

Introduced: 3/31/81
Referred: Labor & Commerce and
Finance

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2 HOUSE BILL NO. 430

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 an Alaska resident loan program;
7 and providing for an effective date."

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

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

10 CHAPTER 85. LOAN PROGRAM FOR ALASKA RESIDENTS.

11 Sec. 45.85.010. LOAN FUND ESTABLISHED. A loan fund is established
12 in the Department of Administration. The loan fund shall be used to
13 make personal loans to persons who are eligible under AS 45.85.040.
14 Repayments of loans made under this chapter shall be paid into the
15 Alaska permanent fund (AS 37.13.010) and become part of the principal
16 of the Alaska permanent fund.

17 Sec. 45.85.020. ADMINISTRATION. The commissioner shall administer
18 the loan program for Alaska residents and the loan fund according to
19 regulations adopted under the Administrative Procedure Act (AS 44.62).

20 Sec. 45.85.030. CONDITIONS OF PERSONAL LOANS. (a) A loan made
21 under this chapter shall be for not more than \$5,000.

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

23 (c) Repayment of a loan made under this chapter shall begin
24 within three years from the date of the loan, and the loan shall be
25 fully repaid within 13 years from the date of the loan.

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

29 (e) If a loan made under this chapter is in default, repayment

1 of the balance may be accelerated by sending notice of the acceleration
2 to the person in default by registered or certified mail.

3 Sec. 45.85.040. ELIGIBILITY FOR LOAN. A person is eligible to
4 receive a loan under this chapter if the person

5 (1) is a resident of Alaska;

6 (2) is 18 years or older;

7 (3) has not received a loan under this chapter;

8 (4) has no outstanding indebtedness under any other direct
9 loan from the state; and

10 (5) applies for the loan before October 1, 1981.

11 Sec. 45.85.050. LOAN DISBURSEMENT DATE. The proceeds of a loan
12 made under this chapter shall be deposited in the mail on December 1,
13 1981, addressed to the borrower.

14 Sec. 45.85.060. DEFINITIONS. In this chapter

15 (1) "commissioner" means the commissioner of the Department
16 of Administration;

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

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

24 (B) postsecondary education;

25 (C) military service;

26 (D) medical treatment;

27 (E) service in Congress; or

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

1 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
2 070(c).

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