

HOUSE BILL NO. 188

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 3/10/11

Referred: Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the interest that may be charged by express agreement."**

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

3 * **Section 1.** AS 45.45.010(b) is amended to read:

4 (b) Interest may not be charged by express agreement of the parties in a
5 contract or loan commitment that is more than the greater of 10 percent or five
6 percentage points above the annual rate charged member banks for advances by the
7 12th Federal Reserve District on the day on which the contract or loan commitment is
8 made. A contract or loan commitment in which the principal amount exceeds \$25,000
9 is exempt from the limitation of this subsection.

10 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
11 read:

12 **APPLICABILITY.** This Act does not apply to contracts or loan commitments entered
13 into before the effective date of this Act.