

Introduced: 2/4/70  
Referred: Commerce and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 598

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans benefits; and providing  
7 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  
12 state, including the clearing and drainage for farms, not exceeding  
13 \$32,500 [\$25,000]. The loans may not exceed 90 per cent of the  
14 appraised value of the property or its selling price, whichever is  
15 less, when the loan is for the purchase or construction of a home  
16 unless additional amounts are secured by acceptable collateral as  
17 determined by the commissioner of commerce in conformity with  
18 established minimum requirements. The rate of interest may not  
19 exceed eight per cent a year on the unpaid balance.

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

21 (b) The commissioner of commerce may enter into agreements with  
22 private banks, other lending institutions and individuals for the  
23 purpose of guaranteeing loans made to qualified applicants. The  
24 guarantees may not exceed 90 per cent of the appraised value, or  
25 selling price, whichever is less, [AMOUNT LOANED] and the loans shall  
26 be secured in the same manner provided for direct loans under this  
27 section. A loan made under this subsection and guaranteed by the  
28 commissioner of commerce and the state shall bear an interest rate  
29 not exceeding eight per cent a year on the unpaid balance.

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

2 (c) No loans authorized by (a)(2) and (3) of this section may  
3 be made unless the commissioner of commerce is satisfied that no  
4 money is available to the applicant from private lending institutions  
5 on a guaranteed basis as set out in (b) of this section. An  
6 applicant is eligible for more than one type of loan, but the total  
7 amount of all loans made to a veteran under this section may not  
8 exceed \$32,500 [~~\$25,000~~] at any one time.

9 \* Sec. 4. AS 26.15.130(a)(1)(B) is amended to read:

10 (B) who, not being bona fide residents of the terri-  
11 tory before their entry into the service, have lived in the  
12 territory or state for at least 10 consecutive years which may  
13 include any time spent in active military service in Alaska  
14 immediately prior to discharge;

15 \* Sec. 5. AS 26.15.160(1)(B) is amended to read:

16 (B) who at the time of entry into the service were  
17 bona fide residents of the territory or State of Alaska and had  
18 been residents of the territory or state for not less than one  
19 year before their entry into the service; and who have returned  
20 to the territory or state within a reasonable length of time  
21 after discharge or separation as residents with the intention of  
22 remaining in the territory or state; or who, not being bona fide  
23 residents of the territory before their entry into the service,  
24 have lived in the territory or state for at least 10 consecutive  
25 years which may include time spent in active military service in  
26 Alaska immediately prior to discharge [FOLLOWING THEIR RELEASE  
27 FROM ACTIVE MILITARY SERVICE]; and

28 \* Sec. 6. AS 26.15.160(3) is amended to read:

29 (3) No person unless he has lived in the state or territory

1 for at least 10 consecutive years following his release from active  
2 military service is eligible for the benefits of this section who  
3 is eligible for veterans' benefits under the laws of any other state  
4 or territory. A World War II veteran who received a bonus under  
5 secs. 120 and 150 of this chapter need not repay the bonus in order  
6 to qualify under the loan provisions of this section.

7 \* Sec. 7. This Act takes effect on the day after its passage and  
8 approval or on the day it becomes law without approval.  
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