IN THE HOUSE

BY MESSRS. KERTTULA, KENDALL, A. HARRIS, HAMMOND, DEVEAU AND RHODE

HOUSE BILL NO. 83

IN THE LEGISLATURE OF THE STATE OF ALASKA

SECOND LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to farm loans; amending subsec. (a) of Sec. 4 and Sec. 5, Ch. 122, SLA 1953, as amended by Sec. 1, Ch. 156, SLA 1955."

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

Section 1. Subsec. (a), Sec. 4, Ch. 122, SLA 1953, as amended by Sec. 1, Ch. 156, SLA 1955 is amended to read:

(a) To Make Loans To individual resident Alaska farmers, homesteaders, and partnerships or corporations composed of farmers and homesteaders, [WITH THE EXCEPTION OF MEMBERS OF THE AGRICULTURAL LOAN BOARD AS DESCRIBED IN THIS ACT,] for development of farms, storage and processing of farm produce, livestock and machinery. To make loans to individuals, partnerships or corporations, for storage and processing plants for agricultural products.

Farm Development Loans shall not exceed <u>$40,000.00</u> [$20,000.00] nor raise the total real estate indebtedness above <u>$40,000.00</u> [$25,000.00]. Such loans shall not run longer than twenty years nor bear interest in excess of 4 1/2%, and shall be secured by a real estate or chattel mortgage or both.

Chattel Loans shall not exceed <u>$25,000.00</u> [$10,000.00] for each farm unit; shall not run longer than five years or the useful life of the chattel, nor bear interest in excess

of 5%, and shall be secured by a real estate or chattel mortgage, or both.

Short Term Crop Loans. Short Term Crop Loans, to be amortized within one year, not to exceed $5,000.00 [$2,000.00] to any one borrower may be made for emergency purposes.

Sec. 2. Sec. 5, Ch. 122, SLA 1953 is amended to read:

Section 5. CREATION OF FUND. There is hereby created an agricultural revolving loan fund which fund shall not exceed $2,000,000.00 [ONE MILLION DOLLARS ($1,000,000.00)] to carry out the purposes and provisions of this Act.