



# LAWS OF ALASKA

1972

Source

FCCS SCS CSHB 312

Chapter No.

171

## AN ACT

Establishing a tourism revolving fund in the Department of Commerce; and providing for an effective date.

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

\* Section 1. AS 45 is amended by adding a new chapter to read:

#### CHAPTER 90. TOURISM REVOLVING FUND.

Sec. 45.90.010. CREATION OF A TOURISM REVOLVING FUND. There is created in the Department of Commerce a tourism revolving fund.

Sec. 45.90.020. POWERS OF THE DEPARTMENT. (a) The department may

(1) make loans to a business directly involved in the tourist industry;

(2) designate agents and delegate powers to them as necessary;

(3) promulgate rules and regulations necessary to carry out its functions;

(4) establish amortization plans for the repayment of loans not to exceed 20 years.

(b) The Department of Commerce shall consult with the state division or department having jurisdiction over tourism on regulations and procedures established under this chapter.

Sec. 45.90.030. LIMITATIONS ON LOANS. (a) No loan to a business may be more than \$1,000,000.

(b) The loan shall be secured by acceptable collateral and may not exceed 75 per cent of the appraised value of the collateral offered as security.

(c) The rate of interest may not exceed eight per cent a year on the unpaid balance.

(d) A loan of \$150,000 or more under this chapter must be participated in by a financial institution in an amount which is not less than 20 per cent of the total amount of the loan. A loan of less than \$150,000 does not require participation by a financial institution.

(e) The participating financial institution shall administer and service the loan for a reasonable fee not exceeding one-half of one per cent.

(f) The lien of the state is a first lien to the extent of its portion of the total loan and the participating financial institution shall have a first lien to the extent of its portion of the total loan.

Sec. 45.90.040. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a) The commissioner of commerce may sell or transfer at par value or at a premium or discount to any bank or other private purchaser for cash or other consideration the mortgages and notes held by the Department of Commerce as security for loans made under this chapter.

(b) The commissioner of commerce may sell or transfer at par value to the Department of Revenue the mortgages and notes held by the Department of Commerce as security for loans made under this chapter. The Department of Revenue may purchase all the mortgages and notes offered and shall purchase the mortgages and notes offered until the current principal amount of all the mortgages and notes purchased and held by the Department of Revenue equals \$5,000,000.

\* Sec. 2. This Act shall be effective until May 1, 1973.

\* Sec. 3. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.