

Original sponsors: Bradley, Beirne,
Freeman, et al

Offered: 4/6/77
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 51(Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans; and providing for
7 an effective date."

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

9 * Section 1. AS 26.15.040(a)(2), (3) and (4) are amended to read:

10 (2) Farm and home loans not exceeding \$68,250 [\$55,000] may
11 be made to purchase, remodel, repair, build, furnish, refinance or equip
12 homes or farms in the state including the clearing and drainage for
13 farms. The loans may not exceed 90 per cent of the appraised value when
14 made for the purchase or construction of a home unless additional amounts
15 are secured by acceptable collateral as determined by the commissioner
16 of commerce in conformity with established minimum requirements. The
17 rate of interest may not exceed the interest rate which is charged for
18 Federal Veterans Administration loans at the time a state loan is
19 granted.

20 (3) Business loans not exceeding \$125,000 [\$100,000] may be
21 made to acquire, finance or refinance or equip businesses, including
22 mining and fishing but not including farming, if the loan applicant has
23 had three or more years of general business experience. The loans shall
24 be secured by acceptable collateral and may not exceed 75 per cent of
25 the appraised value of the collateral offered as security. The rate of
26 interest may not exceed the interest rate which is charged for Federal
27 Veterans Administration loans at the time a state loan is granted.

28 (4) Multiple dwelling loans not exceeding \$110,000 [\$80,000]
29 may be made to purchase, remodel, repair, build, furnish, refinance or

1 equip multiple dwellings. The loans shall be secured by acceptable
2 collateral and may not exceed 75 per cent of the appraised value of the
3 collateral offered as security. The rate of interest may not exceed the
4 interest rate which is charged for Federal Veterans Administration loans
5 at the time a state loan is granted.

6 * Sec. 2. AS 26.15.040(c) is amended to read:

7 (c) No loans authorized by (a)(2), (3) and (4) of this section may
8 be made unless the commissioner of commerce is satisfied that money at a
9 comparable rate of interest is not available to the applicant from
10 private lending institutions on a guaranteed basis as set out in (b) of
11 this section. An applicant is eligible for more than one type of loan,
12 but the total may not exceed \$125,000 [\$100,000] at any one time.

13 * Sec. 3. This Act takes effect July 1, 1977.