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# HOUSE COMMITTEE REPORT

(7)

Date referred: 3/2/88

FURTHER REFERRALS: Judiciary

DATE: 5/6/88

The Labor & Commerce Committee has considered CSSB 392(R1s)

"An Act relating to the Alaska Industrial Development and Export Authority; and providing for an effective date."

### RECOMMENDS:

- replace with \_\_\_\_\_  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

ADOPTS:  \_\_\_\_\_ letter of intent

### ATTACHES NEW FISCAL NOTE(s):

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published 2/29/88
- zero with analysis

### SIGNING DO PASS:

[Signature]  
[Signature]  
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### SIGNING OTHER RECOMMENDATIONS:

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[Signature]  
 Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: AIDEA  
 Title: An Act relating to the AIDEA BRU: Same as above  
 Sponsor: Halford, Faiks, Kelly, et al. Components: Same as above  
 Requester: Senate Rules

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Passage of this legislation will have no fiscal impact upon the Authority's budget.

Prepared by: Bertram L. Wagon, Executive Director Phone: 274-1651  
 Division: AK Industrial Dev. and Export Authority (AIDEA) Date: February 26, 1988  
 Approved by Commissioner: J. Anthony Smith *Kathy Newell* Date: 2/25/88  
 Agency: Department of Commerce and Economic Development

Distribution (by preparer):

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



# Senator Rick Halford

Senate District 1  
Chugiak, Eagle River, East Anchorage, Fort Richardson

Senate Finance Committee  
Co-Chairman

March 31, 1988

RECEIVED  
APR 1 1 1987

MEMORANDUM

TO: Representative Dave Donley, Chairman  
House Labor and Commerce Committee

FROM: Senator Rick Halford, Co-Chairman  
Senate Finance Committee *Rick Halford*

SUBJECT: SB 392 - Repealing AIDEA's 2% Delinquency Rule

Senate Bill 392 is currently pending before your committee and I would appreciate a hearing on it at the committee's earliest convenience. The bill repeals the law that prohibits the Alaska Industrial Development and Export Authority from purchasing loans from a financial institution when more than two percent of the total outstanding balance of the loans which the Authority has purchased from the institution are delinquent for 90 days or more.

The bill replaces this requirement with a section instructing the authority to adopt regulations describing the circumstances under which it will discontinue purchasing loans from a financial institution because of excessive delinquencies. As a result, the 2% requirement will no longer be the rule and instead AIDEA will have the flexibility necessary to continue to do business with financial institutions in Alaska.

There are sixteen banks which currently have servicing agreements with the Authority. As of January 31, 1988 only three of those sixteen are eligible to do business with the Authority because of the 2% delinquency rule.

Should you need additional information, please contact Theresa Maser of my staff at 465-4958.

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HL+C

5-6-88

4:30 p.m.