

Original sponsor: Resources Committee

Offered: 5/12/70

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

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

1 mortgage security thereon for irrigation systems may be in amounts and
2 for terms as determined by the commissioner.

3 (c) A short term loan, to be amortized within one year, not to
4 exceed \$15,000 to any one borrower may be made for emergency purposes.

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

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