

Original sponsor: Rules Committee
by request

Offered: 5/18/76

1 IN THE SENATE

BY THE SECOND FREE CONFERENCE COMMITTEE

2 2d FREE CONFERENCE CS FOR HOUSE CS FOR SENATE BILL NO. 334

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 housing and property improvement
7 notes; and providing for an effective date."

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

9 * Section 1. AS 06.15.240(4) is amended to read:

10 (4) any property improvement note issued under the provisions
11 of Title I of the National Housing Act and any other real property
12 improvement note in a principal amount not in excess of \$15,000, not
13 including interest [OF A FACE AMOUNT NOT IN EXCESS OF \$10,000];

14 * Sec. 2. AS 18.55.370(2) is amended to read:

15 (2) loans for moderate-cost or rental housing facilities and
16 projects to public agencies, or private nonprofit or limited dividend
17 corporations, or private corporations or cooperatives organized under
18 AS 10.15 which are regulated or restricted by the authority (until the
19 termination of all loan obligations to it) as to rents or sales, charges
20 capital structure, rate of return, and methods of operation to the
21 extent and in the manner which provides reasonable rentals to tenants
22 and a reasonable return on the investment; loans to cooperatives may be
23 made for up to 95 per cent of the appraised value of the housing facil-
24 ity.

25 * Sec. 3. AS 18.55 is amended by adding a new section to read:

26 Sec. 18.55.375. INVESTMENT OF STATE SURPLUS. Notwithstanding
27 other provisions of law, when the commissioner of revenue determines
28 that there is in the state treasury a surplus above an amount sufficient
29 to meet current cash expenditure needs, the surplus may be invested, in

1 addition to the investments permitted by AS 37.10.070(a), in mortgages
2 owned by the authority for loans made to cooperatives under sec. 370(2)
3 of this chapter and secured by real estate within the state, which
4 investments shall be subject to the terms and conditions that the
5 authority and the commissioner of revenue may provide in any contract of
6 sale. Investments allowed by this section shall be made as provided for
7 other investments of the state money under AS 37.10.070(a), (f), (g) and
8 (1). The terms and conditions of any contract of sale authorized to be
9 made under this section may include but are not limited to

10 (1) the investment by the state in a specified or deter-
11 minable amount of mortgages;

12 (2) the existence of a prior lien on and pledge of the
13 mortgages invested in by the state;

14 (3) provisions relating to the subordination of the state's
15 interest in and application of annual payments of principal and interest
16 or the proceeds of a permitted sale of, or insurance or prepayments on,
17 the mortgages; and

18 (4) the right of the authority to repurchase the mortgages at
19 a predetermined price.

20 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).