

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

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE HOUSE

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 and providing for an effective date."

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

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

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

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

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

29 \* Sec. 2. This Act takes effect on the day after its passage and approval.

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1 or on the day it becomes law without approval.

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