

Introduced: 4/26/77  
Referred: State Affairs and  
Finance

BY MILES, DANKWORTH, SNIDER,  
GRUENING AND BRADLEY

1 IN THE HOUSE

2 CS HOUSE BILL NO. 504

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a residential fuel conservation  
7 revolving loan fund; and providing for an effective  
8 date."

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

10 \* Section 1. AS 44.33 is amended by adding new sections to read:

11 ARTICLE 8. RESIDENTIAL FUEL CONSERVATION

12 REVOLVING LOAN FUND.

13 Sec. 44.33.400. PURPOSE. The purpose of secs. 400 - 460 of this  
14 chapter in providing for a residential fuel conservation revolving loan  
15 fund is to enable a person who is a resident of the state to obtain  
16 financial assistance in making permanent improvements to a residence  
17 which he owns and occupies as a permanent place of abode which will  
18 result in the conservation of energy from nonrenewable resources.

19 Sec. 44.33.410. RESIDENTIAL FUEL CONSERVATION REVOLVING LOAN FUND.  
20 There is established in the Department of Commerce and Economic Develop-  
21 ment a residential fuel conservation revolving loan fund to carry out  
22 the purposes of secs. 400 - 460 of this chapter. The fund shall be used  
23 for no other purpose.

24 Sec. 44.33.420. ELIGIBILITY FOR LOAN. (a) A person is eligible  
25 for a loan under secs. 400 - 460 of this chapter if

26 (1) he is the owner of the residence for which application  
27 for a loan is made and occupies the residence as his permanent place of  
28 abode;

29 (2) he and the members of his immediate family residing

1 within the residence for which application for a loan is made have a  
2 total adjusted gross income of less than \$25,000;

3 (3) he has not received more than \$4,000 in loans from the  
4 fund during the five-year period preceding submission of an application;  
5 and

6 (4) he meets other eligibility standards established by the  
7 department in sec. 440 of this chapter.

8 (b) No loan may be made under this section unless the commissioner  
9 finds that the applicant cannot obtain financial assistance from a  
10 private lending institution for the completion of improvements for the  
11 residential unit which will contribute to conservation of energy.

12 (c) A person shall submit with his application a plan for the use  
13 of the loan funds. No loan may be provided unless the applicant's plan  
14 for the use of the loan funds is reviewed and approved by the commis-  
15 sioner or his designee.

16 Sec. 44.33.430. TERMS OF LOAN. (a) The principal amount of a  
17 loan approved by the commissioner under secs. 400 - 460 of this chapter  
18 may not exceed \$4,000.

19 (b) A loan approved by the commissioner under secs. 400 - 460 of  
20 this chapter shall be repaid within 10 years, with interest due on the  
21 unpaid balance of the loan at the rate of seven per cent a year.

22 (c) No loan may be approved by the commissioner under secs. 400 -  
23 460 of this chapter unless the applicant agrees to promptly inform the  
24 department of the sale or other disposal of the residential unit for  
25 which a loan is made and to secure the written consent of the commis-  
26 sioner to the transfer of the loan. If an applicant sells or otherwise  
27 disposes of the residential unit for which a loan is made without secur-  
28 ing the written consent of the commissioner, the outstanding balance of  
29 the loan is immediately due and payable.

1           Sec. 44.33.440. ADMINISTRATION OF THE FUND. The department shall

2           (1) make loans for improvements to residences for purposes of  
3 residential fuel conservation;

4           (2) adopt regulations necessary to carry out the purposes of  
5 secs. 400 - 460 of this chapter;

6           (3) develop eligibility standards for loans for improvements,  
7 including but not limited to loan terms; and

8           (4) deposit all payments of principal and interest on loans  
9 approved under secs. 400 - 460 of this chapter into the fund.

10          Sec. 44.33.450. SALE OR TRANSFER OF SECURITY INTERESTS. The  
11 commissioner may transfer to the Department of Revenue or sell at par  
12 value or at a premium to a bank or other private purchaser for cash or  
13 other consideration the security instruments held by the department for  
14 loans approved under secs. 400 - 460 of this chapter.

15          Sec. 44.33.460. DEFINITIONS. In secs. 400 - 460 of this chapter,

16          (1) "commissioner" means the commissioner of the Department  
17 of Commerce and Economic Development;

18          (2) "department" means the Department of Commerce and Economic  
19 Development;

20          (3) "fund" means the residential fuel conservation revolving  
21 loan fund established by sec. 410 of this chapter;

22          (4) "improvement" means a permanent alteration of a residen-  
23 tial unit which materially contributes to the reduction of consumption  
24 of coal, oil or gas or other nonrenewable fuels for purposes of heating  
25 the unit or other energy supply, including but not limited to the pur-  
26 chase of insulation materials and insulated windows or the substitution  
27 or adoption of an alternative energy source based upon a renewable  
28 resource revenue such as wind, water, solar or geothermal energy, and the  
29 costs of labor for installation;

1 (4) "residential unit" means a unit owned and occupied by an  
2 applicant as his permanent place of abode; the term includes single-  
3 family residences and multi-family residential units.

4 \* Sec. 2. No loan may be approved by the commissioner of commerce and  
5 economic development under AS 44.33.400 - 44.33.460 after December 31, 1982.

6 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
7 070(c).