |       | 2,630.6 | 2,750.7 | 3,025.7 | 3,228.3 | 3,661.2 |

FUNDING (Thousands of Dollars)

|                        | FY 82 | FY 83   | FY 84   | FY 85   | FY 86   | FY 87   |
|------------------------|-------|---------|---------|---------|---------|---------|
| GENERAL FUND           |       | 2,630.6 | 2,750.7 | 3,025.7 | 3,228.3 | 3,661.2 |
| FEDERAL FUNDS          |       |         |         |         |         |         |
| OTHER (Specify Source) |       |         |         |         |         |         |

POSITIONS

|           | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 |
|-----------|-------|-------|-------|-------|-------|-------|
| FULL TIME |       | 43.0  | 43.0  | 43.0  | 43.0  | 43.0  |
| PART TIME |       | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   |
| TEMPORARY |       |       |       |       |       |       |

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

Create an Alaska Housing Loan Authority (AHLA) in Dept. of Commerce & Economic Development to coordinate, supervise and give final approval for purchases of home loans by Alaska Housing Finance Corp. (AHFC) and several other programs, AHFC and others must make credit analysis, etc. and all their work is subject to approval of AHLA; therefore, staffing and budget presented above is similar in size and scope to AHFC budget since all AHFC and other work is subject to second review and approval.

IV. DATE February 8, 1982

PREPARED BY *Peter A. Busch*  
 AGENCY Department of Revenue

Original: Legislative Finance PHONE 465-2350

cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

BILL ANALYSIS  
HOUSE BILL 630 (1/11/82)

1. Creates an Alaska Housing Loan Authority (AHLA) in Department of Commerce and Economic Development to coordinate, supervise and give final approval for purchase of loans by:

- a. Alaska Housing Finance Corporation (AHFC).
- b. Nonconforming Housing Loan Fund.
- c. Senior Citizens Housing Development Fund.
- d. Residential Energy Conservation Fund.

Authority may employ executive director and staff as necessary.

2. Amends the various statutes of AHFC and loan funds stipulated in (1) above subjecting their lending activity to AHLA approval.
3. Nonconforming Housing Loan Fund is allowed to purchase, as a secondary lender, loans but is not allowed to directly originate loans.
4. Alaska Industrial Development Authority is renamed the Alaska Business Loan and Industrial Development Authority (ABLIDA). Powers of ABLIDA are expanded to purchase or insure business loans to agricultural and fishing enterprises.
5. Residential Energy Conservation Fund can purchase loans but can no longer originate them.
6. After July 1, 1982 no further loans may be made for or under:
  - a. Alaska Agriculture Loan Account.
  - b. Loans for purchase of Alaska limited entry permits.
  - c. Fisherman's Mortgage and Note fund.
  - d. AHFC Housing Development Fund.
  - e. Veterans Loans from Department of Commerce and Economic Development.
  - f. Child Care Facility Revolving Loan Fund.
  - g. Residential Care Facility Revolving Loan Fund.
  - h. Alaska Commercial Fishing and Agriculture Bank.

7. The following programs are repealed:

- a. Housing Development Revolving Loan Fund. (Low and Moderate income on rentals for low and moderate income).
- b. Moderate cost and rental housing of the Alaska State Housing Authority.

*There are 38 loan programs,  
What about miners loans = \$30M's.*

2/8/82

BILL ANALYSIS, HOUSE BILL 630, Cont'd

- c. Housing Development Fund of AHFC; provides loans for persons of lower and moderate income.
- d. Loans for relocation assistance to encourage and facilitate the construction and rehabilitation of housing of displaced persons.
- e. Alaska Economic Disaster Impact Fund.
- f. Alaska Renewable Resources Corporation (repeals entire account).
- g. Native corporation loan fund. (This is no longer needed as native claim payments have been settled).
- h. Temperate Social Activities Revolving Loan Fund.
- i. Nonconforming Housing Loan Fund. (Repeals eligible locations statute).
- j. Alaska Commercial Fishing and Agriculture Bank (entire statute).

*Commonwealth North request.*

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 630  
Title An Act relating to state loan programs; and providing for an effective date.

Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Department of Commerce & Economic Development  
Program Category Affected Economic Development  
BRU, Program, Or Subprogram(s) Affected Division of Loans and Veterans' Affairs  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83     | FY 84     | FY 85     | FY 86     | FY 87     |
|--------------------------|-------|-----------|-----------|-----------|-----------|-----------|
| 100 PERSONAL SERVICES    |       | ( 434.6 ) | ( 434.6 ) | ( 434.6 ) | ( 434.5 ) | ( 434.6 ) |
| 200 TRAVEL               |       | ( 56.0 )  | ( 56.0 )  | ( 56.0 )  | ( 56.0 )  | ( 56.0 )  |
| 300 CONTRACTUAL          |       | ( 48.6 )  | ( 48.6 )  | ( 48.6 )  | ( 48.6 )  | ( 48.6 )  |
| 400 COMMODITIES          |       | ( 8.5 )   | ( 8.5 )   | ( 8.5 )   | ( 8.5 )   | ( 8.5 )   |
| 500 EQUIPMENT            |       |           |           |           |           |           |
| 600 LAND & STRUCTURES    |       |           |           |           |           |           |
| 700 GRANTS, CLAIMS, ETC. |       |           |           |           |           |           |
| TOTAL                    |       | ( 547.7 ) | ( 547.7 ) | ( 547.7 ) | ( 547.7 ) | ( 547.7 ) |

FUNDING (Thousands of Dollars)

|                        |  |           |           |           |           |           |
|------------------------|--|-----------|-----------|-----------|-----------|-----------|
| GENERAL FUND           |  | ( 547.7 ) | ( 547.7 ) | ( 547.7 ) | ( 547.7 ) | ( 547.7 ) |
| FEDERAL FUNDS          |  |           |           |           |           |           |
| OTHER (Specify Source) |  |           |           |           |           |           |

POSITIONS

|           |  |        |        |        |        |        |
|-----------|--|--------|--------|--------|--------|--------|
| FULL TIME |  | ( 12 ) | ( 12 ) | ( 12 ) | ( 12 ) | ( 12 ) |
| PART TIME |  |        |        |        |        |        |
| TEMPORARY |  |        |        |        |        |        |

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

Space Rental and ASHA payments not included in these figures.

IV. DATE 2/8/82

PREPARED BY Don Hostak, Director  
AGENCY Department of Commerce & Economic Development  
PHONE 465-2555 Division of Loans and  
465-2510 Veterans' Affairs

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

33-001 (Rev. 12/81)

**SPS****SPECIALIZED PROFESSIONAL SERVICES, INC.**

(907) 586-4100

P.O. BOX 194

AUKE BAY, ALASKA 99821

January 18, 1982

Representative Terry Martin  
Alaska House of Representatives  
Pouch V  
Juneau, Alaska 99811

Dear Representative Martin:

As this session of the Legislature gets under way, it is already apparent that some very hard decisions will have to be made regarding funding of all the various needs around the state. One of the areas which will require careful review is the state loan programs. Since there are currently 54 loan and related grant programs currently in the statutes, it is virtually impossible to be knowledgeable of the specifics of the various programs. Also, there are just under 100 bills pending from last year regarding loan programs with more already having been introduced this session.

As you may recall from some of our previous advertising, we have compiled and published a Guide to State of Alaska Loan Programs. This guide is current and would be a very valuable tool for you and your staff during this legislative session. Having it available will help you and your staff:

(1) when considering new legislation on loan programs, to review all existing programs with a similar purpose to insure that the new legislation is not duplicative of other programs;

(2) when considering funding proposals for existing programs, to determine if you feel the program objectives justify more, less or the same funding as it has had in prior years; and

(3) when receiving inquiries from your constituents, to quickly review the programs of interest to them and explain the basic terms and conditions as well as advising them who to contact for more specific information.

Enclosed is a sample Executive Summary for one of the loan programs and a brochure explaining the loan guide in more detail. Please note that the guide is printed and will be delivered immediately upon receipt of your order. If you have any questions regarding the guide, feel free to call me.

Very truly yours,

Gary L. Jenkins  
President

State and Local Taxation

Multijurisdictional Taxation

Financial Management

Organizational Management

FISHERIES ENHANCEMENT LOANS  
FISHERIES ENHANCEMENT REVOLVING LOAN FUND  
EXECUTIVE SUMMARY

IS THERE ANY MONEY AVAILABLE TO BORROW: Please see the current funding summary in the Funding Status Section of this guide.

PURPOSE FOR WHICH MONEY MAY BE BORROWED: I. Hatchery planning, construction and operation.  
II. Other fishery rehabilitation activities such as lake fertilization and habitat improvement.

HOW MUCH MAY BE BORROWED: I. \$6,000,000  
II. \$1,000,000

FOR HOW LONG MAY IT BE BORROWED: 30 years for all loans.  
NOTE: Payment of principal and interest may be deferred a minimum of 6 years and a maximum of 10 years. Interest does not accrue during this deferral period.

AT WHAT INTEREST RATE(S): 9.5% for all loans.

WHO MAY APPLY FOR A LOAN: An applicant who is  
(A) a nonprofit corporation which has been formed by a regional aquaculture association; or  
(B) a local nonprofit corporation which has been organized for this specific purpose and in the case of a loan application for preconstruction activities, the approval of the local regional aquaculture association has been obtained.

WHO SHOULD BE CONTACTED FOR MORE SPECIFIC INFORMATION: Joe Davis (907) 465-2510  
Department of Commerce and Economic Development  
Division of Business Loans  
Pouch D  
Juneau, Alaska 99811

ALASKA LAW AND REGULATIONS WHICH ESTABLISH AND EXPLAIN THIS LOAN PROGRAM: Alaska Statutes: AS 16.10.500-620  
Alaska Regulations: None issued

WHERE SHOULD THE APPLICATION BE FILED: Mailed To: Division of Business Loans  
Dept. of Commerce and Economic Dev.  
Pouch D  
Juneau, Alaska 99811  
Delivered To: In Juneau-9th Floor, State Office Building;  
In Anchorage-2600 Denali, Suite 401; In Fairbanks-675 7th Avenue, Station A.



SPECIALIZED PROFESSIONAL SERVICES, INC. PRESENTS  
A GUIDE TO STATE OF ALASKA LOAN PROGRAMS

There is now available a guide to all the loan programs which have been established by the Alaska Legislature. This guide will allow you to be among the first to know all the details about every State of Alaska loan program in existence, including personal loans, and which loan programs have funds available.

The guide is organized to provide you the information you want in the most efficient way. Within the major sections of the guide, organized on the basis of general purpose, each separate loan will have a tab which will identify the basic purpose of that loan program. Behind each tab will be information on that specific loan program which will include

AN EXECUTIVE SUMMARY which will provide all pertinent details about that program such as what specific purposes the money is available for, how much money may be borrowed, what interest rates will be charged, how to apply and who to contact for more specific information:

A LISTING of the information needed to apply for a loan; and

A GUIDE on how to complete your application so that it is immediately processable when it is submitted, thus, keeping it from being returned for missing information.

In addition, as part of the basic service you will also receive

A PERIODIC REPORT detailing any proposed changes in the various loan programs, the status of funds availability and information on any proposed new loan programs:

UPDATED REPLACEMENT PAGES for any loan program where there have been changes made by legislation, regulation or policy:

NEW LOAN PROGRAM information ready to be added to your binder which will provide the same information specified above for all new programs and which will be sent to you as quickly as possible after the program has been established, giving you the opportunity to be among the first applicants to obtain funds from that program; and

AN INFORMATION SERVICE so that if you have a question on a loan program that is not answered by the information provided or adequately by the staff of the responsible agency, call and we will get the answer for you.

For your convenience an order form is included on the back of this brochure.

## LOAN APPLICATION ASSISTANCE SERVICE

Recognizing that the majority of businessmen in Alaska do not have ready access to the State agencies or financial institutions who are processing loan applications, that many of you do not have the time to personally prepare and submit an application, and that most of the time agencies tend to be responsive to those people who have daily contact with them, we will provide an application assistance service. The services provided will include preparing or assisting in the preparation of the application, gathering and compiling any necessary supplementary information and submitting and monitoring the application as it is being processed. Charges for this service will be strictly on the basis of time spent with no minimum fee. Complete information, to include the rates for the various types of services will be provided in a separate section of the loan guide.

### WHO IS SPECIALIZED PROFESSIONAL SERVICES, INC.

Specialized Professional Services, Inc. is wholly owned by Gary L. Jenkins. Professionally, I am a Certified Public Accountant. For the past eight years I have been working for the Alaska Department of Revenue, the last six as Director of the Audit Division. I have chosen to leave State employment because I wanted to develop services like this one to aid businesses and to provide specialized tax and management services. As Director of the Audit Division I have worked extensively with legislation, have written regulations, concentrating on making them as understandable as possible, and have had many occasions to work with a large number of other state agencies. I've discovered that there are many ways to get things done in spite of the bureaucracy and all of the roadblocks thrown up by those people working in it. This experience will give me a tremendous advantage in getting information regarding the various loan programs and dealing with the respective agencies.

My associates have been carefully selected and have proven to be effective and efficient at working within the State system.

### ALASKA LOAN PROGRAMS GUIDE ORDER FORM

Please send the loan guide to:

Name \_\_\_\_\_ Phone # \_\_\_\_\_  
Address \_\_\_\_\_

For the period of: \_\_\_ One year @ \$225 if paid with order or  
\$250 if billed when the guide is ready  
to be mailed  
\_\_\_ Two Years @ \$375 if paid with order  
\_\_\_ Three Years @ \$500 if paid with order

Mail to: Specialized Professional Services, Inc.,  
P. O. Box 194, Auke Bay, Alaska 99821

Please allow 4-6 weeks for delivery of the Guide.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 630  
 Title Relating to State Loan Programs  
 Requested by House Labor & Commerce Committee Date 1/11/82

II. FISCAL DETAIL

Agency Affected Dept. of Commerce & Economic Development, Dept of Revenue  
 Program Category Affected Development  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83          | FY 84          | FY 85          | FY 86          | FY 87          |
|--------------------------|-------|----------------|----------------|----------------|----------------|----------------|
| 100 PERSONAL SERVICES    |       | 1,750.6        | 1,925.7        | 2,118.2        | 2,330.1        | 2,563.1        |
| 200 TRAVEL               |       | 200.0          | 220.0          | 242.0          | 266.2          | 292.8          |
| 300 CONTRACTUAL          |       | 500.0          | 550.0          | 605.0          | 665.5          | 732.1          |
| 400 COMMODITIES          |       | 50.0           | 55.0           | 60.5           | 66.5           | 73.2           |
| 500 EQUIPMENT            |       | 130.0          |                |                |                |                |
| 600 LAND & STRUCTURES    |       |                |                |                |                |                |
| 700 GRANTS, CLAIMS, ETC. |       |                |                |                |                |                |
| <b>TOTAL</b>             |       | <b>2,630.6</b> | <b>2,750.7</b> | <b>3,025.7</b> | <b>3,228.3</b> | <b>3,661.2</b> |

FUNDING (Thousands of Dollars)

|                        |  |         |         |         |         |         |
|------------------------|--|---------|---------|---------|---------|---------|
| GENERAL FUND           |  | 2,630.6 | 2,750.7 | 3,025.7 | 3,228.3 | 3,661.2 |
| FEDERAL FUNDS          |  |         |         |         |         |         |
| OTHER (Specify Source) |  |         |         |         |         |         |
|                        |  |         |         |         |         |         |

POSITIONS

|           |  |      |      |      |      |      |
|-----------|--|------|------|------|------|------|
| FULL TIME |  | 43.0 | 43.0 | 43.0 | 43.0 | 43.0 |
| PART TIME |  | 3.0  | 3.0  | 3.0  | 3.0  | 3.0  |
| TEMPORARY |  |      |      |      |      |      |

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

Create an Alaska Housing Loan Authority (AHLA) in Dept. of Commerce & Economic Development to coordinate, supervise and give final approval for purchases of home loans by Alaska Housing Finance Corp. (AHFC) and several other programs; AHFC and others must make credit analysis, etc. and all their work is subject to approval of AHLA; therefore, staffing and budget presented above is similar in size and scope to AHFC budget since all AHFC and other work is subject to second review and approval.

IV. DATE February 8, 1982

PREPARED BY *Peter A. Bushne* Anselm Staack

AGENCY Department of Revenue

Original: Legislative Finance

PHONE 465-2350

cc: Budget and Management

Prime Sponsor (First Legislator Named)

?3-001 (Rev. 12/81)

BILL ANALYSIS  
HOUSE BILL 630 (1/11/82)

1. Creates an Alaska Housing Loan Authority (AHLA) in Department of Commerce and Economic Development to coordinate, supervise and give final approval for purchase of loans by:

- a. Alaska Housing Finance Corporation (AHFC).
- b. Nonconforming Housing Loan Fund.
- c. Senior Citizens Housing Development Fund.
- d. Residential Energy Conservation Fund.

Authority may employ executive director and staff as necessary.

2. Amends the various statutes of AHFC and loan funds stipulated in (1) above subjecting their lending activity to AHLA approval.
3. Nonconforming Housing Loan Fund is allowed to purchase, as a secondary lender, loans but is not allowed to directly originate loans.
4. Alaska Industrial Development Authority is renamed the Alaska Business Loan and Industrial Development Authority (ABLIDA). Powers of ABLIDA are expanded to purchase or insure business loans to agricultural and fishing enterprises.
5. Residential Energy Conservation Fund can purchase loans but can no longer originate them.
6. After July 1, 1982 no further loans may be made for or under:
  - a. Alaska Agriculture Loan Account.
  - b. Loans for purchase of Alaska limited entry permits.
  - c. Fisherman's Mortgage and Note Fund.
  - d. AHFC Housing Development Fund.
  - e. Veterans Loans from Department of Commerce and Economic Development.
  - f. Child Care Facility Revolving Loan Fund.
  - g. Residential Care Facility Revolving Loan Fund.
  - h. Alaska Commercial Fishing and Agriculture Bank.
7. The following programs are repealed:
  - a. Housing Development Revolving Loan Fund. (Low and Moderate income on rentals for low and moderate income).
  - b. Moderate cost and rental housing of the Alaska State Housing Authority.

2/8/82

BILL ANALYSIS, HOUSE BILL 630, Cont'd

- c. Housing Development Fund of AHFC; provides loans for persons of lower and moderate income.
- d. Loans for relocation assistance to encourage and facilitate the construction and rehabilitation of housing of displaced persons.
- e. Alaska Economic Disaster Impact Fund.
- f. Alaska Renewable Resources Corporation (repeals entire account).
- g. Native corporation loan fund. (This is no longer needed as native claim payments have been settled).
- h. Temperate Social Activities Revolving Loan Fund.
- i. Nonconforming Housing Loan Fund. (Repeals eligible locations statute).
- j. Alaska Commercial Fishing and Agriculture Bank (entire statute).

# Alaska State Legislature



MEMBERS:  
TERRY MARTIN, CHAIRMAN  
BERNARD BYLSMA, VICE CHAIRMAN  
RICHARD RANDOLPH  
TERRY GARDINER  
BRIAN ROGERS

POUCH V  
STATE CAPITOL  
JUNEAU, AK 99811  
PHONE (907) 465-3783  
OFFICIAL BUSINESS

## House of Representatives

### LABOR AND COMMERCE COMMITTEE

To: Russ Meekins, Chairman  
Special Banking Committee

From: Terry Martin, Chairman  
House Labor & Commerce Committee

Date: February 8, 1982

Subject: HB 630 referral

Pursuant to hearing and discussion by this committee, the members have agreed that the Special Banking Committee should review HB 630 before action by the Labor & Commerce Committee. Areas we request your committee review are:

1) to include all state loan programs under the proposed Alaska Business Loan and Industrial Development Authority:

a) consolidation of social loan programs;

b) include the Alaska Power Authority in the loans being addressed by this legislation;

2) review contractual and constitutional rights of loan participants under those loan programs being eliminated; and,

3) evaluate the bureaucracy potentially created by this legislation.

Labor & Commerce Committee members Bylsma and Rogers have been appointed by the committee chairman to work with your committee on reviewing HB 630. After review by the Special Committee on Banking, we request HB 630 be returned to the House Labor & Commerce Committee for expedited consideration.

*Terry Martin by*  
*M. Jones*

State Loan  
Programs  
(term. &  
consol.)

HOUSE BILL NO. 630, by Rep. Metcalfe. Relates to the involvement of the state in lending activities, specifically the state loan programs now in existence. The bill provides: ". . . It is the purpose of this Act (1) to terminate those state loan programs that are in-

active, as well as several loan programs that have questionable objectives; (2) to consolidate two major areas of state loan activity, housing and business loans, into two authorities that will increase the accountability, consistency, and efficiency in these areas; (3) to use the existing mechanism of the Alaska Industrial Development Authority, renamed the Alaska Business Loan and Industrial Development Authority, to facilitate business loans to agricultural and fishing enterprises; (4) to remove the state from the private lending market and to return that function to competent private financial institutions."

Creates the Alaska Housing Loan Authority under AS 44 (State Government), within the Department of Commerce and Economic Development. Provides the Authority shall administer loans under the Senior Citizens Housing Development Fund (AS 18.54.070), the Alaska Housing Finance Corporation (AHFC) (AS 18.56), the Nonconforming Housing Loan Fund (AS 44.47.380), and the Residential Energy Conservation Fund (AS 45.89). States: "The authority shall assess the need and monitor the supply of residential housing in the state and develop a comprehensive plan to make decent, safe, low and moderately priced residential housing available to all persons by purchasing or participating in the purchase of loans made by financial institutions qualified under AS 06." (AS 06--Banks and Financial Institutions).

Amendments which pertain to existing loan programs include:

--Amends the Housing Development Revolving Loan Fund (administered by the Dept. of Community & Regional Affairs, Community Planning Division), providing that loans or grants to municipalities or eligible corporations be subject to approval of the Alaska Housing Loan Authority. Adds new subsection stating that the department may only purchase or participate in the purchase of a loan to a public or nonprofit private corporation. Deletes language relating to the loan fund which states it may ". . . make or participate in the making of mortgage loans to sponsors, developers, builders and purchasers of residential housing, if the corporation determines that mortgage loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions." Also states that other powers of the Fund are subject to the approval of the Alaska Housing Loan Authority (hereafter referred to as AHLA)

--Amends the Nonconforming Housing Loan Fund, placing similar restrictions relating to the powers of the Director of the Division (administered by the Dept. of Community & Regional Affairs, Division of Housing Assistance), providing those powers are subject to approval by the AHLA. Deletes language which provides the Division may "originate" loans. Deletes language which states the Director may execute service agreements with private lending institutions to service loans originated by the Division.

--Amends sections relating to the Alaska Industrial Development Authority (AS 44.88), changing the name of the Authority to the

HR  
630

Alaska Business Loan and Industrial Development Authority. Also adds new sections giving the ABLIDA power ". . .to purchase or insure loans for fishing vessels to be used by a small enterprise; (20) to purchase or insure loans to purchase a limited entry permit required under AS 16.43.140." Deletes reference under "Legislative findings & policy" section relating to ABLIDA "making" loans (all loans now having to be approved by AHLA). (Note: does not delete any of the powers of the Authority as set out in AS 44.88.080, Powers of the Authority).

--Amends sections relating to the Residential Energy Conservation Fund, providing for approval of grants and loans "purchased" (currently "made") by the Fund by the AHLA.

The bill provides that after July 1, 1982 no further loans may be made under the following programs:

--AS 03.10 (Alaska Agricultural Loan Act); AS 16.10.333 (Fish and Game. Loans for purchase of Alaska Limited Entry Permits); AS 16.-10.650 - 16.10.720 (Fishermen's Mortgage and Note Fund); AS 18.56.-100 (AHFC. Housing Development Fund); AS 26.15 (Alaska World War II Veterans Act); AS 44.33.240 - 44.33.275 (Child Care Facility Revolving Loan Fund); AS 44.33.320 - 44.33.380 (Residential Care Facility Revolving Loan Fund); AS 44.81 (Commercial Fishing and Agriculture Bank).

Programs repealed by the bill include:

--AS 18.54.010 - 18.54.060 (Housing Development Revolving Loan Fund--does not repeal section relating to the Sr. Citizen Housing Development); AS 18.55.300 - 18.55.470 (Moderate Cost and Rental Housing); AS 18.56.210(5) (definition of "housing development fund"); AS 34.60.135 (Relocation Assistance and Real Property Acquisition Practices. Planning loans for additional housing); AS 37.11.100 (Renewable Resources Funds. Alaska economic disaster impact fund); AS 37.12 (Alaska Renewable Resources Corporation); AS 44.25.030 - 44.25.038 (Dept. of Revenue. Loan program; PL 92 - 203 corporations Declaration of purpose); AS 44.47.310 - 44.47.350 (The Temperate Social Activities Revolving Loan Fund); AS 44.47.385 (Div. of Housing Assistance. Eligible locations); AS 44.81 (Commercial Fishing and Agriculture Bank).

Provides Act takes effect July 1, 1982.

Introduced January 11 and referred to Labor & Commerce, State Affairs, then to Finance.

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5  
JUNEAU, ALASKA 99811

March 8, 1982

The Honorable Terry Martin  
Chairman  
House Labor and Commerce Committee  
Room 211 - Behrends Building  
Juneau, Alaska

Dear Mr. Martin:

Re: House Bill No. 630

House Bill No. 630, an Act relating to state loan programs, was introduced in the House on January 11, 1982 and was referred to the House Labor and Commerce; State Affairs and Finance Committees.

For the consideration of the House Labor and Commerce Committee, I am enclosing six copies of a Fiscal Note prepared by Mr. Anselm Staack, Treasury Comptroller, Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson  
Special Assistant

Enclosure

cc: The Honorable Ray H. Metcalfe  
Chairman  
House State Affairs Committee

The Honorable Albert P. Adams  
Chairman  
House Finance Committee

Joseph K. Donohue  
Deputy Commissioner  
Department of Revenue

Anselm Staack  
Treasury Comptroller  
Department of Revenue

# STATE OF ALASKA

## DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH D  
JUNEAU, ALASKA 99811  
PHONE: 455-2500

February 8, 1982

Honorable Joe Hayes  
Speaker of the House  
Pouch V  
Juneau, Alaska 99811

Dear Mr. Hayes:

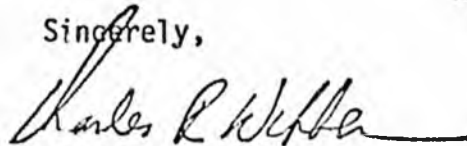
As required by AS 37.05.035, the Department of Commerce and Economic Development, Division of Loans and Veterans' Affairs, submits for your review the following report on loans closed during FY '81:

- Loans made by loan type

The prevailing market rates used were obtained from the Department of Revenue, Division of Treasury.

Because of the number of assumptions made during FY '81 and the use of subsidized loan funds, a separate section on assumptions was included with the report of loans made by loan type. The prevailing market rate at the time of the assumption was used to determine the amount of subsidy provided by the State for this type of loan.

Sincerely,



Charles R. Webber  
Commissioner

CRW/jar#26V2

ANNUAL STATE LOAN REPORT  
LOANS CLOSED BY TYPE  
FISCAL YEAR 1981

|   | Total #<br>of Loans | Total<br>Principal<br>Loaned | *Return on Loan<br>at Business Loans<br>Interest Rate | Return on Loan<br>at Prevailing<br>Interest Rate | Total<br>State<br>Subsidy  |
|---|---------------------|------------------------------|---|--|----------------------------|
| Residential Energy                          | 47                  | \$ 181,508                   | \$ 80,182   | \$ 110,546                                       | \$ 30,364                  |
| Alternative<br>Technology                   | 276                 | 1,333,824                    | 598,694   | 1,838,165  | 1,239,471                  |
| Commercial Fish                             | 405                 | 25,472,412                   | 14,313,698  | 26,314,649                                       | 12,100,951                 |
| Small Business                              | 450                 | 74,340,534                   | 49,467,489  | 72,047,255                                       | 22,597,776                 |
| Tourism                                     | 5                   | 834,575                      | 881,996   | 1,736,146  | 856,150                    |
| Mining                                      | 10                  | 9,303,834                    | 3,449,845   | 5,243,477  | 1,793,632                  |
| Fish Enhancement                            | 15                  | 3,396,710                    | 3,794,022   | 8,649,299  | 4,855,277                  |
| Bulk Fuel                                   | 0                   |                              |   |  |                            |
| Child Care                                  | 0                   |                              |   |  |                            |
| Water Resources                             | 0                   |                              |   |  |                            |
| Historical Districts                        | 0                   |                              |   |  |                            |
| <b>Total Amounts<br/>For Business Loans</b> | <b><u>1,208</u></b> | <b><u>\$114,863,501</u></b>  | <b><u>\$72,585,926</u></b>                            | <b><u>\$115,941,547</u></b>                      | <b><u>\$43,473,621</u></b> |

Assumptions: \*\*

|          |    |              |              |              |            |
|----------|----|--------------|--------------|--------------|------------|
| Veterans | 49 | \$ 2,510,933 | \$ 3,491,818 | \$ 4,238,123 | \$ 746,310 |
|----------|----|--------------|--------------|--------------|------------|

\* (a) Business Loan interest rate is 5% energy loans; 10% for Historical Dist.; 9.5% Commercial Fish, Tourism, Small Business and Fish Enhancement

(b) Vets original interest rate on loan unless person assuming is a nonvet, in which case interest rate is at prevailing market rate

\*\* No new loans were made.