

Offered: 2/4/72  
Referred: Rules

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 238

*am H*

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to interest rates charged in the  
7 state; and providing for an effective date."

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

9 \* Section 1. AS 45.45.010(b) is amended to read:

10 (b) During [UNTIL FEBRUARY 15, 1972 DURING] any calendar quarter  
11 no interest may be charged by express agreement of the parties in a  
12 loan, contract or commitment which is more than eight per cent per  
13 annum, or four percentage points above the per annum rate charged  
14 member banks for advances by [FEDERAL RESERVE DISCOUNT RATE FOR] the  
15 12th Federal Reserve District that prevailed on the first day of the  
16 month preceding the commencement of that calendar quarter, whichever  
17 is greater. Notice of the prevailing quarterly rate shall be provided  
18 by the Department of Commerce. Conventional mortgage loans covering  
19 one- to four-family dwellings entered into under provisions of this  
20 paragraph may be prepaid without penalty. [INTEREST AT A RATE NOT TO  
21 EXCEED EIGHT PER CENT MAY BE CHARGED BY EXPRESS AGREEMENT OF THE  
22 PARTIES IN A LOAN CONTRACT OR COMMITMENT DATED AFTER FEBRUARY 15, 1972.]

23 \* Sec. 2. AS 45.45.010(c) is repealed and re-enacted to read:

24 (c) The maximum rate of interest specified in this section does  
25 not apply to a loan processed when such loan exceeds \$100,000.

26 \* Sec. 3. This Act takes effect on the day after its passage and  
27 approval or on the day it becomes law without approval.  
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