

Introduced: 2/10/71
Referred: Commerce and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 171

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's loans; and providing
7 for 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 \$35,000 [\$25,000]. The loans may not exceed 90 per cent of the
14 appraised value when the loan is for the purchase or construction
15 of a home unless additional amounts are secured by acceptable
16 collateral as determined by the commissioner of commerce in conformity
17 with established minimum requirements. The rate of interest may not
18 exceed 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
21 refinance or equip businesses, including mining and fishing but not
22 including farming, not exceeding \$35,000 [\$25,000]. The loans shall
23 be secured by acceptable collateral and may not exceed 75 per cent
24 of the appraised value of the collateral offered as security. The
25 rate of interest may not exceed eight per cent a year on the unpaid
26 balance.

27 * Sec. 3. AS 26.15.040(c) is amended to read:

28 (c) No loans authorized by (a)(2) and (3) of this section may
29 be made unless the commissioner of commerce is satisfied that no

1 money is available to the applicant from private lending institutions
2 on a guaranteed basis as set out in (b) of this section. An applicant
3 is eligible for more than one type of loan, but the total may not
4 exceed \$35,000 [\$25,000] at any one time.

5 * Sec. 4. AS 26.15.130 is repealed and re-enacted to read:

6 Sec. 26.15.130. ELIGIBILITY FOR LOANS. (a) Qualifications for
7 loans under this chapter are:

8 (1) persons who served in the armed forces of the United
9 States for 90 days or more, or whose service was for less than 90
10 days because of injury or disability incurred in the line of duty,
11 and who were separated from the armed forces with a discharge other
12 than dishonorable, and

13 (2) persons who have completed at least three years
14 service with the Alaska National Guard.

15 (b) Persons eligible for loans and meeting the qualifications
16 of (a)(1) and (2) of this section must also be persons

17 (1) who were discharged other than dishonorably from the
18 armed forces of the United States or who were released to a reserve
19 component or who have completed three years of service in the Alaska
20 National Guard; and

21 (2) who at the time of entry into the service or into the
22 Alaska National Guard were bona fide residents of the territory or
23 State of Alaska and had been residents of the territory or state for
24 not less than one year before their entry into the service or into
25 the Alaska National Guard; and who have returned to the territory or
26 state within a reasonable length of time after discharge or separation
27 as residents with the intention of remaining in the territory or
28 state; or who, not being bona fide residents of the territory or state
29 before their entry into the service or into the Alaska National Guard,

1 have lived in the territory or state for at least 10 years following
2 their release from active military service or from the Alaska
3 National Guard.

4 (c) Persons are eligible who were dependent upon a member
5 of the armed forces or upon a veteran or national guard member
6 eligible for the benefits of this chapter at the time of the member's
7 or veteran's or national guard member's death if the member or veteran
8 or national guard member was a resident of the territory or state
9 for one year before entry into service or into the Alaska National
10 Guard. Dependents shall be unmarried and the deceased veteran or
11 member of the armed forces or national guard member shall have been
12 their chief means of support and they shall be either a widow,
13 widower, minor child, or a mother, father, sister or brother incapable
14 of self-support. Dependents shall be residents of the state at the
15 time of application and shall intend to remain residents in the
16 state permanently. The rights of minor children under this chapter
17 may be exercised only if they have no surviving parent and have an
18 appointed guardian who may apply on their behalf for the benefits of
19 this chapter for their care, support or education.

20 (d) No person unless he has lived in the state or territory
21 for at least 10 years following his release from active military
22 service or the Alaska National Guard is eligible for the benefits of
23 this section who is eligible for veterans' benefits under the laws
24 of any other state or territory. A World War II veteran who received
25 a bonus under secs. 129 and 150 of this chapter need not repay the
26 bonus in order to qualify under the loan provisions of this section.

27 * Sec. 5. AS 26.15.160 is repealed.

28 * Sec. 6. This Act takes effect on July 1, 1971.
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