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IN THE HOUSE

BY GUESS AND BRADNER

HOUSE BILL NO. 22

IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to veteran affairs; and providing for an effective date."

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

\* Section 1. AS 26.15.040(a)(2) is amended to read:

(2) Farm and home loans may be made to purchase, remodel, repair, build, furnish, refinance or equip homes or farms in the state, including the clearing and drainage for farms, not exceeding \$37,500 [\$25,000]. The loans may not exceed 90 per cent of the appraised value when the loan is for the purchase or construction of a home unless additional amounts are secured by acceptable collateral as determined by the commissioner of commerce in conformity with established minimum requirements. The rate of interest may not exceed seven [EIGHT] per cent a year on the unpaid balance.

\* Sec. 2. AS 26.15.040(a)(3) is amended to read:

(3) Business loans may be made to acquire, finance or re-finance or equip businesses, including mining and fishing but not including farming, not exceeding \$50,000 [\$25,000]. The loans shall be secured by acceptable collateral and may not exceed 75 per cent of the appraised value of the collateral offered as security. The rate of interest may not exceed seven [EIGHT] per cent a year on the unpaid balance.

\* Sec. 3. AS 26.15.040(a) is amended by adding a new paragraph to read

(4) Multiple dwelling loans may be made to purchase, remodel, repair, build, furnish, refinance or equip multiple dwellings,

1 not exceeding \$55,000. The loans shall be secured by acceptable col-  
2 lateral and may not exceed 75 per cent of the appraised value of the  
3 collateral offered as security. The rate of interest may not exceed  
4 seven per cent a year on the unpaid balance.

5 \* Sec. 4. AS 26.15.040(c) is amended to read:

6 (c) No loans authorized by (a)(2) and (3) of this section may be  
7 made unless the commissioner of commerce is satisfied that no money is  
8 available to the applicant at a comparable rate of interest from private  
9 lending institutions on a guaranteed basis as set out in (b) of this  
10 section. An applicant is eligible for more than one type of loan,  
11 but the total may not exceed \$55,000 [\$25,000] at any one time.

12 \* Sec. 5. AS 26.15.130(a)(1) is amended to read:

13 (1) persons who served in the armed forces of the United  
14 States for 90 days or more, or whose service was for less than 90 days  
15 because of injury or disability incurred in the line of duty, between  
16 April 6, 1917, and November 11, 1918, and between September 16, 1940,  
17 and August 4, 1964 [JULY 25, 1947], or in a combat zone during any  
18 period of armed conflict, who were separated from the armed forces with  
19 a discharge other than dishonorable, and

20 (A) who, at the time of induction into the service, were  
21 residents of the territory, who had been residents for not less  
22 than one year immediately before their induction, and who returned  
23 to the territory or state after discharge as residents with the  
24 intention of remaining in the territory or state; or

25 (B) who, not being bona fide residents of the territory  
26 before their entry into the service, have lived in the territory or  
27 state for at least 10 years following their release from active  
28 military service;

29 \* Sec. 6. Interest rates on loans in effect on the effective date of

1 this Act which are above the limits provided in this Act are not reduced or  
2 affected by this Act.

3 \* Sec. 7. This Act takes effect on July 1, 1971.  
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