



LAWS OF ALASKA

1975

Source

Chapter No.

CSSB 181

128

AN ACT

Relating to loans for the construction of hatchery facilities;
and providing for an effective date.

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

* Section 1. AS 16.10.300 is amended to read:

Sec. 16.10.300. DECLARATION OF POLICY. It is the policy of the state, under secs. 300 - 370 of this chapter, to promote the rehabilitation of the state's fisheries, the development of a predominantly resident fishery, and the continued maintenance of commercial fishing gear and vessels throughout the state by means of long-term low interest loans.

* Sec. 2. AS 16.10.310(a)(1) is amended to read:

(1) make loans to

(A) individual commercial fishermen who have been state residents for a continuous period of five years and have had a commercial fishing license for three years for the repair, restoration or upgrading of existing vessels and gear and for the purchase of entry permits and gear and the construction and purchase of vessels; and

(B) permit holders under secs. 400 - 470 of this chapter, for the construction of hatchery facilities;

* Sec. 3. AS 16.10.320 is amended to read:

Sec. 16.10.320. LIMITATIONS ON LOANS. A commercial fishing loan may not exceed \$100,000. A loan may not run longer than 15 years or bear interest exceeding seven per

cent, and it shall be secured by a first lien and appropriate security agreements, except that a lien in favor of the state is not required for loans guaranteed fully by the federal government under the Federal Ship Financing Act of 1972 (46 U.S.C. secs. 1271 - 1279b; 86 Stat. 909), as amended, and loans granted under sec. 310(a)(1)(B) of this chapter may be secured by other acceptable collateral as determined appropriate by the department, including but not limited to a pledge of assessments from fishermen to finance the establishment of hatcheries under secs. 400 - 470 of this chapter. In the case of a security agreement given to secure a loan made under secs. 300 - 370 of this chapter and covering a vessel documented under the laws of the United States and so long as the Ship Mortgage Act of 1920 (46 U.S.C. secs. 911 - 984; 41 Stat. 1000), as amended, and the Shipping Act of 1916 (46 U.S.C. secs. 801 - 842; 39 Stat. 728), as amended, remain ambiguous with respect to whether or not a state or state agency qualifies as a citizen of the United States for purposes of those Acts, the first lien requirement of this section may be satisfied by the recordation and endorsement of a first preferred ship mortgage under the Ship Mortgage Act of 1920, and by perfection of a security interest under the Uniform Commercial Code - Secured Transactions (AS 45.05.690 -45.05.794), if the approval of the Secretary of Commerce is obtained under 46 U.S.C. sec. 839 for the transfer to the department of the interest in a vessel documented under the laws of the United States. In the case of a security agreement given to secure a loan made under secs. 300 - 370 of this chapter and covering a vessel documented under the laws of the United States, the first lien requirement of this section may also be satisfied by use of a trust deed and bond issue under it, if the trustee is a citizen of the United States and obtains a first preferred ship mortgage on the vessel under the Ship Mortgage Act of 1920, and the approval of the Secretary of Commerce is obtained under 46 U.S.C. secs. 839 and 961 for the transfer of the bond or bonds to the department if the trustee is not a trustee approved by the Secretary of Commerce under 46 U.S.C. secs. 808, 835 and 961. Except for loans granted under sec. 310(a)(1)(B) of this chapter, loans may not exceed 75 per cent of the appraised value of the collateral used to secure the loan.

* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.070(c).