

Introduced: 4/14/83  
Referred: House Special Committee  
on State Loans and Finance

1 IN THE HOUSE

BY THE HOUSE SPECIAL COMMITTEE  
ON STATE LOANS BY REQUEST

2

HOUSE BILL NO. 358

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 eligibility for veterans' inter-  
7 est rates under the special mortgage loan purchase  
8 program and extending eligibility to certain members  
9 of the armed forces."

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

11 \* Section 1. AS 18.56.098(g)(3) is amended to read:

12 (3) An interest rate determined under this subsection on  
13 the first \$90,000 of a mortgage loan that is not purchased from the  
14 proceeds of bonds that are qualified veterans' mortgage bonds under  
15 the Mortgage Subsidy Bond Tax Act of 1980 (26 U.S.C. 103(A)), as  
16 amended, shall be reduced by one percentage point if the loan is made  
17 to an eligible veteran or member of the armed forces under AS 18.56.-  
18 101.

19 \* Sec. 2. AS 18.56.098(i) is amended to read:

20 (i) The interest rate on the first \$90,000 of a mortgage loan  
21 purchased from the proceeds of bonds that constitute qualified veter-  
22 ans' mortgage bonds under the Mortgage Subsidy Bond Tax Act of 1980  
23 (26 U.S.C. 103(A)) as amended, is the greater of (1) four percent less  
24 than the cost of funds or (2) the rate for other loans to veterans and  
25 members of the armed services under AS 18.56.098(g)(3). A higher or  
26 lower interest rate shall be established on the entire loan amount if  
27 required under the Mortgage Subsidy Bond Tax Act of 1980.

28 \* Sec. 3. AS 18.56.101 is amended to read:

29 Sec. 18.56.101. ELIGIBILITY FOR VETERANS' AND MEMBER'S INTEREST

1 RATES. The following persons are eligible veterans or members of the  
2 armed forces for the purposes of AS 18.56.098(g) and (h):

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

7 [(A) WHO AT THE TIME OF INDUCTION INTO THE SERVICE WAS  
8 A RESIDENT OF THE TERRITORY OR STATE, WHO HAD BEEN A RESIDENT FOR  
9 NOT LESS THAN ONE YEAR IMMEDIATELY BEFORE HIS INDUCTION, AND WHO  
10 RETURNED TO THE TERRITORY OR STATE WITHIN ONE YEAR AFTER DIS-  
11 CHARGE AS A RESIDENT WITH THE INTENTION OF REMAINING IN THE  
12 TERRITORY OR STATE; OR

13 (B) WHO, NOT BEING A BONA FIDE RESIDENT OF THE TERRI-  
14 TORY OR STATE AT THE TIME OF ENTRY INTO THE SERVICE, HAS BEEN A  
15 RESIDENT OF THE TERRITORY OR STATE FOR AT LEAST ONE YEAR AT THE  
16 TIME OF THE LOAN APPLICATION AND HAS BEEN A RESIDENT TO THE  
17 TERRITORY OR STATE FOR AT LEAST FIVE YEARS; AND

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

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

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

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

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

27 (3) a person who has served for not less than five years in  
28 the Alaska Army National Guard, the Alaska Air National Guard, [OR]  
29 the Alaska Naval Militia, or [WHO HAS SERVED IN] a reserve unit of the

1 United States armed forces [IN ALASKA] if the reserve unit required,  
2 as a minimum, one weekend each month of duty and 15 consecutive days  
3 of active duty training each year [FOR NOT LESS THAN FIVE YEARS] and  
4 whose discharge was under honorable conditions; or

5 (4) a member of the United States armed forces who has been  
6 a member of the armed forces for at least three years at the time of  
7 the loan application.