

Original sponsors: Guess and Bradner

Offered: 4/2/71
Referred: Rules

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 SENATE CS FOR 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 loans; 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 may be made to purchase, remodel,
11 repair, build, furnish, refinance or equip homes or farms in the
12 state, including the clearing and drainage for farms, not exceeding
13 \$50,000 [\$25,000]. The loans may not exceed 90 per cent of the
14 appraised value when the loan is for the purchase or construction of
15 a home unless additional amounts are secured by acceptable collateral
16 as determined by the commissioner of commerce in conformity with
17 established minimum requirements. The rate of interest may not exceed
18 eight per cent a year on the unpaid balance.

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

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

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

27 (4) Multiple dwelling loans may be made to purchase, remodel,
28 repair, build, furnish, refinance or equip multiple dwellings, not
29 exceeding \$60,000. The loans shall be secured by acceptable collateral

1 and may not exceed 75 per cent of the appraised value of the collateral
2 offered as security. The rate of interest may not exceed eight per
3 cent a year on the unpaid balance.

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

5 (c) No loans authorized by (a)(2), [AND] (3) and (4) of this
6 section may be made unless the commissioner of commerce is satisfied
7 that no money is available to the applicant at a comparable rate of
8 interest from private lending institutions on a guaranteed basis as
9 set out in (b) of this section. An applicant is eligible for more
10 than one type of loan, but the total may not exceed \$60,000 [\$25,000]
11 at any one time.

12 * Sec. 5. This Act takes effect on the day after its passage and approv-
13 al or on the day it becomes law without approval.