

Introduced: 2/27/66  
Referred: State Affairs  
and Finance

1 IN THE SENATE

BY STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 305

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Remote Area Housing  
7 Revolving Fund in the Department of Commerce;  
8 providing loans for homes in remote areas of  
9 the state; and providing for an effective  
10 date."

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

12 \* Section 1. AS 18.55 is amended by adding new sections to  
13 read:

14 ARTICLE 5. REMOTE AREA HOUSING

15 Sec. 18.55.992. CREATION OF FUND. There is created  
16 the Remote Area Housing Revolving Fund in the Department of  
17 Commerce to carry out the provisions of sec. 994 of this  
18 chapter. This fund shall be used for no other purpose.

19 Sec. 18.55.994. HOME LOANS. (a) The department may,  
20 under rules, regulations, and policies adopted by it, make  
21 home loans which do not exceed \$7,500 to any resident of the  
22 state to purchase, remodel, repair, build, furnish or equip  
23 his home in a remote area of the state. The loans may not  
24 exceed 90 per cent of the appraised value when the loan is  
25 for the purchase or construction of a home unless additional  
26 amounts are secured by acceptable collateral as determined by  
27 the department in conformity with established minimum re-  
28 quirements. The rate of interest is five per cent a year on  
29 the unpaid balance.

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(b) The maximum length of a loan shall be 20 years.  
A loan may be repaid earlier at the discretion of the  
borrower with no penalty for prepayment.

(c) A "Remote Area" is an area where conventional  
financing is not available and where present Federal Housing  
Authority programs are not available.

\* Sec. 2. This Act takes effect on the day after its passage  
and approval or on the day it becomes law without such approval.