

Original sponsor: Carney

Offered: 5/9/80
Referred: Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 742

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act raising the upper limits on the rate of interest
7 charged in consumer credit arrangements."

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

9 * Section 1. AS 45.10.120(b)(1) and (2) are amended to read:

10 (1) on so much of the unpaid balance as does not exceed

11 \$1,000,

12 (A) five-sixths of one percent if the discount rate is
13 less than six percent; or

14 (B) one percent if the discount rate is six percent or
15 more;

16 (2) if the unpaid balance exceeds \$1,000, on so much of the
17 unpaid balance as exceeds \$1,000,

18 (A) two-thirds of one percent if the discount rate is
19 less than six percent; or

20 (B) five-sixths of one percent if the discount rate is
21 six percent or more;

22 * Sec. 2. AS 45.10.120(c)(1) and (2) are amended to read:

23 (1) on so much of the outstanding balance as does not exceed
24 \$1,000,

25 (A) one and one-half percent per month if the discount
26 rate is less than six percent; or

27 (B) two percent if the discount rate is six percent or
28 more;

29 (2) if the outstanding balance is more than \$1,000, on so

1 much of the outstanding balance as exceeds \$1,000

2 (A) one percent per month if the discount rate is less
3 than six percent;

4 (B) one and one-half percent if the discount rate is six
5 percent or more [ON THE EXCESS OVER \$1,000 OF THE OUTSTANDING
6 BALANCE];

7 * Sec. 3. AS 45.10.120 is amended by adding a new subsection to read:

8 (d) In this section, "discount rate" means the annual rate charged
9 member banks for advances by the 12th Federal Reserve District as of the
10 25th day of the month preceding the commencement of the calendar quarter
11 during which the contract or agreement is made.

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