

Introduced: 2/11/82
Referred: Labor & Commerce

1 IN THE SENATE

BY THE SPECIAL COMMITTEE
ON BANKING BY REQUEST

2 SENATE BILL NO. 749

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to equity participation; and providing
7 for an effective date."

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

9 * Section 1. AS 45.45.010(f) is amended to read:

10 (f) No bank, savings and loan institution, pension fund, insurance
11 company or mortgage company may [REQUIRE OR] accept a [ANY] percent of
12 the [OWNERSHIP OR] profits, income, or earnings of a business enterprise
13 of a borrower as consideration for a loan in addition to or in place of
14 interest if the term of the loan is for less than 15 years or the prin-
15 cipal amount is less than \$1,000,000 unless the purpose of the loan is
16 to acquire a one- to four-family dwelling to be used as the residence
17 of the borrower. The obligation of the borrower to repay the principal
18 may not be conditioned upon the profits, income, or earnings of a
19 business enterprise of a borrower [ABOVE ITS INTEREST RATE].

20 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).

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