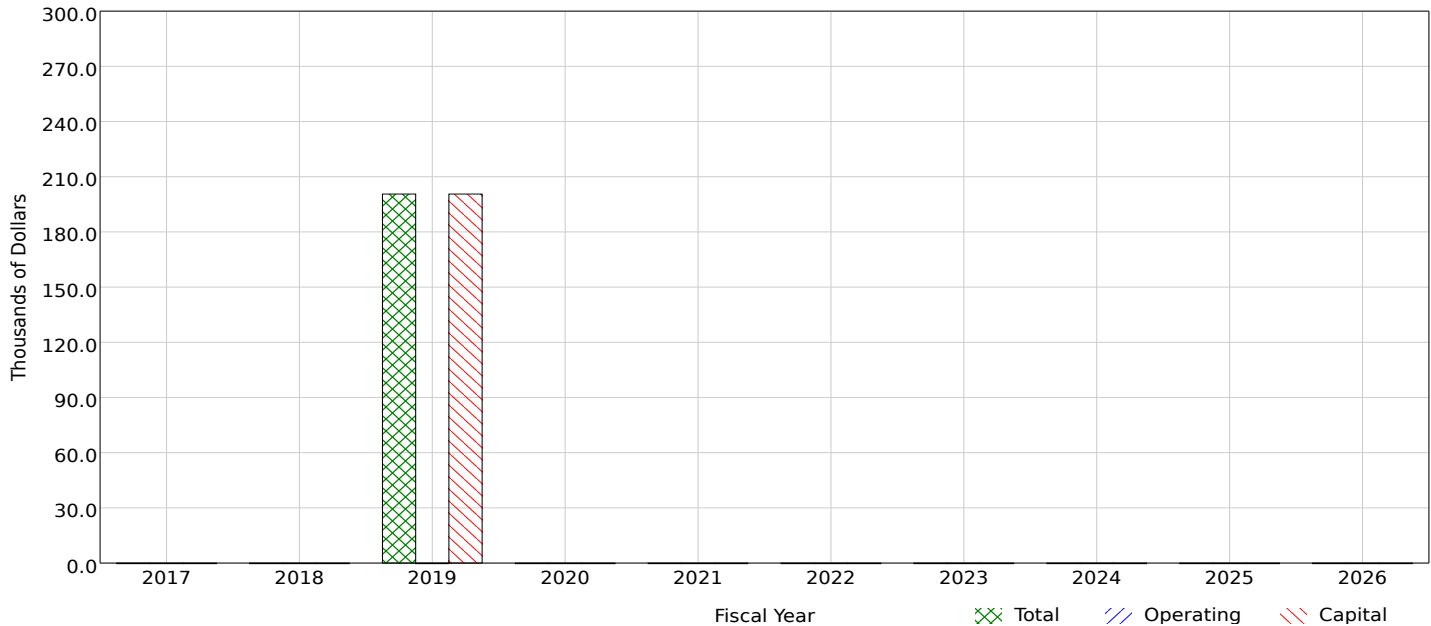


Fund Source Report

1067 Mining RLF Mining Revolving Loan Fund

Year Authorized 1980 Year Repealed Active? No Mental Health? No Duplicated? No Fund Group Designated General

Operating and Capital Appropriations



Legal Authority

AS 27.09.010, AS 27.09.060

Source of Revenue

Consists of money appropriated from the legislature and principal and interest earned from repayment of loans, proceeds from property foreclosed on by the fund.

Restrictions on Use

Loans to underwrite mineral exploration, development, or mining in the state. Money may be appropriated to administer the program. Unexpended and unobligated cash balances lapse annually to the general fund.

Description and History

The Mining Revolving Loan Fund was established to make loans to individuals or businesses for minerals related projects.

Loans may be made to (1) an individual who has at least five years of mining or prospecting experience in Alaska and who is a resident of Alaska, (2) a partnership if at least half of the partners have five years mining or prospecting experience in Alaska, and at half of the partners are residents of Alaska, or (3) a corporation that has at least five years of mining or prospecting experience in Alaska, and at least 51% of the shareholders are residents of Alaska.

Loans may be made to underwrite advanced mineral exploration, development, or mining in the state. The maximum loan amount is \$5,000,000, may not exceed a term of 15 years, and interest cannot exceed 10%. On loans other than placer mining, repayment of principal begins not later than one year after the date mineral production began or five years from the date of the loan, whichever is sooner. On placer mining loans, principal repayments begin before the end of the second placer mining season (a consecutive 12-month period when placer mining activities may be conducted by virtue of the thawed and fluid condition of the streams and rivers in the mining area) after the loan was made. Interest accrues from the date of the loan and is payable annually.

In 1982 the fund was made a revolving loan fund with repayments going into the fund and no longer into the general fund.

No loans have been made since 1986, and administration costs are not expected to be charged after FY04.

November 2012

Code deactivated--no activity since FY04.