

Introduced: 2/4/81
Referred: Finance

1 IN THE HOUSE

BY ROGERS AND BROWN

2 HOUSE BILL NO. 13

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state deposits with construction
7 loan lenders."

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

9 * Section 1. AS 06.05 is amended by adding a new section to read:

10 Sec. 06.05.217. STATE DEPOSITS WITH CONSTRUCTION LOAN LENDERS.

11 (a) If a bank, savings association, or credit union makes a loan which
12 qualifies for financing as a construction loan under AS 18.56 and
13 charges the borrower interest of 13 percent a year or less, the commis-
14 sioner of revenue shall deposit an amount equal to the principal of the
15 loan with the lender within 30 days of the receipt of the loan by the
16 borrower.

17 (b) The money deposited with the lender under (a) of this section
18 shall be placed in an account which pays interest of at least 10-1/2
19 percent a year and shall remain on deposit with the lender at least
20 until the borrower repays in full the principal and interest due under
21 the loan described in (a) of this section.

22 * Sec. 2. AS 37.10.070(a) is amended by adding a new paragraph to read:

23 (14) interest-bearing accounts with a bank, savings associ-
24 ation or credit union which makes a construction loan under AS 06.05.-
25 217.