

1 IN THE HOUSE

BY THE RULES COMMITTEE BY REQUEST  
OF THE LEGISLATIVE COUNCIL

2 HOUSE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - FIRST SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act increasing veterans' loan benefits; and pro-  
7 viding for an effective date."

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

9 \* Section 1. AS 26.15.040(a)(2) is amended to read:

10 (2) Farm and home loans may be made to purchase, remodel,  
11 repair, build, furnish, refinance or equip homes or farms in the state,  
12 including the clearing and drainage for farms, not exceeding \$25,000  
13 [\$22,500]. The loans may not exceed 90 per cent of the appraised  
14 value when the loan is for the purchase or construction of a home un-  
15 less additional amounts are secured by acceptable collateral as deter-  
16 mined by the commissioner of commerce in conformity with established  
17 minimum requirements. The rate of interest may not exceed six per  
18 cent a year on the unpaid balance.

19 \* Sec. 2. AS 26.15.040(a)(3) is amended to read:

20 (3) Business loans may be made to acquire, finance or re-  
21 finance or equip businesses, including mining and fishing but not in-  
22 cluding farming, not exceeding \$25,000 [\$22,500]. The loans shall be  
23 secured by acceptable collateral and may not exceed 75 per cent of the  
24 appraised value of the collateral offered as security. The rate of  
25 interest may not exceed six per cent a year on the unpaid balance.

26 \* Sec. 3. AS 26.15.040(c) is amended to read:

27 (c) No loans authorized by (a)(2) and (3) of this section may be  
28 made unless the commissioner of commerce is satisfied that no money is  
29 available to the applicant from private lending institutions on a

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guaranteed basis as set out in (b) of this section. An applicant is eligible for more than one type of loan, but the total may not exceed \$25,000 [\$22,500] at any one time.

\* Sec. 4. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.