

Original sponsor: Fink, Kerttula,
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Offered: 4/1/71
Referred: Finance

1 IN THE HOUSE BY THE COMMERCE COMMITTEE
2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 19
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SEVENTH LEGISLATURE - FIRST SESSION
5 Relating to the investment of state
6 funds.
7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:
8 WHEREAS the high cost of money is a major factor contributing to all
9 high costs; and
10 WHEREAS the extremely high price of homes in Alaska constitutes a
11 principal cause of the housing shortage; and
12 WHEREAS the existing excessively high mortgage interest rates are a
13 principal consumer deterrent in home construction and financing; and
14 WHEREAS, according to the most recent revenue projections released by
15 the administration, the state currently has on hand surplus funds and should
16 continue to have surplus funds for at least the next five fiscal years; and
17 WHEREAS, as a general practice and as sound economic practice, surplus
18 funds of the state are invested until such time as additional money is
19 needed for necessary funding of state programs; and
20 WHEREAS the investment of state surplus funds in Alaska home mortgages
21 will benefit the economy of the state and its citizens by promoting more
22 home building, providing more jobs for Alaskans, and alleviating the serious
23 shortage of decent housing in many areas of the state; and
24 WHEREAS mortgages can be sold when needed in much the same manner as
25 bonds, stocks, or other commercial paper;
26 BE IT RESOLVED by the Alaska Legislature that the Department of Revenue
27 is directed to invest, under ch. 206 SLA 1970, a substantial amount of our
28 surplus state funds in Alaska home mortgages at a mortgage interest rate
29 not to exceed six per cent a year.