

Introduced: 3/29/85  
Referred: Health, Education and  
Social Services and  
Finance

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1 IN THE SENATE

2 SENATE BILL NO. 263

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to disqualification for certain  
7 state loan programs for failure to pay child sup-  
8 port."

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

10 \* Section 1. AS 03.10.030 is amended by adding a new subsection to  
11 read:

12 (i) A person is not eligible for a loan under this chapter if  
13 the person has a past due child support obligation at the time of  
14 application.

15 \* Sec. 2. AS 14.43.125(a) is amended to read:

16 (a) A person may apply for and obtain a scholarship loan if the  
17 person

18 (1) is a resident of the state at the time of application  
19 for a scholarship loan;

20 (2) meets the requirements of (b) of this section; [AND]

21 (3) is

22 (A) enrolled as a full-time student in a career educa-  
23 tion or associate or baccalaureate or graduate degree program; or

24 (B) a graduate of a high school, or scheduled for  
25 graduation from a high school within six months, with sufficient  
26 credits to be admitted to a career education program or to an  
27 accredited college or university; and

28 (4) does not have a past due child support obligation at  
29 the time of application.

1 \* Sec. 3. AS 14.43.650(a) is amended to read:

2 (a) To be eligible for a teacher scholarship loan, a student  
3 must

4 (1) be a graduate of a public or private high school in the  
5 state, with sufficient credits to be admitted to an accredited college  
6 or university;

7 (2) be enrolled in or show evidence of intent to enroll in  
8 a degree program directed at a teaching career at the elementary or  
9 secondary school level;

10 (3) meet the conditions set by the student's local school  
11 board with respect to the district's requirements for teachers in  
12 particular subject areas; [AND]

13 (4) submit to the local school board an application pro-  
14 vided by the student financial aid committee under AS 14.43.630(a)(3);  
15 an application may be submitted six months before graduation from high  
16 school; and

17 (5) not have a past due child support obligation at the  
18 time of application.

19 \* Sec. 4. AS 16.10.320(a) is amended to read:

20 (a) A loan under AS 16.10.310 - 16.10.370

21 (1) may not exceed a term of 15 years;

22 (2) may not bear interest exceeding 10-1/2 percent;

23 (3) shall be secured by a first priority lien and appropri-  
24 ate security agreement; [AND]

25 (4) may not exceed 90 percent of the appraised value of the  
26 collateral used to secure the loan, except that a loan granted under  
27 AS 16.10.333 for the purchase of an Alaska limited entry permit may  
28 not exceed an amount determined in accordance with (f) or (h) of this  
29 section; and

1                   (5) may not be made to a person who has a past due child  
2                   support obligation at the time of application.

3 \* Sec. 5. AS 18.56.096(a) is amended to read:

4                   (a) The corporation may not make, participate in the making of,  
5                   purchase, or participate in the purchase of

6                   (1) a first mortgage loan under this chapter for a duplex,  
7                   triplex, or four-plex that exceeds the limitations on first mortgage  
8                   loans for similar housing purchased by the Federal National Mortgage  
9                   Association as to principal amount and loan-to-value ratio;

10                   (2) a second mortgage loan for a duplex, triplex, or four-  
11                   plex the amount of which, when combined with the principal balance of  
12                   a first mortgage loan on the property, exceeds the limitation on the  
13                   amount set out in (1) of this subsection or that has a loan-to-value  
14                   ratio, when considered with the principal balance of the first mort-  
15                   gage loan, that exceeds 90 percent;

16                   (3) a mortgage loan to finance the purchase of new housing  
17                   or for the improvement or rehabilitation of existing housing, unless  
18                   the construction, improvement, or rehabilitation work has been per-  
19                   formed by a contractor who is registered to work as a contractor under  
20                   AS 08.18; this paragraph does not apply if the construction, improve-  
21                   ment, or rehabilitation work

22                   (A) has been totally or substantially performed by the  
23                   borrower;

24                   (B) has been performed by a borrower who acts as the  
25                   contractor for the construction, improvement, or rehabilitation  
26                   work; or

27                   (C) has been performed in an area designated by the  
28                   corporation as exempt from the requirements of this paragraph  
29                   because of the unavailability of registered contractors in that

1 area;

2 (4) a first mortgage loan for a single-family residence  
3 that exceeds the limitations on first mortgage loans for similar  
4 housing purchased by the Federal National Mortgage Association as to  
5 principal amount by more than 10 percent, or has a loan-to-value ratio  
6 that exceeds 95 percent, or a second mortgage loan for a single-family  
7 residence, the amount of which, when combined with the principal  
8 balance of a first mortgage loan on the property, exceeds the limi-  
9 tations on loans for similar housing purchased by the Federal National  
10 Mortgage Association as to principal amount by more than 10 percent,  
11 or has a loan-to-value ratio, when considered with the principal  
12 balance of the first mortgage loan, that exceeds 90 percent; or

13 (5) a first or second mortgage loan for rental housing  
14 unless the borrower agrees not to discriminate against tenants or  
15 prospective tenants because of sex, marital status, changes in marital  
16 status, pregnancy, parenthood, race, religion, color, national origin,  
17 or status as a student; [OR]

18 (6) a first mortgage loan if the borrower has an outstand-  
19 ing first mortgage housing loan under this chapter or an outstanding  
20 first mortgage loan for owner-occupied housing under AS 44.47; or

21 (7) a loan to a person who has a past due child support  
22 obligation at the time of application.

23 \* Sec. 6. AS 26.15.130 is amended by adding a new subsection to read:

24 (c) A person who has a past due child support obligation at the  
25 time of application is not eligible for a loan under this chapter.

26 \* Sec. 7. AS 27.09.020 is amended by adding a new subsection to read:

27 (b) A person who has a past due child support obligation at the  
28 time of application is not eligible for a loan under this chapter.

29 \* Sec. 8. AS 44.47.390 is amended to read:

1           Sec. 44.47.390.   LIMITATIONS ON USE OF HOUSING ASSISTANCE LOAN  
2 FUND. The director may not use the money in the housing assistance  
3 loan fund to

4           (1) originate a direct loan or purchase or participate in  
5 the purchase of a nonconforming or rural housing mortgage loan that  
6 exceeds the limitations on mortgage loans purchased by the Federal  
7 National Mortgage Association as to principal amount or loan-to-value  
8 ratio;

9           (2) originate a direct loan or purchase or participate in  
10 the purchase of a loan made for building materials for nonconforming  
11 or rural housing

12           (A) that exceeds \$45,000 or exceeds

13           (i) 80 percent of the appraised value of the work  
14 completed on the nonconforming or rural housing for which  
15 the loan is made if the nonconforming or rural housing is  
16 pledged as collateral for the loan; or

17           (ii) 90 percent of the value of other property  
18 that is pledged as security for the loan and that is satis-  
19 factory to the director as collateral;

20           (B) unless the terms of the loan agreement require  
21 inspections and certifications, as required by regulations of the  
22 director, at the expense of the borrower; and

23           (C) unless the period of time allowed for repayment of  
24 the loan is equal to or less than 15 years;

25           (3) originate direct loans or purchase or participate in  
26 the purchase of a nonconforming or rural housing mortgage loan that is  
27 secured by real property the marketable title to which is shown in  
28 accordance with AS 44.47.420(b)(2) if the total amount of outstanding  
29 nonconforming and rural housing mortgage loans held by the division

1 exceeds 10 times the amount of money in the restricted title loss  
2 reserve account (AS 44.47.430);

3 (4) originate a direct loan for nonconforming or rural  
4 housing or purchase or participate in the purchase of a nonconforming  
5 or rural housing mortgage loan, other than a loan for the repair,  
6 remodeling, rehabilitation, or expansion of an existing owner-  
7 occupied residence, if the borrower has an outstanding housing loan  
8 made under a state loan program, other than a loan for nonowner-  
9 occupied housing under AS 44.47.520, that bears interest at a rate  
10 that was less than the prevailing market interest rate for similar  
11 housing loans at the time the loan was made;

12 (5) originate a direct mortgage loan or purchase or partic-  
13 ipate in the purchase of a mortgage loan for rental housing unless the  
14 borrower agrees not to discriminate against tenants or prospective  
15 tenants because of sex, marital status, changes in marital status,  
16 pregnancy, parenthood, race, religion, color, national origin, or  
17 status as a student;

18 (6) originate, purchase, or participate in a loan to a  
19 person who has a past due child support obligation at the time of  
20 application.

21 \* Sec. 9. AS 45.88.020 is amended by adding a new subsection to read:

22 (c) The department may not make a loan under this chapter to a  
23 person who has a past due child support obligation at the time of  
24 application.

25 \* Sec. 10. AS 45.89.030 is amended by adding a new subsection to read:

26 (k) The department may not make a loan under this chapter to a  
27 person who has a past due child support obligation at the time of  
28 application.