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1 IN THE SENATE

2 SENATE BILL NO. 83

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 veterans' loans."

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

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

9 (2) Farm and home loans may be made to purchase, remodel,
10 repair, build, furnish, refinance or equip homes or farms in the
11 state, including the clearing and drainage for farms, not exceeding
12 \$40,000 [\$25,000]. The loans may not exceed 90 per cent of the
13 appraised value when the loan is for the purchase or construction of
14 a home unless additional amounts are secured by acceptable collateral
15 as determined by the commissioner of commerce in conformity with
16 established minimum requirements. The rate of interest may not exceed
17 eight per cent a year on the unpaid balance.

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

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

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

26 (c) No loans authorized by (a)(2) and (3) of this section may
27 be made unless the commissioner of commerce is satisfied that no
28 money is available to the applicant from private lending institutions
29 on a guaranteed basis as set out in (b) of this section. An applicant

1 is eligible for more than one type of loan, but the total may not
2 exceed \$50,000 [\$25,000] at any one time.
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