

**HOUSE BILL NO. 96**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES THOMAS, Harris, Gara, Kerttula

Introduced: 1/28/09

Referred: State Affairs, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to forgiveness of interest on certain state loans secured by a lien placed  
2 on potential receipts from litigation involving claims for injury, loss, or destruction of  
3 the natural resources affected by the March 24, 1989, Exxon Valdez oil spill; and  
4 providing for an effective date."

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

6 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
7 to read:

8 FORGIVENESS OF INTEREST ON CERTAIN LOANS. (a) The entire amount of  
9 interest on a loan to one or more individuals made by an agency that is outstanding on the  
10 effective date of this section is forgiven if repayment of the principal and interest of the loan  
11 is secured by a lien placed on potential monetary receipts by the borrower that result from  
12 litigation involving claims for injury, loss, or destruction of the natural resources affected by  
13 the March 24, 1989, Exxon Valdez oil spill.

14 (b) This section does not apply to loans made to businesses or other organizations.

1 This section does not apply to loans that have been pledged as security on bonds issued by an  
2 agency to the extent that the interest on those loans is required by the agency to satisfy the  
3 security obligations.

4 (c) Before January 1, 2010, each agency that has made loans to individuals shall  
5 identify the loans to which this section applies and revise the loan terms in accordance with  
6 the requirements of this section.

7 (d) For purposes of this section, "agency" means a board, commission, or agency in  
8 the executive branch of state government and includes a public corporation of the state and  
9 the University of Alaska.

10 \* **Sec. 2.** This Act is repealed on January 1, 2010.

11 \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).