

Original sponsor: Rules Committee
by request

Offered: 6/6/75
For Today's Supplemental
Calendar

1 IN THE SENATE

BY THE RULES COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 332

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSTON

5 A BILL

6 For an Act entitled: "An Act relating to loans; and providing for an effec-
7 tive date."

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

9 * Section 1. AS 06.15.250(2) is amended to read:

10 (2) No investment in any one mortgage may exceed two per cent
11 of the assets of the mutual bank at the time the investment is made, or
12 as specified in (1) of this section, whichever is greater, or more than
13 80 per cent of the appraised value of a one-to-four family residence
14 securing a conventional loan; however, a mutual bank may make 95 per
15 cent of appraised value loans if the term of the loan does not exceed 30
16 years from the date of the first payment, and if the first payment date
17 is no later than 60 days following final disbursement of the loan, and
18 the loan is secured by an amortized mortgage, deed of trust, or other
19 instrument under the terms of which the installment payments are suffi-
20 cient to amortize the entire principal of the loan within the period
21 ending on the date of its maturity and, in addition, the loan is either
22 (A) insured by mortgage insurance in an amount equal to 20 per cent of
23 the loan issued by a mortgage insurer authorized to do business in
24 Alaska; or (B) the loan is secured in addition to the amortized mortgage
25 by a savings account held by the lending institution in an amount equal
26 to 10 per cent of the loan or other collateral acceptable to the depart-
27 ment.

28 * Sec. 2. AS 06.15.250(3) is amended to read:

29 (3) Except as provided in (2) of this section, no investment

1 may be made in a conventional loan secured by a mortgage on a one-to-
2 four family residence unless the mortgaged property is located inside
3 this state and the mortgage has a maturity not exceeding 30 years from
4 the date of the first payment, and if the first payment date is no
5 later than 60 days following final disbursement of the loan [THE LOAN
6 IS MADE].

7 * Sec. 3. AS 18 is amended by adding a new chapter to read:

8 CHAPTER 100. EMERGENCY HOUSING REVOLVING LOAN FUND.

9 Sec. 18.100.010. FUND ESTABLISHED. There is created in the
10 Department of Commerce an emergency housing revolving loan fund for the
11 purpose of making residential mobile home loans, and for making con-
12 struction loans for mobile home parks within communities designated
13 by the governor under AS 34.06.020 as housing emergency areas.

14 Sec. 18.100.020. MOBILE HOME LOANS. The department may make loans
15 at an interest rate not to exceed eight per cent a year to a person of
16 lower or moderate income or other person with emergency housing need
17 who has been continuously an Alaska resident since June 1, 1973 for
18 purchase of mobile homes, to be used as the permanent place of abode
19 of the resident in communities which are declared by the governor under
20 AS 34.06.020 to be a housing emergency area. If the loan is for
21 purchase of a mobile home, the term of the loan shall not exceed 10
22 years. The department shall make the loans on the terms and conditions
23 it finds appropriate.

24 Sec. 18.100.030. MOBILE HOME PARK CONSTRUCTION LOANS. (a) The
25 department may make loans for construction of mobile home parks in
26 communities which are declared to be a housing emergency area by the
27 governor under AS 34.06.020.

28 (b) The loans shall be for a maximum term of 12 years and bear
29 interest at a rate not to exceed 10 per cent a year upon the terms and

1 conditions the department finds appropriate.

2 (c) The loans may be for the purpose of acquiring land for use as
3 a mobile home park and for making, installing and constructing improve-
4 ments including water, sewer, other utilities, roads, streets, curbs,
5 gutters, sidewalks, drainage facilities, pads and other installations
6 or work, whether on or off the premises, which the department considers
7 necessary or desirable for a mobile home park.

8 (d) Loans shall be made based upon proposals for loans to the
9 department. The proposal shall show the number of mobile home spaces to
10 be provided, the facilities to be provided, the anticipated cost of the
11 project, the portion of the cost to be provided from sources other than
12 the loan, the space rentals and other charges to the tenants and the
13 number of spaces which are to be offered to persons of lower and moder-
14 ate income, and such other information as the department prescribes.

15 (e) The department shall require as a condition of a loan satis-
16 factory assurances that the mobile home park will be constructed and
17 operated in accordance with the proposal and that notice to persons of
18 lower and moderate income shall be made in a manner it considers ade-
19 quate to inform prospective tenants of lower and moderate incomes of the
20 availability to them of the spaces.

21 (f) During the life of the loan no changes may be made in space
22 rental or other charges or in the number of spaces to be available to
23 persons of lower and moderate income without the prior approval of the
24 department unless specifically authorized by regulations adopted by the
25 department.

26 Sec. 18.100.040. SPACE RENTAL CREDIT. The department shall
27 provide for space rental credits in mobile home parks financed in whole
28 or in part by acquisition, development or construction loans made under
29 sec. 30 of this chapter. The credit is against interest which would

1 otherwise be payable on the loan. The department shall develop, by
2 regulation, criteria for qualifications for rent credit, including a
3 schedule of family income in relation to rent and family size. The
4 credit may be all or part of the space rental for specific spaces within
5 the park and may vary considering the needs of the tenant.

6 Sec. 18.100.050. ASSISTANCE NOT CONSIDERED IN DETERMINING OTHER
7 BENEFITS. Amounts credited on behalf of tenants under this chapter may
8 not be considered in determining the amount of any state public
9 assistance otherwise authorized by law.

10 Sec. 18.100.060. POWERS OF DEPARTMENT. The department may

11 (1) adopt regulations necessary to carry out the purposes
12 of this chapter;

13 (2) determine eligibility of applicants for loans under
14 this chapter;

15 (3) designate agents and delegate powers to them as neces-
16 sary.

17 Sec. 18.100.070. SALE OR TRANSFER OF MORTGAGES. The Department
18 of Revenue shall purchase all mortgages approved and authorized by the
19 Department of Commerce under this chapter.

20 Sec. 18.100.080. TERMINATION. When the governor declares under
21 AS 34.06.020 that a housing emergency no longer exists in an area, no
22 further loans under this chapter may be made in that area.

23 Sec. 18.100.090. DEFINITIONS. In this chapter "persons of lower
24 and moderate income" means a person or persons considered by the depart-
25 ment to require credits under this chapter on account of insufficient
26 or inadequate personal or family income or otherwise limited personal
27 financial resources, taking into consideration, without limitation, such
28 factors as

29 (A) the amount of the total income of the persons avail-

1 able for housing needs;

2 (B) the size of the family;

3 (C) the cost and condition of housing facilities avail-
4 able;

5 (D) standards established for various federal programs
6 determining eligibility based on income of the persons; and

7 (E) the ability of the persons to compete successfully
8 in the normal housing market and to pay the amounts at which pri-
9 vate enterprise is providing decent, safe and sanitary housing.

10 * Sec. 4. This Act takes effect immediately in accordance with
11 AS 01.10.070(c).