

Introduced: 1/23/70  
Referred: Commerce and  
Finance

1 IN THE HOUSE

BY FINK AND KERTTULA

2 HOUSE CONCURRENT RESOLUTION NO.13

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 Relating to loans to residents of  
6 Alaska through state deposits.

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

8 WHEREAS the lack of funds in Alaska banks available for loans to  
9 residents has been a serious problem for many years; and

10 WHEREAS, unless state funds are made available, the shortage of loan  
11 funds in the state, coupled with the tight money situation facing the entire  
12 nation, means that Alaskans will not be able to build houses, businesses  
13 and other facilities so essential to the well-being of the state; and

14 WHEREAS the state is now in the fortunate position of having available,  
15 as a result of the recent oil lease sale, funds which can be used to assist  
16 the people of the state to obtain the financial support they need through  
17 reasonable loans, and;

18 WHEREAS, if the money appropriated to the Omnibus Bond Redemption Fund  
19 were deposited with local banks for the purpose of making loans available to  
20 Alaska residents at a reasonable cost and certain prudent conditions were  
21 placed upon the lending institutions holding the deposits, the state and its  
22 citizens would be greatly benefited;

23 BE IT RESOLVED that the Governor is respectfully requested to direct  
24 the Commissioner of Revenue to

25 (1) deposit the money in the Omnibus Bond Redemption Fund with  
26 local banks at the going rate for open time deposits but not to exceed five  
27 per cent;

28 (2) make it a condition of deposit that, except for reserves  
29 required to be held by law, the money must be used for making loans to

1 residents of Alaska only and at a rate not to exceed two per cent above the  
2 rate being paid the state, and that no additional fees may be charged for  
3 loans except for a one-half of one per cent closing charge and actual costs  
4 and expenses incurred;

5 (3) keep the funds on deposit, except for debt service payments  
6 and excess interest, so long as the rate paid by the lending institution at  
7 least equals the rate on the bonds; and

8 (4) withdraw deposits and make other investments allowed by law  
9 when a lending institution fails to comply with the provisions of this  
10 Resolution.

13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29