

HOUSE BILL NO. 408

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE GREEN

Introduced: 1/27/94

Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act setting a maximum rate of interest that may be charged on a loan
 2 guaranteed by the Alaska Industrial Development and Export Authority under its
 3 export assistance program; and annulling a portion of a current regulation of the
 4 Alaska Industrial Development and Export Authority that establishes the maximum
 5 allowable interest on a guaranteed loan to be computed at a different rate."

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 * **Section 1.** AS 44.88.320 is amended by adding a new subsection to read:

8 (c) When the authority agrees to guarantee a loan under AS 44.88.300 -
 9 44.88.390, the maximum interest rate on the loan guaranteed by the authority is two
 10 and three-quarters percentage points above the prime rate at the time of disbursement
 11 of the loan that is subject to the guarantee.

12 * **Sec. 2.** That portion of 3 AAC 99.650(d) directing, with reference to the interest on an
 13 export guarantee loan, that "[i]nterest may not exceed the lesser of the rate charged under the

- 1 promissory note of one percent over the United States Treasury note rate of comparable term
- 2 at the time of disbursement" is annulled.