

Original sponsor: McKinnon

Offered: 3/1/76
Referred: Rules

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 572

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the disclosure of geographical dis-
7 tribution of loans; and providing for an effective
8 date."

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

10 * Section 1. AS 37.10 is amended by adding a new section to read:

11 Sec. 37.10.076. DISCLOSURE OF GEOGRAPHICAL DISTRIBUTION OF LOANS.

12 (a) No financial institution is eligible for investment of state
13 surplus funds under sec. 70(7), (8), (10) and (11) of this chapter or
14 under AS 26.15.040(a)(1) and (2), nor may it sell mortgages to the
15 Alaska Housing Finance Corporation under AS 18.56.090(3), participate in
16 the making of mortgage loans to sponsors, developers, builders, pur-
17 chasers of residential housing under AS 18.56.090(2), or retain deposit
18 of state surplus funds under sec. 75 of this chapter, unless the finan-
19 cial institution complies with (b) and (c) of this section.

20 (b) The financial institution shall submit to the commissioner and
21 make available for public inspection at the main office and each separ-
22 ate branch of that institution not later than February 15 of each year
23 the number of mortgage loans originated or purchased by that financial
24 institution during the previous year and the total dollar amount of
25 those loans, categorized according to whether secured by residential
26 real property located inside or outside the state.

27 (c) If the home office or a branch of a financial institution
28 located in a standard metropolitan statistical area, as defined by the
29 federal office of management and budget, has originated or purchased

1 mortgage loans within the previous year secured by residential real
2 property located in that area, the financial institution shall, by
3 February 15 of each year, submit to the commissioner and make available
4 for public inspection at an office of that financial institution located
5 in that area the following information, enumerated by census tract and
6 further categorized according to whether the residential property
7 securing the loan is designed primarily for occupancy by one family,
8 two to four families, or more than four families:

9 (1) the number, average dollar amount, and total dollar
10 amount of conventional residential mortgages and federally guaranteed
11 mortgages;

12 (2) the number and dollar amount of mortgage loans made to
13 mortgagors who had informed the institution that they did not, at the
14 time of execution of the mortgage, intend to reside in the property
15 securing the mortgage loan;

16 (3) the number and total dollar amount of all home improve-
17 ment or rehabilitation loans;

18 (4) the average effective interest rate for conventional
19 residential mortgages and federally guaranteed mortgages, with those
20 interest rates which are used to compute the average interest rate being
21 weighted in accordance with the frequency of their appearance in the
22 distribution of all the percentage rates; and

23 (5) the average term of years for conventional residential
24 mortgages and federally guaranteed mortgages, with the terms which are
25 used to compute the average term being weighted in accordance with the
26 frequency of their appearance in the distribution of all the terms.

27 * Sec. 2. AS 18.56.090(2) is amended to read:

28 (2) make or participate in the making of mortgage loans to
29 sponsors, developers, builders and purchasers of residential housing, if

1 the corporation determines that mortgage loans are not otherwise avail-
2 able, wholly or in part, from private lenders upon reasonably equivalent
3 terms and conditions and if the corporation determines that the partici-
4 parting financial institution is in compliance with AS 37.10.076;

5 * Sec. 3. AS 18.56.090(3) is amended by adding a new subparagraph to
6 read:

7 (C) has determined that the participating financial
8 institution is in compliance with AS 37.10.076;

9 * Sec. 4. This Act takes effect June 28, 1976.

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