

**SENATE BILL NO. 221**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 1/12/98

Referred: Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to negatively amortizing loans originated under a program  
2 approved or sponsored by the state or federal government."

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

4 \* **Section 1.** AS 45.45.010(f) is amended to read:

5 (f) A bank, credit union, savings and loan institution, pension fund, insurance  
6 company, or mortgage company may not require or accept any percent of ownership  
7 or profits above its interest rate. This subsection does not apply to a loan if the  
8 principal amount of the loan is \$1,000,000 or more and the term of the loan is five  
9 years or more, or to a negatively amortizing loan originated under a program  
10 approved or sponsored by the state or federal government.