

SCS CS

Original sponsors: Guess and Bradner

Offered: 2/26/71
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 22

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veteran affairs; and providing for
7 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 not exceeding \$37,500 may be made
11 to purchase, remodel, repair, build, furnish, refinance or equip homes
12 or farms in the state, including the clearing and drainage for farms
13 [, NOT EXCEEDING \$25,000]. The loans may not exceed 90 per cent of
14 the appraised value when made [THE LOAN IS] for the purchase or
15 construction of a home unless additional amounts are secured by
16 acceptable collateral as determined by the commissioner of commerce
17 in conformity with established minimum requirements. The rate of
18 interest may not exceed seven [EIGHT] per cent a year on the unpaid
19 balance.

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

21 (3) Business loans not exceeding \$50,000 may be made to
22 acquire, finance or refinance or equip businesses, including mining
23 and fishing but not including farming, provided such businesses have
24 three or more years of operating history in Alaska [NOT EXCEEDING
25 \$25,000]. The loans shall be secured by acceptable collateral and may
26 not exceed 75 per cent of the appraised value of the collateral offered
27 as security. The rate of interest may not exceed seven [EIGHT] per cent
28 a year on the unpaid balance.

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

1 (4) Multiple dwelling loans not exceeding \$55,000 may be
2 made to purchase, remodel, repair, build, furnish, refinance or equip
3 multiple dwellings. The loans shall be secured by acceptable collateral
4 and may not exceed 75 per cent of the appraised value of the collateral
5 offered as security. The rate of interest may not exceed seven per
6 cent a year on the unpaid balance.

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

8 (c) No loans authorized by (a)(2), [AND] (3) and (4) of this
9 section may be made unless the commissioner of commerce is satisfied
10 that [NO] money at a comparable rate of interest is not available
11 to the applicant from private lending institutions on a guaranteed
12 basis as set out in (b) of this section. An applicant is eligible
13 for more than one type of loan, but the total may not exceed \$55,000
14 [\$25,000] at any one time.

15 * Sec. 5. AS 26.15.070 is amended to read:

16 Sec. 26.15.070. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a)
17 The commissioner of commerce may sell or transfer at par value or at
18 a premium or discount to [THE DEPARTMENT OF REVENUE OR] any bank or
19 other private purchaser for cash or other consideration the mortgages
20 and notes held by the Department of Commerce as security for loans
21 made under this chapter.

22 (b) The commissioner of commerce may sell or transfer at par
23 value to the Department of Revenue the mortgages and notes held by the
24 Department of Commerce as security for loans made under this chapter.
25 The Department of Revenue shall purchase all such mortgages and notes
26 offered, allowing the Department of Commerce a one-half of one per
27 cent service fee.

28 * Sec. 6. AS 26.15.130(a)(1) is amended to read:

29 (1) persons who served in the armed forces of the United

1 States for 90 days or more, or whose service was for less than 90 days
2 because of injury or disability incurred in the line of duty, between
3 April 6, 1917, and November 11, 1918, and beginning September 16, 1940
4 to six months after termination of hostilities involving United States
5 forces in Indo-China [, AND JULY 25, 1947], or in a combat zone during
6 any period of armed conflict, who were separated from the armed forces
7 with a discharge other than dishonorable, and

8 (A) who, at the time of induction into the service,
9 were residents of the territory, who had been residents for not
10 less than one year immediately before their induction, and who
11 returned to the territory or state after discharge as residents
12 with the intention of remaining in the territory or state; or

13 (B) who, not being bona fide residents of the territory
14 before their entry into the service, have been residents of the
15 territory or state for 10 or more years [LIVED IN THE TERRITORY
16 OR STATE FOR AT LEAST 10 YEARS FOLLOWING THEIR RELEASE FROM ACTIVE
17 MILITARY SERVICE];

18 * Sec. 7. Interest rates on loans in effect on the effective date of
19 this Act which are above the limits provided in this Act are not reduced or
20 affected by this Act.

21 * Sec. 8. This Act takes effect on July 1, 1971.
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