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553

Background analysis for HB 553 "An Act amending the Alaska Grain Reserve Program; and providing for an effective date"

The purpose of HB 553 is to allow the Director of the Division of Agriculture, Department of Natural Resources, to accept "hulless" barley as collateral to secure a loan made under the Alaska Grain Reserve Program.

To briefly recap the Grain Reserve Program - this loan program was established last session to give grain farmers a two year, state-funded loan program to encourage increased production. It allows DNR to loan up to 90% of the USDA target price for the grain offered as collateral, and graded number 4 or better. To limit the program to two seasons, the grain has to have been grown in 1983 or 1984.

Hulless barley is a hardy and heavy strain particularly well-suited to northern latitudes such as Alaska's. But, because it is not commonly grown in the Lower 48, the USDA has no grading standards for it, and it does not, consequently, qualify for the loan program. However, it does constitute a significant portion of the barley crop, and as hog production in the state increases, the production of hulless barley is expected to increase commensurately.

The proposed committee substitute is intended to accomplish two things:

1. It specifies "hulless barley", rather than the broad "grain that is not graded" of the original;
2. It requires that the commissioner of DNR approve the conditions under which hulless barley will be accepted.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CSHB 553 (RES)
 Title: Grain Reserve Program
Amendments
 Sponsor: Schultz
 Requestor: _____
 Date of Request: 2-6-84

FISCAL DETAIL

Agency Affected: Natural Resources
 Program Category Affected: _____
Agriculture development
 BRU, Program or Subprogram(s) Affected: _____
Agriculture development

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharon L. Barton Phone: 465-2400
 Division: Commissioner's Office Date: 2-6-84

Approved by Commissioner: Nami D Small, Dept. Date: 2-6-84
 Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

MEMORANDUM


State of Alaska

TO: The Honorable Richard Shultz
Co-Chairman
House Resources Committee

DATE: February 7, 1984

FILE NO:

TELEPHONE NO:

FROM: Sharon Barton 
Special Assistant
Department of Natural Resources

SUBJECT: DNR Proposed
Amendments - HB 553

As you know, the Grain Reserve Program was established in 1983 to make loans for crops grown in the 1983 and 1984 seasons. The Director of the Division of Agriculture has subsequently recommended to the Governor that the program be extended at least through 1987. He further recommended that the fund be converted to a revolving account to reduce or eliminate the necessity of requesting annual appropriations to the fund. The Governor adopted both of these propositions as part of his agricultural program.

As sponsor of the original legislation, DNR requests your assistance in effecting the necessary statutory changes. Specifically, we ask your consideration of the following additional amendments to CS HB 553 (Resources):

1. AS 03.12.040 is amended to read:

Alaska grain reserve revolving loan fund. The Alaska grain reserve revolving loan fund is established in the department for the purpose of financing loans made under this chapter. The fund consists of appropriations made to it by the legislature, repayments of principal and accrued interest on loans made from the fund.

2. AS 03.12.200 is amended to read:

(3) "fund" means the Alaska grain reserve revolving loan fund.

3. Sec. 3-5 1983 SLA Ch 100 are repealed.

With your approval, we will offer these amendments in the House Resources Committee hearing today at 3:00 p.m.

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Approved by Commissioner: Mimi O Amath, Dept Date: 2-6-84
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12/1/83