

COMMITTEE REPORT

HOUSE

914

FURTHER: FINANCE

2/4/81

(11)

Date: 1/21/81

Mr. Speaker:

The Committee on RESOURCES has had HB 96

"An Act providing financing for the purchase of unimproved land."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 96 (Res) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" ~~New~~ Fiscal Note
- reports it back with ^{INDIVIDUAL} ~~out~~ recommendation
- referred to the _____ Committee

MEMBERS SIGNING

DO PASS

Tony Gardini
Fred A. Harsh
James Fulburn
James J. Jones

MEMBERS HAVING

OTHER RECOMMENDATIONS:

Smith NO REC
Tony Vaska - Do Not Pass
Eric Sutcliffe NO REC
Ben [unclear] No Rec.
Rick Halford No Rec
R. Billaworth [DO NOT PASS]

Tony Gardini
Fred A. Harsh

 CO-CHAIRMAN

Original sponsors: Buchholdt, Beirne
Hurlbert, et al

Offered: 5/14/81
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 96 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing financing for the purchase of unim-
7 proved land."

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

9 * Section 1. AS 34 is amended by adding a new chapter to read:

10 CHAPTER 14. LAND PURCHASE LOANS.

11 Sec. 34.14.010. FUNDS CREATED. (a) The land purchase revolving
12 loan fund is created in the Department of Commerce and Economic Develop-
13 ment. The loan fund consists of money appropriated to that fund by the
14 legislature.

15 (b) The land purchase loan guarantee fund is created in the
16 Department of Commerce and Economic Development. The loan guarantee
17 fund consists of money appropriated to that fund by the legislature.

18 (c) The commissioner is the administrator of the funds created in
19 this section.

20 Sec. 34.14.020. POWERS OF THE DEPARTMENT. The department may

21 (1) adopt regulations necessary to carry out the purposes of
22 this chapter;

23 (2) establish amortization plans for repayment of loans,
24 which may include an extension for a borrower who is unable to comply
25 with the loan agreement because of personal hardship;

26 (3) enter into agreements with private lending institutions,
27 other state agencies, or agencies of the federal government to carry
28 out the purposes of this chapter.

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1 loans for the purchase of unimproved land located in the state to an
2 individual who is eligible under AS 34.14.040. A loan under this sec-
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4 land, whichever is less. A loan may not be for a period longer than 20
5 years or bear interest which exceeds the prevailing interest rate for
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7 shall be secured by a first lien, mortgage or deed of trust, except
8 that the state may subordinate its security interest to that of a
9 lending institution which makes a loan for the construction of a resi-
10 dence on the land, if sufficient security is retained by the state
11 after subordination to secure the balance of the land purchase loan.

12 Sec. 34.14.040. ELIGIBILITY. (a) An individual is eligible for
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14 (1) submits proof, as required by regulation, that he has
15 been a state resident for at least one year before the loan application
16 is made;

17 (2) is at least 18 years of age;

18 (3) has not previously received a loan or a loan guarantee
19 under this chapter;

20 (4) is able to repay the loan; and

21 (5) certifies that he is purchasing the land for his residen-
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23 (b) An individual is eligible to receive a loan under this chapter
24 even if the individual has no history of other credit transactions.

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1 mortgage, or deed of trust.

2 (b) The department shall pay a lender the unpaid principal and
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4 is a default by the borrower. Payments made under this subsection must
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17 (3) the loan balance and interest become immediately due if

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Introduced: 2/4/81
Referred: Resources and
Finance

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BY BUCHHOLDT ~~AND~~ BEIRNE

2 HOUSE BILL NO. 96

Hurlbert, Fuller +
Zischoff

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COMMITTEE COPY

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FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 96 (Page 1 of 2)

Title An act providing financing for the purchase of unimproved land

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Business Loans

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	-0-	246.3	270.9	298.0	327.8	360.6
200 TRAVEL		19.2	21.1	23.2	25.5	28.0
300 CONTRACTUAL		57.7	63.5	69.9	76.9	84.6
400 COMMODITIES		3.0	3.3	3.6	4.0	4.4
500 EQUIPMENT		19.8	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	346.0	358.8	394.7	434.2	477.6

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	346.0	358.8	394.7	434.2	477.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						


POSITIONS

FULL TIME	-0-	9	9	9	9	9
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Staffing and related costs for processing and servicing of loans (fiscal note detail attached).

IV. DATE 2/11/81


 PREPARED BY Sharon Traylor, Director
 AGENCY Division of Business Loans/Dept. of Commerce & Economic Development
 PHONE 465-2510

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

FISCAL NOTE DETAIL

HB 96 - Unimproved Land Purchase (Page 2 of 2)

100.	2 Loan Examiner I/II's @ \$2,455/mo.		\$ 58.9
	1 Loan Examiner I/II @ \$2,837/mo.		34.0
	2 Documents Processing Clerk III's @ \$1,564/mo.		37.5
	1 Documents Processing Clerk III @ \$1,761/mo.		21.1
	1 Loan Closer I @ \$1,564/mo.		18.8
	2 Accounting Clerk III's @ \$1,564/mo.		<u>18.8</u>
	Total Wages.....		\$189.1
	Standard Benefits (Wages x .1555)		29.4
	Supplemental Benefits (Wages x .0613)		11.6
	Health Insurance (Man months x \$150)		<u>16.2</u>
	Total Personal Services.....		\$246.3
200.	Travel to close loans:		
	30 trips @ \$500	\$15.0	
	60 days' per diem @ \$70	<u>4.2</u>	19.2
300.	Telephone & Postage	\$29.7	
	Printing of applications, advertising	3.0	
	Office space, Anch. (7 x \$2,700)	18.9	
	Office space, Fbks. (2 x 3,067)	<u>6.1</u>	57.7
400.	Office Supplies		3.0
500.	Equipment		
	9 Desks @ \$330	3.0	
	5 Credenzas @ \$470	2.4	
	4 Typists Extensions @ \$455	1.8	
	3 Executive chairs @ \$190	.6	
	6 Secretarial chairs @ \$150	.9	
	10 Side chairs @ \$100	1.0	
	9 File cabinets @ \$325	2.9	
	9 Calculators @ \$200	1.8	
	5 Typewriters @ \$1,000	5.0	
	9 Wastebaskets @ \$25	.2	
	3 Coat racks @ \$70	.2	<u>19.8</u>
			<u>\$346.0</u>

10% inflation for succeeding years

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST... Session

HOUSE ...BILL..... NO. ...96...

By ...BUCHHOLDT...AND...BEIRNE....

*HUMBERG Follow
in OFF.*

"An Act providing financing for the purchase of unimproved land"

Purchase of unimproved land

Introduced in the House ..2/4....., 19..81

HISTORY IN THE HOUSE

19 ⁸¹	Read first time and referred to Committee on												
Feb. 4	Resources and Finance												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
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	Reported correctly engrossed												
	Signed by Speaker												
	Sent to Senate												
	CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19	Read first time and referred to Committee on												
	Reported back with recommendation that												
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	Signed by President												
	Returned to House												
	SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor by Governor
	Filed with Lt. Governor
	Chapter No.

Introduced: 2/4/81
Referred: Resources and
Finance

1 IN THE HOUSE

BY BUCHHOLDT AND BEIRNE

2 HOUSE BILL NO. 96

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5 be from the loan guarantee fund.

6 (c) The commissioner may not guarantee loans under this
7 section if the balance of the loan guarantee fund is less than 20 per-
8 cent of the unpaid balance of all outstanding loans guaranteed under
9 this section.

10 Sec. 34.14.060. CONDITIONS FOR LOANS AND GUARANTEES. A loan
11 which is made or guaranteed under this chapter must contain the follow-
12 ing conditions:

13 (1) the borrower may prepay the principal of the loan without
14 penalty;

15 (2) the loan obligation may only be assumed by a person who
16 is eligible under AS 34.14.040; and

17 (3) the loan balance and interest become immediately due if

18 (A) the borrower constructs improvements on the land
19 for use other than residential use, or

20 (B) the borrower conveys the land to a person who is
21 not eligible under AS 34.14.040.

22 Sec. 34.14.070. DEFINITIONS. In this chapter,

23 (1) "commissioner" means the commissioner of commerce and
24 economic development;

25 (2) "department" means the Department of Commerce and Eco-
26 nomic Development;

27 (3) "loan fund" means the land purchase revolving loan fund
28 established in AS 34.14.010(a);

29 (4) "loan guarantee fund" means the land purchase guarantee

1 fund established in AS 34.14.010(b);

2 (5) "residential use" means the use of land for a temporary
3 or permanent place of residence.
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THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

HB 96

I. REQUEST

Bill/Resolution No. HB 96
Title An act providing financing for the purchase of unimproved land.
Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
Program Category Affected Development
BRU, Program, or Subprogram(s) Affected Division of Business Loans
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	-0-	246.3	270.9	298.0	327.8	360.6
200 TRAVEL		19.2	21.1	23.2	25.5	28.0
300 CONTRACTUAL		57.7	63.5	69.9	76.9	84.6
400 COMMODITIES		3.0	3.3	3.6	4.0	4.4
500 EQUIPMENT		19.8	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	346.0	358.8	394.7	434.2	477.6

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	346.0	358.8	394.7	434.2	477.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	9	9	9	9	9
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Staffing and related costs for processing and servicing of loans (fiscal note detail attached).

Sharon Traylor

IV. DATE 2/11/81

PREPARED BY Sharon Traylor, Director
AGENCY Division of Business Loans/Dept. of Commerce & Economic Development
PHONE 465-2510

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

FISCAL NOTE DETAIL

HB 96 - Unimproved Land Purchase

100.	2 Loan Examiner I/II's @ \$2,455/mo.		\$ 58.9
	1 Loan Examiner I/II @ \$2,837/mo.		34.0
	2 Documents Processing Clerk III's @ \$1,564/mo.		37.5
	1 Documents Processing Clerk III @ \$1,761/mo.		21.1
	1 Loan Closer I @ \$1,564/mo.		18.8
	2 Accounting Clerk III's @ \$1,564/mo.		<u>18.8</u>
	Total Wages.....		\$189.1
	Standard Benefits (Wages x .1555)		29.4
	Supplemental Benefits (Wages x .0613)		11.6
	Health Insurance (Man months x \$150)		<u>16.2</u>
	Total Personal Services.....		\$246.3
200.	Travel to close loans:		
	30 trips @ \$500	\$15.0	
	60 days' per diem @ \$70	<u>4.2</u>	19.2
300.	Telephone & Postage	\$29.7	
	Printing of applications, advertising	3.0	
	Office space, Anch. (7 x \$2,700)	18.9	
	Office space, Fbks. (2 x 3,067)	<u>6.1</u>	57.7
400.	Office Supplies		3.0
500.	Equipment		
	9 Desks @ \$330	3.0	
	5 Credenzas @ \$470	2.4	
	4 Typists Extensions @ \$455	1.8	
	3 Executive chairs @ \$190	.6	
	6 Secretarial chairs @ \$150	.9	
	10 Side chairs @ \$100	1.0	
	9 File cabinets @ \$325	2.9	
	9 Calculators @ \$200	1.8	
	5 Typewriters @ \$1,000	5.0	
	9 Wastebaskets @ \$25	.2	
	3 Coat racks @ \$70	.2	<u>19.8</u>
			<u>\$346.0</u>

10% inflation for succeeding years