

Bill to Rid Impediments on Fishing Loan Prog.

JUNEAU — Governor William A. Egan said today that a bill to remove federal impediments

hindering the state's commercial fishing loan program has at his request been introduced in Con-

gress by Alaska Senator Mike Gravel.

The bill will amend the federal Ship Mortgage Act of 1920 to enable the state to obtain a first lien on boats being put up as loan collateral, as is required by state law.

In most cases the only first

lien available is a preferred ship mortgage created and held in accordance with the federal act, which requires that the holder be a United States citizen.

"Since a state is nowhere defined as being a citizen," Egan said, "the proposed legislation will correct that oversight and enable states to create and hold preferred ship mortgages."