



LAWS OF ALASKA

1982

Source

SCS CSHB 237(Res)(CC)

Chapter No.

7

AN ACT

Amending the Alaska Agricultural Loan Act; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: February 1, 1982
Actual Effective Date: February 2, 1982

AN ACT

Amending the Alaska Agricultural Loan Act; and providing
for an effective date.

* Section 1. AS 03.10.030(a) is amended to read:

(a) A farm development loan may not exceed \$500,000. The mortgage which secures a farm development loan may be of any priority if the total indebtedness on the real estate, including the secured farm development loan, does not exceed \$500,000. A farm development loan which, if granted, would raise the existing indebtedness on the real estate above \$500,000, or a farm development loan on real estate which has a prior existing indebtedness of \$500,000 or more, may be made only if all prior mortgagees agree to subordinate their mortgages to that of the state for the amount of the farm development loan which exceeds the \$500,000 indebtedness limit on the real estate. A loan may not run longer than 30 years nor bear interest exceeding eight [SIX] percent, and it shall be secured by a real estate or chattel mortgage, or both.

* Sec. 2. AS 03.10.030(b) is amended to read:

(b) Except for loans for irrigation systems as provided in this subsection, a chattel loan may not exceed \$300,000 for each farm unit and may not run longer than seven years or the useful life of the chattel if more than seven years. It may not bear interest exceeding eight [SIX] percent. It shall be secured by a real estate or chattel mortgage, or both. Loans and the real estate and chattel mortgage security on them for irrigation systems may be in amounts and for terms

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as determined by the commissioner.

* Sec. 3. AS 03.10.030(f) is amended to read:

(f) A farm product processing loan may not exceed \$2,500,000. A mortgage which secures a farm product processing loan may be of any priority if the total indebtedness on the real estate, including the secured farm product processing loan, does not exceed \$2,500,000. A farm product processing loan which, if made, would raise the existing indebtedness on the real estate securing the loan above \$2,500,000, or a farm product processing loan on real estate which has a prior indebtedness of \$2,500,000 or more, may be made only if all prior mortgagees agree to subordinate their mortgages to that of the state for the amount of the farm product processing loan which exceeds the \$2,500,000 indebtedness limit on the real estate. A farm product processing loan may not exceed a term of 30 years or bear interest exceeding eight [SIX] percent a year and shall be secured by a real estate or chattel mortgage or both.

* Sec. 4. AS 03.10.040 is amended to read:

Sec. 03.10.040. CREATION OF FUND. There is an agricultural revolving loan fund which shall not exceed \$75,000,000 [\$20,000,000] to carry out the purpose of this chapter.

* Sec. 5. AS 03.10.050 is amended by adding a new subsection to read:

(c) A member of the agricultural revolving loan fund board may not, during his term of office or within one year after he ceases to be a member of the board, obtain a loan under this chapter other than a short-term loan under AS 03.10.030(c).

* Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-070(c).