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COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

(7)

2/26/82

Date: March 17, 1982

Mr. Speaker:

The Committee on RESOURCES has had SB 666

"An Act relating to the mining loan fund (AS 27.09); and providing for an effective date."

under consideration and ~~(a majority of the committee)~~ ~~(the committee)~~ reports it back with the following recommendations:

- do pass do not pass
- do not pass attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without ^{individual} recommendation
- referred to the _____ Committee

MEMBER, SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

E. Sutchitt
 CHAIRMAN

DIVISION OF BUSINESS LOANS

Loan Type	Maximum Loan	Interest Rate	Maximum Term
Commercial Fishing	\$ 500,000	9.5%	15 years
Fisheries Enhancement	6,000,000	9.5%	30 years
Child Care Facilities	50,000	7.0%	10 years
Residential Care Facilities	20,000	7.0%	10 years
Alternative Technology	10,000	9.5%	20 years
Alternative Energy Systems	10,000	5.0%	20 years
Residential Energy Conservation	5,000	5.0%	10 years
Bulk Fuel	50,000	Changes	1 year
Mining	5,000,000	10.0%	15 years
Fishermen's Mortgage and Note	100,000	10.5%	15 years
Historical District	100,000	7.5%	30 years

Note: Small Business and Tourism loans are now handled by the Alaska Industrial Development Authority (AIDA) and Commercial Fishing loans by the Alaska Commercial Fishing and Agriculture Bank (CFAB) and AIDA.

USES OF LOANS:

Commercial Fishing To purchase limited entry permits. (Loans for the purchase of vessels and gear are handled by AIDA and CFAB.)

Eligibility: Five year State resident, one year fishing experience.

Fisheries Enhancement To plan, construct and operate hatchery facilities. (If request is for more than \$1,000,000, the applicant must be a qualified regional association.)

Eligibility: Qualified regional associations or private nonprofit corporations approved by a regional association.

Child Care Facilities To construct, renovate, or equip child care facilities in order to obtain or renew a license for the facility.

Eligibility: The applicant submits to the department a plan for the use of the loan funds which is approved by the commissioner.

Residential Care Facilities To construct, renovate or equip residential care facilities in order to obtain a license. (A residential care facility is a foster home, group home or institution which provides 24-hour nonmedical care for dependent adults.)

Eligibility: Residential care facility which can be licensed when the improvements made with the loan funds are completed.

Alternative Technology
and Energy Systems

To develop means of energy production utilizing energy sources other than fossil or nuclear fuel; the purchase, construction and installation of an alternate energy system which is likely to result in energy conservation or energy cost savings; the development and implementation of methods of waste disposal, recycling, food production, transportation, building design, and industrial enterprise which may be more efficient, less costly, and less energy intensive than methods presently utilized.

Eligibility: Project must be in Alaska.

Residential Energy
Conservation

To purchase, construct, and install energy conservation improvements in residential buildings.

Eligibility: Project approved by certified energy auditor.

Bulk Fuel

To assist communities in purchasing bulk fuel.

Eligibility: Organized municipality or unincorporated village with a population under 2,000, or individual endorsed by the municipality.

Mining

To underwrite advanced mineral exploration, development or mining in Alaska.

Eligibility: Resident individuals, corporations, and partnerships which have five years' mining or prospecting experience in Alaska.

Fishermen's Mortgage
and Note

To purchase from private financial institutions mortgages and notes made to repair, restore or upgrade existing vessels and gear, purchase entry permits and gear, construct or purchase a vessel.

Eligibility: State resident for five years, not eligible for any other state or federal loan program for same purpose, has no occupational opportunities other than commercial fishing and is economically dependent on commercial fishing.

Historical District

For the restoration, improvement, rehabilitation or maintenance of a historical structure.

Eligibility: Structure must be within a historical district established by the Historic Sites Advisory Committee.

STATISTICS ON COMMERCE LOAN PROGRAMS

	Small Business	Commercial Fish	Tourism	Child Care	Fish Enhancement	Water Resource	Historical District	Alternative Energy	Residential Energy	Mining	Bulk Fuel	Fish Mortgage & Note	TOTAL**
Total No. Loans Committed FY '72-82	1,342	1,978	59	15	51	5	8	1,080	457	21	17	5	5,038
Total Dollar Amount Committed FY '72-82	202,325,306	114,046,668	29,874,673	253,167	14,502,562	2,500,000	417,750	4,814,346	1,717,036	14,839,284	606,000	236,527	386,133,319
Total No. Loans Committed FY '81	302	435	4	1	22	-0-	-0-	442	158	15	1	-0-	1,380
Total Dollar Amount Committed FY '81	46,961,591	21,205,619	4,318,825	9,000	4,733,474	-0-	-0-	2,243,251	601,884	9,935,284	50,000	-0-	90,058,928
Total No. Loans Committed FY '82	-0-	97	-0-	3	9	-0-	2	637	299	6	16	5	1,074
Total Dollar Amount Committed FY '82	-0-	4,812,366	-0-	110,167	2,783,730	-0-	125,000	2,570,814	1,126,879	4,904,000	556,000	236,527	17,225,483
FY '82 Appropriation**	-0-	4,500,000	-0-	180,000	8,000,000	-0-	200,000	*4,250,000	*4,250,000	30,000,000	1,000,000	1,800,000	54,180,000
Disbursements (No. of Loans)*** Through 1/31/82	-0-	97	-0-	3	8	-0-	2	651	310	6	16	5	1,098
Disbursements (Dollars) Through 1/31/82	-0-	4,686,082	-0-	110,167	2,783,730	-0-	125,000	2,552,696	1,115,877	4,939,000	539,386	236,527	17,088,165
Appropriations Not Disbursed Available for Loans FY '82	-0-	-0-	-0-	69,833	5,216,270	-0-	75,000	1,697,304	3,134,123	25,061,000	460,614	1,563,473	37,277,617
Total No. Outstanding Loans	661	1,557	18	8	36	1	4	920	394	9	-0-	-0-	3,608
Total Dollar Amount Loans Outstanding	74,310,000	78,380,000	4,400,000	90,000	14,040,000	910,000	260,000	3,935,000	1,419,000	8,560,000	-0-	-0-	186,304,000
No. of Applications Received FY '82	7	177	1	3	10	-0-	2	704	324	12	12	17	1,269

* An additional 2,500,000 was appropriated for the energy programs in rural areas.

** 120,000 was appropriated to the residential care program. No applications have ever been received.

*** This figure includes loans closed, loans in the process of closing and partial disbursements on construction loans.

The FY '81 appropriation to the Division of Business Loans was \$93,900,000. This amount was allocated between the programs to meet the demand for loans in specific areas.

DIVISION OF VETERANS' AFFAIRS
MONTHLY ACTIVITY REPORT

MONTH ENDING January, 1982

	Beginning Balance		Payoffs		Net Adjustments		Transfers/Deletes		Principal Payments	Plus New Loans		Ending Balance	
	No.	Amount	No.	Amount			No.	Amount				No.	Amount
Veterans'	167	6,941,251.71	1	98.50	-	3.87		-105,636.89	17,792.46	(1)	65,500.00	167	6,883,219.99
Treasury	2502	109,057,102.84	18	315,069.47	+	1,713.66		- 53,500.00	401,463.20		-0-	2484	108,288,783.83
AHFC	2146	114,084,082.91	8	378,982.76		-142,895.31		+ 68,863.20	95,996.38		-0-	2138	113,535,071.66
Total	4815	230,082,437.46	27	694,150.73		-141,185.52		- 90,273.69	515,252.04	(1)	65,500.00	4788	228,707,075.48

INCOME SUMMARY	Alaska Housing Finance Corp.	Department of Revenue	TOTAL INCOME TO VETERANS' FUND		
1. Interest	619,620.38	610,301.33		1. Interest - V.A.	37,068.48
Less Service Fee	41,333.24	40,772.85		Service Fee - Treas.	41,333.24
Total Interest	578,287.14		569,528.48	Service Fee - AHFC	40,772.85
2. Principal Payments	95,996.38	401,463.20		2. Principal Payments	17,792.46
Payoffs	378,982.76	315,069.47		Payoffs	98.50
Net Adjustments	142,895.31	1,713.66		Net Adjustments	3.87
Total Principal	617,874.45		718,246.33	Late Charges	10,524.02
	<u>1,196,161.59</u>		<u>1,287,774.81</u>	Total Principal	<u>147,593.42</u>

LITIGATION

	Beginning Balance		New Accounts		Less Repossessed/Judgement		Plus Debits	Less Credits	Taken out of Foreclosure/Repossessed		Ending Balance	
	No.	Amount	No.	Amount	No.	Amount			No.	Amount	No.	Amount
Foreclosure												
Non-F/C												
Active	21	1,085,242.18	5	278,682.23			1,489.83	4,395.16	2	76,400.05	24	1,284,619.03
Total												

Judgement	3	93,533.90				275.00			3	93,808.90
Repossessed	6	593,058.61				4,060.21	1,450.00		6	595,668.82

Assumptions	Approved		Disapproved		Extensions		Approved		Disapproved	
Beginning	140		1		Beginning		46		14	
This Month	7		0		This Month		0		0	
Ending	147		1		Ending		46		14	

½ JV assumptions: 52-220-4936-6 Fischback \$63,815.64 53-210-1213-3 Simmons \$64,294.80