

Introduced: 3/11/69
Referred: Commerce and
Judiciary

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1 IN THE HOUSE

2 HOUSE BILL NO. 278

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to interest rates on certain veterans
7 loans."

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

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

10 (a) The commissioner of commerce may, under rules, regulations,
11 and policies adopted by him, make the following loans:

12 (1) Personal loans may be made for educational, domestic,
13 remote area family housing and other personal purposes, not exceeding
14 \$5,000. The loans shall be secured by acceptable collateral when
15 available but if not available the commissioner may make loans on the
16 basis of good character. The rate of interest may not exceed eight
17 [SIX] per cent a year on the unpaid balance.

18 (2) Farm and home loans may be made to purchase, remodel,
19 repair, build, furnish, refinance or equip homes or farms in the state,
20 including the clearing and drainage for farms, not exceeding \$25,000.
21 The loans may not exceed 90 per cent of the appraised value when the
22 loan is for the purchase or construction of a home unless additional
23 amounts are secured by acceptable collateral as determined by the com-
24 missioner of commerce in conformity with established minimum require-
25 ments. The rate of interest may not exceed eight [SIX] per cent a
26 year on the unpaid balance.

27 (3) Business loans may be made to acquire, finance or re-
28 finance or equip businesses, including mining and fishing but not
29 including farming, not exceeding \$25,000. The loans shall be secured

1 by acceptable collateral and may not exceed 75 per cent of the appraised
2 value of the collateral offered as security. The rate of interest may
3 not exceed eight [SIX] per cent a year on the unpaid balance.

4 * Sec. 2. AS 26.15.040(b) is amended to read:

5 (b) The commissioner of commerce may enter into agreements with
6 private banks, other lending institutions and individuals for the pur-
7 pose of guaranteeing loans made to qualified applicants. The guarantees
8 may not exceed 90 per cent of the amount loaned and the loans shall be
9 secured in the same manner provided for direct loans under this section.
10 A loan made under this subsection and guaranteed by the commissioner of
11 commerce and the state shall bear an interest rate not exceeding eight
12 [SEVEN] per cent a year on the unpaid balance.
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