

Introduced: 2/4/81
Referred: Labor & Commerce and
Finance

1 IN THE HOUSE

BY RANDOLPH AND BEIRNE

2 HOUSE BILL NO. 23

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a personal loan program for
7 Alaska residents; and providing for an effective
8 date."

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

10 * Section 1. AS 45 is amended by adding a new chapter to read:

11 CHAPTER 85. PERSONAL LOAN PROGRAM FOR ALASKA RESIDENTS.

12 Sec. 45.85.010. PERSONAL LOAN FUND ESTABLISHED. A personal loan
13 fund is established in the Department of Commerce and Economic Develop-
14 ment. The personal loan fund shall be used to make personal loans to
15 persons who are eligible under AS 45.85.040. Repayments of personal
16 loans made under this chapter shall be paid into the personal loan fund
17 and shall be used to make new personal loans. Appropriations from the
18 general fund shall be requested by the commissioner if personal loan
19 repayments are inadequate to fully finance personal loan applications
20 of eligible persons.

21 Sec. 45.85.020. ADMINISTRATION. The commissioner shall administer
22 the personal loan program and the personal loan fund according to
23 regulations adopted under the Administrative Procedure Act (AS 44.62).

24 Sec. 45.85.030. CONDITIONS OF PERSONAL LOANS. (a) A personal
25 loan made under this chapter shall be for \$5,000.

26 (b) Interest may not be charged on a personal loan made under
27 this chapter.

28 (c) Repayment of a personal loan shall begin within three years
29 from the date of the loan, and the personal loan shall be fully repaid

1 within 13 years from the date of the loan.

2 (d) Security may not be required for a personal loan made under
3 this chapter, and an eligible applicant may not be subjected to a
4 credit investigation as a condition of obtaining a personal loan.

5 (e) If a personal loan is in default, repayment of the balance
6 may be accelerated by sending notice of the acceleration to the person
7 in default by registered or certified mail.

8 Sec. 45.85.040. ELIGIBILITY FOR PERSONAL LOAN. A person is
9 eligible to receive a personal loan if the person

- 10 (1) is a resident of Alaska;
11 (2) is 18 years or older; and
12 (3) has not received a personal loan under this chapter.

13 Sec. 45.85.050. DEFINITIONS. In this chapter

14 (1) "commissioner" means the commissioner of the Department
15 of Commerce and Economic Development;

16 (2) "resident" means an individual who is physically present
17 in the state with the intent to remain permanently in the state or, if
18 he is not physically present in the state, intends to return to the
19 state and he is absent for the following reasons:

20 (A) vocational, professional, or other special education
21 for which a comparable program was not reasonably available in the
22 state;

23 (B) postsecondary education;

24 (C) military service;

25 (D) medical treatment;

26 (E) service in Congress; or

27 (F) other reasons which the commissioner may establish
28 by regulation under the Administrative Procedure Act (AS 44.62).

29 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-



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