

Introduced: 3/8/67  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY HOLM AND KERTTULA

2 HOUSE BILL NO. 274

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to limitations on agricultural loans."

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

8 \* Section 1. AS 03.10.030 is amended to read:

9 Sec. 03.10.030. LIMITATIONS ON LOANS. (a) A farm development  
10 loan may not exceed \$50,000. The mortgage which secures a farm develop-  
11 ment loan may be of any priority if the total indebtedness on the real  
12 estate, including the secured farm development loan, does not exceed  
13 \$50,000. A farm development loan which, if granted, would raise the  
14 existing indebtedness on the real estate above \$50,000, or a farm  
15 development loan on real estate which has a prior existing indebtedness  
16 of \$50,000 or more, may be made only if all prior mortgagees agree to  
17 subordinate their mortgages to that of the state for the amount of the  
18 farm development loan which exceeds the \$50,000 indebtedness limit on  
19 the real estate. A loan may not run longer than 30 years nor bear  
20 interest exceeding six [FIVE] per cent, and it shall be secured by a  
21 real estate or chattel mortgage, or both.

22 (b) A chattel loan may not exceed \$25,000 for each farm unit.  
23 It may not run longer than seven years or the useful life of the  
24 chattel. It may not bear interest exceeding six [FIVE] per cent. It  
25 shall be secured by a real estate or chattel mortgage, or both.

26 (c) A short term loan, to be amortized within one year, not to  
27 exceed \$15,000 [\$10,000] to any one borrower may be made for emergency  
28 purposes.  
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