

Offered: 4/8/86
Referred: Rules

Original sponsors: Halford, Faiks,
Sackett, et al

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE BILL NO. 281 (Finance) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act relating to the interest rate on state loan
7 programs; and providing for an effective date."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. AS 37.05.035 is amended by adding new subsections to read:
10 (b) Notwithstanding any other provision of law, the interest
11 rate for loan programs administered by the state or an instrumentality
12 of the state shall increase by one-half percent October 1 of each year
13 until the interest rate is equal to
14 (1) the prevailing market rate for each type of loan; or
15 (2) the cost of funds, if the loan program is financed by
16 the sale of bonds or other indebtedness.
17 (c) The provisions of (b) of this section do not apply to the
18 interest rate for loans made under AS 14.43.120.
19 (d) For purposes of this Act, an instrumentality of the state
20 does not include a political subdivision of the state.
21 * Sec. 2. This Act takes effect October 1, 1986.