

Original sponsor: Resources Committee

Offered: 4/25/70
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 482

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 loans under the Alaska Agricul-
7 tural Loan Act; 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 \$150,000 [\$75,000]. The mortgage which secures
12 a farm development loan may be of any priority of the total indebted-
13 ness on the real estate, including the secured farm development loan,
14 does not exceed \$150,000 [\$75,000]. A farm development loan which,
15 if granted, would raise the existing indebtedness on the real estate
16 above \$150,000 [\$75,000], or a farm development loan on real estate
17 which has a prior existing indebtedness of \$150,000 [\$75,000] or more,
18 may be made only if all prior mortgagees agree to subordinate their
19 mortgages to that of the state for the amount of the farm development
20 loan which exceeds the \$150,000 [\$75,000] indebtedness limit on the
21 real estate. A loan may not run longer than 30 years nor bear interest
22 exceeding six per cent, and it shall be secured by a real estate or
23 chattel mortgage, or both.

24 (b) A chattel loan may not exceed \$100,000 [\$40,000] for each
25 farm unit. Except for loans for irrigation systems as provided in
26 this section, it [IT] may not run longer than seven years or the useful
27 life of the chattel. It may not bear interest exceeding six per cent.
28 It shall be secured by a real estate or chattel mortgage, or both.

29 (c) A short term loan, to be amortized within one year, not to

1 exceed \$15,000 to any one borrower may be made for emergency purposes.

2 (d) Farm development and chattel loans for irrigation systems may
3 be for terms as determined by the commissioner.

4 * Sec. 2. This Act takes effect on the day after its passage and approval
5 or on the day it becomes law without approval.