

Offered: 4/15/83
Referred: House Special Committee
on State Loans and Finance

Original sponsor: The Special Committee
on State Loans

1 IN THE HOUSE BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 302 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Housing Finance Corpo-
7 ration and to rural and nonconforming housing loans;
8 and providing for an effective date."

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

10 * Section 1. AS 18.56.101 is amended to read:

11 Sec. 18.56.101. ELIGIBILITY FOR VETERANS' INTEREST RATES. The
12 following persons are eligible veterans for the purposes of AS 18.56.-
13 098(g) and (h):

14 (1) a person who served in the armed forces of the United
15 States for 90 days or more, or whose service was for less than 90 days
16 because of injury or disability incurred in the line of duty, after
17 April 6, 1917,

18 [(A) WHO AT THE TIME OF INDUCTION INTO THE SERVICE WAS
19 A RESIDENT OF THE TERRITORY OR STATE, WHO HAD BEEN A RESIDENT FOR
20 NOT LESS THAN ONE YEAR IMMEDIATELY BEFORE HIS INDUCTION, AND WHO
21 RETURNED TO THE TERRITORY OR STATE WITHIN ONE YEAR AFTER DIS-
22 CHARGE AS A RESIDENT WITH THE INTENTION OF REMAINING IN THE
23 TERRITORY OR STATE; OR

24 (B) WHO, NOT BEING A BONA FIDE RESIDENT OF THE TERRI-
25 TORY OR STATE AT THE TIME OF ENTRY INTO THE SERVICE, HAS BEEN A
26 RESIDENT OF THE TERRITORY OR STATE FOR AT LEAST ONE YEAR AT THE
27 TIME OF THE LOAN APPLICATION AND HAS BEEN A RESIDENT TO THE
28 TERRITORY OR STATE FOR AT LEAST FIVE YEARS; AND

29 (C)] whose discharge was under honorable conditions;

1 (2) the widow or widower of a member of the armed forces or
2 an eligible veteran if

3 [(A) THE MEMBER OR VETERAN WAS A RESIDENT OF THE TERRI-
4 TORY OR STATE FOR ONE YEAR BEFORE INDUCTION INTO THE SERVICE;

5 (B)] the member or veteran served in the armed forces
6 for at least 90 days after April 6, 1917 [;] and

7 [(C)] the veteran's [HIS] discharge was under honorable
8 conditions;

9 (3) a person who has served for not less than five years in
10 the Alaska Army National Guard, the Alaska Air National Guard, [OR]
11 the Alaska Naval Militia, or [WHO HAS SERVED IN] a reserve unit of the
12 United States armed forces [IN ALASKA] if the reserve unit required,
13 as a minimum, one weekend each month of duty and 15 consecutive days
14 of active duty training each year [FOR NOT LESS THAN FIVE YEARS] and
15 whose discharge was under honorable conditions.

16 * Sec. 2. AS 18.56.115 is amended to read:

17 Sec. 18.56.115. INDEPENDENT FINANCIAL ADVISOR. In negotiating
18 the private sale of bonds or bond anticipation notes to an under-
19 writer, the corporation may [SHALL] retain a financial advisor who is
20 independent from the underwriter.

21 * Sec. 3. AS 44.47.380 is amended to read:

22 Sec. 44.47.380. HOUSING ASSISTANCE LOAN FUND. There is created
23 in the Department of Community and Regional Affairs, as a revolving
24 loan fund, the housing assistance loan fund consisting of money appro-
25 priated to it by the legislature and repayments of principal of loans
26 made or purchased from the assets of the fund. Interest on loans made
27 or purchased from the assets of the fund must be transferred to the
28 Department of Revenue for deposit in the general fund. The director
29 shall administer the housing assistance loan fund in accordance with

1 AS 44.47.360 - 44.47.560 and shall use the money in the housing
2 assistance loan fund to originate, purchase, or participate in the
3 purchase of

4 (1) nonconforming and rural housing mortgage loans;

5 (2) loans made for building materials for nonconforming and
6 rural housing;

7 (3) loans made for renovations or improvements to noncon-
8 forming and rural housing;

9 (4) loans made for the construction of owner-occupied
10 nonconforming and rural housing other than loans to builders or con-
11 tractors or loans that compensate an owner for the owner's labor or
12 services in constructing the owner's own housing.

13 * Sec. 4. AS 44.47 is amended by adding a new section to read:

14 Sec. 44.47.382. HOME OWNERSHIP ASSISTANCE FUND. (a) The home
15 ownership assistance fund is established in the Department of
16 Community and Regional Affairs, consisting of money appropriated to
17 the fund by the legislature. Money in the fund shall be used solely
18 to assist persons of lower and moderate income to purchase
19 single-family homes financed under AS 44.47.360 - 44.47.560 by
20 providing a subsidy to those persons in an amount not greater than the
21 difference between

22 (1) the amount annually required to pay the interest on and
23 principal of that person's loan and real property taxes and insurance
24 for the home purchased with the loan; and

25 (2) 25 percent of that person's annual gross income.

26 (b) In this section, "persons of lower and moderate income"
27 means individuals considered by the division to require assistance
28 under this section because of inadequate income or other limited
29 personal financial resources, taking into consideration

- 1 (1) the amount of total income available for housing needs;
- 2 (2) the size of the family;
- 3 (3) the cost and condition of available housing;
- 4 (4) standards established in various federal programs for
- 5 determining eligibility based on income;
- 6 (5) the ability to enter the private housing market and to
- 7 pay market amounts for decent, safe, and sanitary housing; and
- 8 (6) other factors considered relevant by the division.

9 * Sec. 5. AS 44.47.385 is repealed.

10 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
11 10.070(c).