

S B

2 6 3

Senate Health, Education and Social Services Committee

Legislation Checklist

Bill number: SB 263

Sponsor: FAIKS

Date referred to committee: 3/29/85

Synopsis completed:

Fiscal note:

Further referrals: FINANCE

CONTACTS:

✓ Faires, 452^m

✓ Holli Plooy 276-3441

Child Support Enforcement

For Complete Copy of report see LIB doc. no. 8500490
in Legislative Reference Library.

STATE LOAN PROGRAMS:
QUARTERLY ACTIVITY REPORT
FIRST QUARTER FY 1985

House Research Agency
Alaska State Legislature
March 1985

STATE LOAN PAMPHLET

JUNE 1984



STATE OF ALASKA

Department of Commerce and Economic Development

Department of Community and Regional Affairs

LEGISLATIVE INFORMATION OFFICE
1024 W. 6th Ave.
Anchorage, Alaska 99501
278-3668

STATE OF ALASKA
STATE LOAN PAMPHLET

TABLE OF CONTENTS

	Page(s)
1. AGRICULTURAL LOAN PROGRAM	1
2. ALASKA HOUSING FINANCE CORPORATION	2-3
3. ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY	
a. Federal Guarantee Program	4
b. General Obligation Bond Program	5
4. ALASKA MUNICIPAL BOND BANK AUTHORITY	6
5. ALASKA POWER AUTHORITY	
a. Power Project Loan Program	7
b. Rural Electrification Loan Program	8
6. ALASKA STUDENT LOAN PROGRAM	9
7. ALTERNATIVE TECHNOLOGY AND ENERGY LOAN PROGRAM	10
8. BULK FUEL LOAN PROGRAM	11
9. CHILD CARE FACILITY LOAN PROGRAM	12
10. COMMERCIAL FISHING LOAN PROGRAM	
a. Permit Loans to Individuals	13
b. Permit, Vessel, and Gear Loans to Individuals	14
c. Vessel and Gear Loans to Corporations, Partnerships or Joint Ventures	15
11. FISHERIES ENHANCEMENT LOAN PROGRAM	16
12. HISTORICAL DISTRICT LOAN PROGRAM	17
13. HOUSING ASSISTANCE LOAN PROGRAMS	18-23
a. Nonconforming Housing Loan Program	18-19
b. Rural Nonowner-Occupied Loan Program	20-21
c. Rural Owner-Occupied Loan Program	22-23

14. MINING LOAN PROGRAM	24
15. RESIDENTIAL ENERGY CONSERVATION LOAN PROGRAM	25
16. VETERANS' LOAN ASSUMPTION	26

NOTE: The contents of this pamphlet are intended to provide general information on State loan programs. For complete information on a specific loan program, please contact the appropriate State agency.

For additional copies of the State Loan Pamphlet, please contact:

Division of Investments
Pouch D
Juneau, Alaska 99811

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF AGRICULTURE

AGRICULTURAL LOAN PROGRAM
Alaska Statutes 03.10.010-.060

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing to promote development of agriculture as an industry in Alaska through low interest loans for product processing, land clearing, chattel loans (for purchase of equipment and livestock), farm development, irrigation, and short-term loans.

WHO CAN APPLY FOR A LOAN?

Individual farmers, ranchers, homesteaders, partnerships or corporations who are Alaskan residents and have farming or business experience with related skills and training may apply for a loan.

HOW MUCH CAN BE BORROWED?

Short-term loans may be made for up to \$200,000. Product processing and land clearing loans may be made for up to \$250,000, and chattel (equipment and livestock), irrigation or farm development loans may be made for up to \$1,000,000.

WHAT IS THE INTEREST RATE?

Currently, an interest rate of 8% per year will be charged on the total amount of the outstanding loan balance. The interest rate will not be less than 8% nor more than the commercial rate.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

A short-term loan must be repaid within one year. A loan for land clearing may be allowed up to 20 years to repay the loan. A loan for product processing, chattel (equipment and livestock), irrigation or farm development may be allowed up to 30 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a mortgage on real property, or a security interest in machinery, equipment, crops, livestock, or some other asset until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Agricultural Loan Program
915 South Baily
P.O. Box 2470
Palmer, Alaska 99645
Telephone: 745-7200

Agricultural Loan Program
Nistler Building
P.O. Box 268
Delta Junction, Alaska 99737
Telephone: 895-4921

Agricultural Loan Program
1514 S. Cushman, Room 312
Fairbanks, Alaska 99701
Telephone: 452-1570

STATE OF ALASKA
DEPARTMENT OF REVENUE

ALASKA HOUSING FINANCE CORPORATION (AHFC)
Alaska Statutes 18.56

WHAT IS THIS LOAN PROGRAM FOR?

The loan programs are for the purpose of purchasing owner-occupied new or existing homes, mobile homes, or obtaining a second mortgage when purchasing a dwelling that has an assumable first mortgage, or for obtaining a home improvement loan. Interim financing for construction or for rehabilitation is not available under the program, but funds for long-term financing once the construction or rehabilitation is completed are available.

WHO CAN APPLY FOR A LOAN?

The program is open to all eligible borrowers who are purchasing a home as their primary residence.

HOW MUCH CAN BE BORROWED?

There are several different programs available through AHFC and the maximum loan amount varies with the different programs.

WHAT IS THE INTEREST RATE?

Interest rates will fluctuate according to the cost AHFC pays to obtain its funds. By law, AHFC is required to provide below market or subsidized rates to eligible borrowers on the first \$90,000 of the mortgage loan when interest rates exceed 10%. For any portion above \$90,000, the borrower is required to pay the cost AHFC pays to obtain its funds.

For example, the interest rates in effect in May 1984 were:

<u>Type of Bond</u>	<u>1st \$90,000</u>	<u>Cost of Funds Amount Over \$90,000</u>
Taxable Bonds	12% (11% eligible Veterans)	15.06%
Tax-Exempt Bonds	(no funding is available at this time)	
General Obligation		
Veterans Bonds	11%	12.67%
2nd Mortgage Bonds	12% (11% eligible Veterans)	15.06%

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

On mobile home loans, you may be allowed up to 20 years to repay the loan or the remaining life of the unit, whichever is less. The maximum term for second mortgage loans depends on the amount borrowed and ranges from 5 to 15 years. On all other loans offered through AHFC an ABE (Alaska Building Equity) mortgage is used. An ABE structured mortgage is similar to a 30 year level payment mortgage in that the interest rate is fixed and the payments in the first 3 years are the same as under a 30 year mortgage. In years 4 through 9, the monthly payment is increased by 5% each year. The increased portion of the payment is applied to the outstanding principal balance resulting in a repayment of the loan within approximately 18 years.

STATE OF ALASKA
DEPARTMENT OF REVENUE

IS COLLATERAL REQUIRED?

The dwelling being purchased is the collateral for the loan.

WHERE CAN I APPLY FOR A LOAN?

The Corporation does not lend funds directly to the borrower. AHFC is a secondary investor in mortgages and purchases mortgage loans originated by private lenders. Since we do not directly lend money, you must apply for an AHFC loan through an approved lending institution. For a list of approved lending institutions or for more information on the programs, please contact:

Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, Alaska 99510
Telephone: 276-5599

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY (AIDA)
Alaska Statutes 44.88.010-.220

FEDERAL GUARANTEE PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for the purchase of the federally guaranteed portion (primarily Small Business Administration guarantees) of a loan approved by a lending institution such as a loan for business, building or property, and allows the borrower a fixed-rate, long-term loan. The Alaska Industrial Development Authority is always a secondary market investor.

WHO CAN APPLY FOR A LOAN?

Any business entity (individual, partnership or corporation) whose loan needs meet the requirements of the Small Business Administration or other guaranteeing federal agency may apply for a loan.

HOW MUCH CAN BE BORROWED?

Up to \$500,000, plus whatever portion the originating lender will retain (a minimum of 10% originating lender participation) can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

The interest rate is equal to the most recent index of AA corporate bond yield averages as published by Moody's Investors Service (13.3% as of 4/19/84) plus 1½% on loans of \$100,000 or less, or plus 1% on loans over \$100,000.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The loan term, as negotiated by the lending institution and borrower, and approved by the Small Business Administration, is acceptable to AIDA.

IS COLLATERAL REQUIRED?

The collateral requirements, as negotiated by the lending institution and borrower, and approved by the Small Business Administration, is acceptable to AIDA.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. AIDA can participate only after a lender and the Small Business Administration have approved the loan. For more information on this program, please contact:

Alaska Industrial Development Authority
1577 C Street, Suite 304
Anchorage, Alaska 99501
Telephone: 274-1651

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY (AIDA)
Alaska Statutes 44.88.010-.220

GENERAL OBLIGATION BOND PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program assists in providing long-term financing for capital business purposes, such as buildings, plants, property and equipment. No inventory, working capital, or refinancing is available under this program.

WHO CAN APPLY FOR A LOAN?

Any business entity (individual, partnership or corporation) whose business is located in the State of Alaska may apply for a loan.

HOW MUCH CAN BE BORROWED?

Up to \$10,000,000 plus whatever portion the originating lender will retain (a minimum originating lender participation amount of 10% is required on loans of \$1 million or less, and 20% for loans over \$1 million), can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

The interest rate varies based on the cost of bond funds. For example, the interest rates in April 1984 were approximately 12% for tax exempt bonds and 14½% for taxable bonds.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The borrower may be allowed up to 25 years to repay the loan.

IS COLLATERAL REQUIRED?

AIDA will require collateral to protect its loan investment, such as a mortgage on real property or a security interest in machinery, equipment, or some other asset until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. AIDA can participate only after a lender has approved the loan. For more information on this program, please contact:

Alaska Industrial Development Authority
1577 C Street, Suite 304
Anchorage, Alaska 99501
Telephone: 274-1651

STATE OF ALASKA

ALASKA MUNICIPAL BOND BANK AUTHORITY

Alaska Statutes 44.85.050-.420

WHAT IS THIS LOAN PROGRAM FOR?

The Alaska Municipal Bond Bank is a public corporation created by State law to assist Alaskan communities with financing for capital projects such as schools, water and sewer systems, public buildings, harbors and docks.

WHO CAN APPLY FOR A LOAN?

A community who has held a successful general obligation bond election, has the project designed and costs estimated may apply for assistance.

HOW MUCH CAN BE BORROWED?

There is no maximum loan amount. The community is required to submit a detailed application form along with current audited financial statements, illustrating the ability of the community to repay the Bond Bank.

WHAT IS THE INTEREST RATE?

The Bond Bank sells its bonds on the national financial market and uses the proceeds to purchase the local community's bonds under the same terms. The Bond Bank has received extremely good bond ratings and is able to borrow money at a lower interest rate. For example, in April 1984, the approximate interest rate for a 20 year loan varied from 9½% to 10%.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The bond repayment schedule varies depending upon the total amount of the sale and the terms established at the time of the bond sale.

IS COLLATERAL REQUIRED?

In the case of default by a community, the Bond Bank has first claim on any funds the community would receive from the State of Alaska. The bonds are also backed by the municipality's taxing powers. In addition, the Bond Bank establishes a 15 percent reserve fund at the time of the bond sale to protect their investment.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact:

Alaska Municipal Bond Bank Authority
601 West 5th Avenue, Suite 430
Anchorage, Alaska 99501
Telephone: 274-7366

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
ALASKA POWER AUTHORITY (APA)

POWER PROJECT LOAN PROGRAM
Alaska Statutes 44.83.170

WHAT IS THIS LOAN PROGRAM FOR?

The Alaska State Legislature appropriates funds to the Alaska Power Authority's Power Project Loan Program to be loaned to cities and utilities for power project development.

WHO CAN APPLY FOR A LOAN?

Electric utilities, regional electric authorities, municipalities, cities, boroughs, regional and village corporations, village councils, and nonprofit marketing cooperatives may apply for a Power Project Loan.

HOW MUCH CAN BE BORROWED?

There is no actual borrowing limitation set. The amount that can be borrowed is based upon the actual need of the applicant.

WHAT IS THE INTEREST RATE?

The loan must bear an interest rate or rates as determined by APA which meets the criteria established in AS 44.83.170(f), but the interest rate may not be less than 5 percent, nor more than a market rate based on a 12 month average of bond yield rates.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The maturity date is determined by APA, but may not extend beyond the productive life of the project being financed.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a pledge of the revenues from the project, a mortgage on the project being financed, or a pledge of the taxing power of the borrower.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program, please contact:

Alaska Power Authority
334 West 5th Avenue
Anchorage, Alaska 99501
Telephone: 276-0001

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
ALASKA POWER AUTHORITY (APA)

RURAL ELECTRIFICATION LOAN PROGRAM
Alaska Statutes 44.83.361

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for the extension of new electric service into an area of the State that an electric utility is authorized to serve. Loan monies may only be used for a utility's transmission and distribution system.

WHO CAN APPLY FOR A LOAN?

Utilities that do not have access to the Rural Electrification Administration (REA) loan programs and REA utility borrowers that are having difficulty obtaining REA loans due to federal cutbacks can apply. To be eligible, utilities must be certificated and must provide service to at least three new customers.

HOW MUCH CAN BE BORROWED?

There is no actual borrowing limitation set. The amount that can be borrowed is based upon the actual need of the applicant.

WHAT IS THE INTEREST RATE?

Loans are made at an interest rate of two percent, with the principal to be paid back as future service connections are added to the extension.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

Utilities may be allowed up to 20 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require a mortgage on the project being financed to protect its loan investment.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program, please contact:

Alaska Power Authority
334 West 5th Avenue
Anchorage, Alaska 99501
Telephone: 276-0001

STATE OF ALASKA
ALASKA COMMISSION ON POSTSECONDARY EDUCATION

ALASKA STUDENT LOAN PROGRAM
Alaska Statutes 14.43.090-.160

WHAT IS THIS LOAN PROGRAM FOR?

This program provides low-cost educational loans to Alaska students enrolled in a full-time undergraduate, graduate, or career degree programs.

WHO CAN APPLY FOR A LOAN?

Individuals who are two-year residents of Alaska may apply for a loan and must maintain full-time study in good standing to continue to receive financial assistance under this program.

HOW MUCH CAN BE BORROWED?

Up to \$6,000 per year can be borrowed by undergraduate and vocational students. Up to \$7,000 per year can be borrowed by graduate students.

WHAT IS THE INTEREST RATE?

An interest rate of 5% will be charged.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 10 years to repay the loan with provisions for extending repayment to 15 years, if necessary.

IS COLLATERAL REQUIRED?

At present, there is no requirement for collateral on student loans.

WHERE CAN I APPLY FOR A LOAN?

Applications are due by May 15 for priority processing. For more information on this program or a loan application form, please contact:

Alaska Commission on Postsecondary Education
Division of Student Financial Aid
Pouch FP
Juneau, Alaska 99811
Telephone? 465-2962

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

ALTERNATIVE TECHNOLOGY AND ENERGY LOAN PROGRAM
Alaska Statutes 45.88.010-.050

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in purchasing, constructing, or installing alternative energy systems or centralized multifuel heating systems for energy conservation and cost savings, this program may provide financial assistance. This would include projects such as wood stoves with catalytic converters, solar systems, wind systems, hydro systems, catalytic converters for wood stoves, and centralized multifuel heating systems.

WHO CAN APPLY FOR A LOAN?

If you are 18 years old or older, you may apply for an Alternative Energy Loan if the project is located in Alaska.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$30,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 5% per year will be charged for the first \$15,000 of the loan and a rate of 15% will be charged for the amount of the loan that exceeds \$15,000.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 20 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a mortgage on the home being improved until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

BULK FUEL LOAN PROGRAM
Alaska Statutes 45.87.010-.500

WHAT IS THIS LOAN PROGRAM FOR?

To help communities purchase bulk fuel oil.

WHO CAN APPLY FOR A LOAN?

An organized municipality or unincorporated village with a population under 2,000, or an individual endorsed by the municipality may apply for this loan.

HOW MUCH CAN BE BORROWED?

Depending upon a community's needs, up to \$50,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

In most cases, a community is not required to pay any interest on its first bulk fuel loan. An interest rate of 5% may be charted on a community's second bulk fuel loan, and an interest rate based upon the municipal bond rate may be charged on a community's third bulk fuel loan or any additional bulk fuel loans.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

A bulk fuel loan must be repaid within one year.

IS COLLATERAL REQUIRED?

At present, there is no requirement for collateral on bulk fuel loans.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

CHILD CARE FACILITY LOAN PROGRAM
Alaska Statutes 44.33.240-.275

WHAT IS THIS LOAN PROGRAM FOR?

If you operate or would like to operate a child facility in Alaska and need help with construction, renovation, or the purchase of equipment, this program may provide financial assistance. Interim financing for construction or renovation is not allowed under this program, but funds would be available for long-term financing once the construction or renovation is completed.

WHO CAN APPLY FOR A LOAN?

If you are 18 years old or older and your facility provides care to children who are not related to you, if you take care of children in your home, or if you operate or plan to operate a day care center or preschool, you may apply for a loan.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$50,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 7% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 20 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a mortgage on the child care facility or a security interest in the equipment, until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

COMMERCIAL FISHING LOAN PROGRAM
Alaska Statutes 16.10.310-.370

SECTION A
(Permit Loans to Individuals)

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in buying a limited entry permit, this program may provide financial assistance.

NOTE: If you receive a loan under this section, you will not be able to borrow under sections B or C in the future.

WHO CAN APPLY FOR A LOAN?

An individual who is 18 years old or older, is a two-year resident of Alaska, and has experience in a commercial fishery during three of the last five years, including the season prior to filing a loan application, may apply for a loan.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$300,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 10½% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 15 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a security interest in the limited entry permit until the loan is repaid. Under certain circumstances, the State may require additional collateral.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

COMMERCIAL FISHING LOAN PROGRAM
Alaska Statutes 16.10.310-.370

SECTION B
(Permit, Vessel and Gear Loans to Individuals)

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in the repair, restoration, or upgrading of your vessels and gear, or in the purchase of limited entry permits, gear, and vessel, this program may provide financial assistance if no other source of financing is available to you.

WHO CAN APPLY FOR A LOAN?

An individual who is 18 years old or older, and is a two-year resident of Alaska may apply for a loan if 1) because of lack of training or employment opportunities is dependent upon commercial fishing; OR 2) is economically dependent upon commercial fishing for earning a living, and for whom commercial fishing has been a traditional way of life in Alaska.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$100,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 10½% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 15 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a security interest in the limited entry permit, the vessel or gear until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

COMMERCIAL FISHING LOAN PROGRAM
Alaska Statutes 16.10.310-.370

SECTION C

(Vessel and Gear Loans to Corporations, Partnerships, or Joint Ventures)

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in the repair, restoration, or upgrading of your vessels and gear, or in the purchase of gear and vessels, this program may provide financial assistance if no other source of financing is available to you.

WHO CAN APPLY FOR A LOAN?

A corporation, partnership or joint venture may apply for a loan if they are owned 100% by individuals who are 18 years old or older and are two-year residents of Alaska and if 1) they have experience in a commercial fishery during three of the last five years including the season prior to filing a loan application; 2) because of lack of training or employment opportunities are dependent upon commercial fishing; OR 3) are economically dependent upon commercial fishing for earning a living, and for whom commercial fishing has been a traditional way of life in Alaska.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$100,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 10½% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 15 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment, such as a security interest in the vessel or gear until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

FISHERIES ENHANCEMENT LOAN PROGRAM
Alaska Statutes 16.10.500-.620

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in planning, construction, and operation of hatchery facilities, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

A qualified regional association or private nonprofit corporation which has obtained a private nonprofit hatchery permit from the Alaska Department of Fish and Game may apply for a loan.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$10,000,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 9½% per year will be charged on the total amount of the outstanding loan balance. No repayment of the principal is required for an initial period of six to ten years, and no interest will accrue during that time.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment such as a mortgage on the hatchery facility, or a security interest in equipment, assignment of enhancement tax receipts, or sale of surplus fish from the hatchery until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

HISTORICAL DISTRICT LOAN PROGRAM
Alaska Statutes 45.98.010-.970

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in restoration, improvement, rehabilitation, or maintenance of historical buildings, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

An individual who is 18 years old or older, a firm, business or municipality may apply for a loan. The building must be located in a historical district and the project must be approved by a local Historical District Commission and by the Historic Sites Advisory Committee.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$250,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 7½% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment such as a mortgage on the building being improved until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

HOUSING ASSISTANCE LOAN PROGRAM
Alaska Statutes 44.47.360-.560

Three kinds of loans are available under this program; Nonconforming Housing, Rural Nonowner-occupied and Rural Owner-occupied.

NONCONFORMING HOUSING LOAN PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for construction, rehabilitation or purchase of single family or duplex housing which, because of uncommon design, construction practices, materials, foundation systems, utilities and minimum space requirements may not qualify for financing by private financial institutions.

WHO CAN APPLY FOR A LOAN?

Individuals who are at least 18 years old or older, and a resident of the State of Alaska, may apply for a loan. The borrower must occupy one of the units as a principal residence.

HOW MUCH CAN BE BORROWED?

Maximum loans under the program equal the limits set by the Federal National Mortgage Association, currently \$171,000 for a single family residence and \$218,700 for a duplex.

WHAT IS THE INTEREST RATE?

The interest rate for nonconforming housing is $\frac{1}{8}\%$ higher than the rate based on the most current Alaska Housing Finance Corporation bond sale. A one point discount is available to veterans.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years or the remaining economic life of the property, whichever is less, to repay the loan.

IS COLLATERAL REQUIRED?

The loan must be secured by collateral. The structure being financed is usually sufficient collateral.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. Applying for a loan under this program is basically the same as applying for a conventional home mortgage loan.

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

For additional information on this program or loan application forms, please contact a participating lending institution or the Housing Assistance Division office located in your area:

Anchorage:

Housing Assistance Division
949 E. 36th Avenue, Suite 400
Anchorage, Alaska 99508
Telephone: 561-0900
Toll Free Number: ZENITH 4585

Regional Offices:

Housing Assistance Division
P.O. Box 41
Nome, Alaska 99762
Telephone: 443-2655

Housing Assistance Division
Kuskokwim Office Building
P.O. Box 348
Bethel, Alaska 99559
Telephone: 543-3864

Housing Assistance Division
Drift Inn, 2nd Floor
P.O. Box 280
Kotzebue, Alaska 99752
Telephone: 442-3675

Housing Assistance Division
Kangiqutaq Office Building
P.O. Box 10041
Dillingham, Alaska 99576
Telephone: 842-2245 or 2255

Housing Assistance Division
1514 Cushman St., Room 206
Fairbanks, Alaska 99701
Telephone: 452-4468

Housing Assistance Division
Community Building, Room 209
Pouch B
Juneau, Alaska 99811
Telephone: 465-2267

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

HOUSING ASSISTANCE LOAN PROGRAM
Alaska Statutes 44.47.360-.560

RURAL NONOWNER-OCCUPIED PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for the construction, purchase or rehabilitation of two, up to eight, rural nonowner-occupied rental housing units. Under extraordinary circumstances, the division may finance up to 16 rental units.

WHO CAN APPLY FOR A LOAN?

Individuals who are at least 18 years old and residents of the State of Alaska, and Alaska businesses may apply for a loan. The borrower may not occupy any of the units as a principal balance.

HOW MUCH CAN BE BORROWED?

The maximum loan amount is \$1,250,000.

WHAT IS THE INTEREST RATE?

The interest rate for this program is 10½%

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years or the remaining economic life of the structure, whichever is less, to repay the loan.

IS COLLATERAL REQUIRED?

The loan must be secured by collateral. The structure(s) being financed is (are) usually sufficient collateral.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. The division may issue loans directly to borrowers in areas not regularly served by commercial mortgage lending institutions.

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

For additional information on this program or loan application forms, please contact a participating lending institution or the Housing Assistance Division office located in your area:

Anchorage:

Housing Assistance Division
949 E. 36th Avenue, Suite 400
Anchorage, Alaska 99508
Telephone: 561-0900
Toll Free Number: ZENITH 4585

Regional Offices:

Housing Assistance Division
P.O. Box 41
Nome, Alaska 99762
Telephone: 443-2655

Housing Assistance Division
Kuskokwim Office Building
P.O. Box 348
Bethel, Alaska 99559
Telephone: 543-3864

Housing Assistance Division
Drift Inn, 2nd Floor
P.O. Box 280
Kotzebue, Alaska 99752
Telephone: 442-3375

Housing Assistance Division
Kangiiqutaq Office Building
P.O. Box 10041
Dillingham, Alaska 99576
Telephone: 842-2245 or 2255

Housing Assistance Division
1514 Cushman St., Room 206
Fairbanks, Alaska 99701
Telephone: 452-4468

Housing Assistance Division
Community Building, Room 209
Pouch B
Juneau, Alaska 99811
Telephone: 465-2267

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

HOUSING ASSISTANCE LOAN PROGRAM
Alaska Statutes 44.47.360-.560

RURAL OWNER-OCCUPIED PROGRAM

WHAT IS THIS LOAN PROGRAM FOR?

This program provides financing for the construction, rehabilitation or purchase of single family or duplex housing.

WHO CAN APPLY FOR A LOAN?

Individuals who are at least 18 years old and residents of the State of Alaska may apply for a loan. The borrower must occupy one of the units as a principal residence. A borrower is limited to one State subsidized housing loan for owner-occupancy.

HOW MUCH CAN BE BORROWED?

Maximum loans under the program equal the limits set by the Federal National Mortgage Association, currently \$171,000 for a single family residence and \$218,700 for a duplex.

WHAT IS THE INTEREST RATE?

The interest rate is one point less than the rate based on the most current Alaska Housing Taxable Bond Sale. Traditionally, the interest rate for nonveterans under this program has been in the 8 to 11 percent range. an additional one point discount is available to veterans.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 30 years or the remaining economic life of the structure, whichever is less, to repay the loan.

IS COLLATERAL REQUIRED?

The loan must be secured by collateral. The structure being financed is usually sufficient collateral.

WHERE CAN I APPLY FOR A LOAN?

Loans are available through participating lending institutions. The division may issue loans directly to borrowers in areas not regularly served by commercial mortgage lending institutions.

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION

For additional information on this program or loan application forms, please contact a participating lending institution or the Housing Assistance Division office located in your area:

Anchorage:

Housing Assistance Division
949 E. 36th Avenue, Suite 400
Anchorage, Alaska 99508
Telephone: 561-0900
Toll Free Number: ZENITH 4585

Regional Offices:

Housing Assistance Division
P.O. Box 41
Nome, Alaska 99762
Telephone: 443-2655

Housing Assistance Division
Kuskokwim Office Building
P.O. Box 348
Bethel, Alaska 99559
Telephone: 543-3864

Housing Assistance Division
Drift Inn, 2nd Floor
P.O. Box 280
Kotzebue, Alaska 99752
Telephone: 442-3675

Housing Assistance Division
Kangiqutaq Office Building
P.O. Box 10041
Dillingham, Alaska 99576
Telephone: 842-2245 or 2255

Housing Assistance Division
1514 Cushman St., Room 206
Fairbanks, Alaska 99701
Telephone: 452-4468

Housing Assistance Division
Community Building, Room 209
Pouch B
Juneau, Alaska 99811
Telephone: 465-2267

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

MINING LOAN PROGRAM
Alaska Statutes 27.09.010-.060

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in advanced mineral exploration, development, or mining in Alaska, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

Residents of Alaska who are 18 years or older, with five years' mining or prospecting experience in the State may apply for a loan. A partnership may apply if at least half of the partners each have five years' mining or prospecting experience in the State and at least half are residents of Alaska. A corporation may apply if at least 51% of its shares are held by persons with a least five years' mining or prospecting experience in the State and who are residents.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$5,000,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

An interest rate of 10½% per year will be charged on the total amount of the outstanding loan balance.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 15 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment such as a mortgage on real property, a mortgage secured by assignment of the leasehold interest in the mining claim, or a security interest in machinery or equipment until the loan is paid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

RESIDENTIAL ENERGY CONSERVATION LOAN PROGRAM
Alaska Statutes 45.89.010-.500

WHAT IS THIS LOAN PROGRAM FOR?

If you are interested in purchasing, constructing, or installing energy conservation improvements in an existing residential building, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

If you are 18 years old or older, you may apply for a Residential Energy Conservation Loan.

HOW MUCH CAN BE BORROWED?

Depending upon your needs, up to \$5,000 can be borrowed under this loan program.

WHAT IS THE INTEREST RATE?

The interest rate charged is based upon the municipal bond rate and varies slightly from month to month. For example, the interest rate charged in January 1984 was 10.25% and the rate for April 1984 was 10.05%.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

You may be allowed up to 10 years to repay the loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment such as a mortgage on the home being improved until the loan is repaid.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INVESTMENTS

VETERANS' ASSUMPTION
Alaska Statutes 26.15.010-.170

WHAT IS THIS PROGRAM FOR?

If you are interested in assuming an existing veteran's single or multiple family dwelling, or small business loan, this program may provide financial assistance.

WHO CAN APPLY FOR A LOAN?

If you are 18 years old or older, you may apply to assume a veteran's loan.

HOW MUCH CAN BE BORROWED?

An assumption would be for the amount of the outstanding loan balance.

WHAT IS THE INTEREST RATE?

The interest rate charged would be the same as the rate charged for the original loan. In most cases, the interest rate varies from 7% to 9%.

HOW MUCH TIME IS ALLOWED TO REPAY THE LOAN?

The amount of time allowed to repay the loan would be determined by the term allowed under the original loan.

IS COLLATERAL REQUIRED?

The State will require collateral to protect its loan investment. Generally, in an assumption, the collateral offered is the same as that offered to secure the original loan.

WHERE CAN I APPLY FOR A LOAN?

For more information on this program or a loan application form, please contact the office located in your area:

Division of Investments
Pouch D
Juneau, Alaska 99811
Telephone: 465-2510

Division of Investments
3601 C Street, Suite 740
Anchorage, Alaska 99503
Telephone: 562-3779

Division of Investments
675 7th Avenue, Station A
Fairbanks, Alaska 99701
Telephone: 452-8182

Division of Investments
P.O. Box 370
Dillingham, Alaska 99576
Telephone: 842-1087

COMMITTEE REPORT
SENATE

FURTHER: FINANCE

3/29/85

Date 4-23-85

Mr President

The Committee on HESS considered SB 263

relating to disqualification for certain state loan programs for failure to pay child support.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- new title _____
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

Carl Furber

Lee Josephson

MEMBERS HAVING
OTHER RECOMMENDATIONS

Betty Sabienberg
Chairman

D. Pace
Chairman recommendation

Alaska State Legislature



CO-CHAIRMAN
FINANCE COMMITTEE

907-465-3740

IAN FAIKS
POUCH V
CAPITOL BUILDING
JUNEAU, ALASKA 99811

Senate

April 11, 1985

MEMORANDUM

TO: Senator Bettye Fahrenkamp, Chairman

FROM: Senator Jan Faiks *Jan Faiks*

SUBJECT: Background on Senate Bill 263, an Act relating to disqualification for certain state loan programs for failure to pay child support.

This bill will disqualify persons who have an overdue child support obligation from participating in certain state loan programs. Persons who are delinquent in their payments to the Child Support Enforcement Division of the Department of Revenue (CSED) will be prevented from receiving loans from any of the following programs:

<u>Section of Bill</u>	<u>Loan Program</u>
Section 1	Agricultural Loan Program
Sections 2 & 3	Alaska Student Loan Program
Section 4	Commercial Fishing Loan Program
Section 5	Alaska Housing Finance Corporation
Section 6	Veteran's Loan Assumption

Section 7	Mining Loan Program
Section 8	Housing Assistance Loan Program
Section 9	Alternative Technology and Energy Loan Program
Section 10	Residential Energy Conservation Loan Program

Delinquent child support is a monumental problem in Alaska. As of April 2 of this year, CSED has 7198 cases having a total arrearage balance of over \$30,000,000. The Division is now determining what portion of this debt is owed by loan recipients. Once this information is available, I will forward it to the committee.

The Division's files are computerized, and it can share information with loan agencies in three ways. Upon receiving a call from an agency, CSED can respond within minutes with a status report on a particular loan applicant. The Division can match computer tapes with any agency which has a system which is compatible with its IBM equipment. Finally, CSED sends a monthly statement to all absent parents which verifies their current obligation status. The parents can provide a copy of this statement to the lending agency when they file their loan applications, or upon request, CSED can verify their obligations in writing.

Support payments are a debt that is owed to the children of Alaska. When payments are not made, our public assistance programs must often pick up the cost of maintaining our children's health, safety, and comfort. To alleviate hardship and reduce our public welfare costs, I ask you to act favorably on this bill.

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

BY FAIKS, HALFORD,
ELIASON AND STURGULEWSKI

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.

Ag. Loans

Student Loan

Student Loans

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

Commercial Fishing

Alaska
Housing
Finance
Corp.

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:

(c) A person who has a past due child support obligation at the
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:

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

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

Veterans' Loan Assumption

Mining Loan

ing
tance

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.

Alternative
Technology
Energy
Residential
Energy
Conservation

STATE OF ALASKA

DEPARTMENT OF REVENUE

CHILD SUPPORT ENFORCEMENT DIVISION

In bill file
BILL SHEFFIELD, GOVERNOR

Dept. of Revenue
Child Support Enforcement Division
550 W. 7th, Hunt Bldg., 4th floor
Anchorage, AK 99501
Phone: (907) 276-3441
Toll Free: Zenith 3300

April 4, 1985

Senator Jan Faiks
Pouch V
Juneau, AK 99811

re: SB 263

FAIRBANKS FIELD OFFICE
REGIONAL OFFICE BLDG.
675 7TH AVENUE, STATION G
FAIRBANKS, ALASKA 99701
PHONE: (907) 456-6607

JUNEAU FIELD OFFICE
1111 W. 8TH STREET, ROOM 110
JUNEAU, ALASKA 99801
PHONE: (907) 465-2941

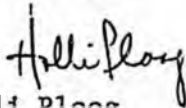
Dear Senator Faiks:

As per Elizabeth Hickerson's request, I have looked at the various options available to Child Support Enforcement to verify child support delinquency information to state agencies administering loan programs. All the fiscal information on a child support case is in our computer system and can be accessed easily. Should we receive a phone call from a loan officer asking for a status report on a particular individual, we would be able to respond to this request in a couple of minutes. Secondly, we can match computer tapes with any agency compatible to the IBM system, a process we currently use with Health and Social Services and the Department of Labor. I discussed this second option with Kerry Romesburg, Director of the Commission on Post-Secondary Education and he felt it would work well with their system. Finally, should an agency need written verification of current obligation status, we mail monthly computerized statements to all absent parents and they can provide a copy of that statement to the loan processing agent upon filing of their application and/or we can verify their obligation in writing upon request.

To illustrate the extent of the problem, as of April 2, 1985, we had an outstanding arrearage balance of \$30,434,052.09 with 8312 cases being enforced by our division out of which 7198 have arrearages.

Thank you for your continued support. If you need additional information, please do not hesitate to call.

Sincerely,



Holli Ploog
Director
Child Support Enforcement Division

APR 7 1985

OFFICE OF THE COMMISSIONER

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 263
 Title: Disqualification for cer-
tain loans for failure to pay child support
 Sponsor: Faiks
 Requestor: HESS
 Date of Request: 4-2-85

FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: Child Support
Enforcement Division
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING						
CAPITAL						
REVENUE	2.5	2.5	2.5	2.5	2.5	2.5

FUNDING: (Thousands of Dollars)

GENERAL FUND	.75	.75	.8	.8	.85	.85
FEDERAL FUNDS	1.75	1.75	1.7	1.7	1.65	1.65
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

This figure represents one notice per year for each case currently in arrears which includes postage, paper goods, computer time, and photocopy costs.

Prepared By: Holli Ploog Phone: 276-3441
 Division: Child Support Enforcement Division Date: 4-4-85

Approved by Commissioner: [Signature] Date: 4/5/85
 Agency: [Signature]

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 263
 Title: An act relating to disqualification for certain loan programs
 Sponsor: Paiks, Halford et al
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: _____
 BRU, Program or Subprogram(s) Affected: Alaska Housing Finance Corporation

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER		-0-	-0-	-0-	-0-	-0-
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

SB 263 would not have a fiscal impact on AHFC. The Corporation would require that any loan application must contain verification that there is not a past due child support obligation.

Prepared By: Alfonso P. [Signature]
 Division: Alaska Housing Finance Corporation

Phone: 276-5599
 Date: _____

Approved by Commissioner: _____
 Agency: _____

Date: _____

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor

Office of Management and Budget
 Impacted Agency(ies)

7/1/84

Active and Inactive State Loan Programs

ACTIVE

- Agricultural Revolving Loan Fund¹
- Alaska Grain Reserve Loan Fund¹
- Alaska Housing Finance Corporation (AHFC)²
- Alaska Medical Facility Authority²
- Alaska Municipal Bond Bank Authority²
- Alaska Resources Corporation (ARC)¹
- Alaska Industrial Development Authority (AIDA)²
- Alaska Power Authority¹
- Alternative Technology and Energy Revolving Loan Fund¹
- Bulk Fuel Revolving Loan Fund¹
- Child Care Facility Revolving Loan Fund¹
- Commercial Fishing Revolving Loan Fund¹
- Fisheries Enhancement Revolving Loan Fund¹
- Historical District Revolving Loan Fund¹
- Housing Assistance Loan Fund¹
- Medical Malpractice Liability Revolving Loan Fund¹
- Mining Loan Fund¹
- Relocation Planning Loans¹
- Residential Energy Conservation Fund¹
- Scholarship Revolving Loan Fund¹
- Teacher Scholarship Loan Fund¹

INACTIVE

- Alaska Disaster Economic Impact Fund
- Alaska Gas Pipeline Financing Authority
- Alaska State Housing Authority (ASHA)
- Disaster Relief Fund*
- Capital City Revolving Loan Fund
- Housing Development Revolving Loan Fund
- Outdoor, Recreational, Open Space and Historical Properties Development Fund*
- Public Law 92-203 Loan Program
- Small Business Revolving Loan Fund**
- Tourism Revolving Loan Fund**
- Veterans' Revolving Loan Fund**
- Water Resources Revolving Loan Fund**

¹These programs are funded through State appropriations.

²These programs are funded, at least in part, through bond sales.

*These programs are funded to make either grants or loans, and make grants rather than loans.

**These programs are inactive but still service some loans.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

<p>REQUEST Bill/Resolution No.: <u>SB 263</u> Title: <u>Disqualification</u> State loan programs: <u>Child Support</u> <u>Development</u> Sponsor: <u>Faiks</u> Requestor: _____ Date of Request: _____</p>	<p>FISCAL DETAIL Agency Affected: <u>Comm. & Econ. Dev.</u> Program Category Affected: _____ BRU, Program or Subprogram(s) Affected: _____ Division of Investments _____</p>
--	---

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		3.3				
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		3.3				
CAPITAL		-0-				
REVENUE		-0-				

FUNDING: (Thousands of Dollars)

GENERAL FUND		3.3				
FEDERAL FUNDS						
OTHER						
TOTAL		3.3				

POSITIONS:

FULL-TIME		-0-				
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

\$3,300 is requested to revise and reprint existing loan application packets for the loan programs affected by this bill. A new credit authorization form will be sent to the Division of Child Support Enforcement, Department of Revenue, prior to application processing.

Prepared By: <u>Paul B. Arnoldt, Director</u>	Phone: <u>465-2510</u>
Division: <u>DIVISION OF INVESTMENTS</u>	Date: _____
Approved by Commissioner: <u>Loren H. Lounsbury</u>	Date: <u>4/19/85</u>
Agency: <u>Commerce and Economic Development</u>	

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

FOUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HESS 4-23-85 3:13pm

TO: BETTYE

FROM: SANDRA

20-0
you

4/19/85
SB 263

FAIKS

SB 263 DISQUALIFICATION FOR CERTAIN STATE LOAN PROGRAMS FOR FAILURE TO PAY CHILD SUPPORT.

PARENTS WHO ARE DELINQUENT IN THEIR CHILD SUPPORT PAYMENTS WOULD BE INELIGIBLE FOR STATE LOANS (OUTSTANDING LOANS WOULD NOT BE AFFECTED). DELINQUENT PAYMENTS ARE MOST OFTEN ENFORCED BY THE CHILD SUPPORT ENFORCEMENT AGENCY (DEPT. REVENUE). IT IS ANTICIPATED THAT THE STATE AGENCY ADMINISTERING THE LOAN WOULD CONTACT C.S.E.A. BEFORE GRANTING A LOAN TO ENSURE THAT PAYMENTS WERE NOT DELINQUENT.

THE BILL DOES NOT PROVIDE FOR RECOVERY OF THE DELINQUENT PAYMENTS. IT SIMPLY PROVIDES A **DETERRENT AGAINST DELINQUENCY.**

QUESTIONS:

1. ARE ALL STATE LOAN PROGRAMS ADDRESSED IN THE BILL? (All those that are active and that are available to individuals: student loans, agriculture, commercial fishing, A.H.F.C., veterans, mining, alternative energy, residential energy.)
2. DOES THE CHILD SUPPORT ENFORCEMENT AGENCY HAVE KNOWLEDGE OF ALL DELINQUENCIES? (No. They act on behalf of clients who report delinquencies to them. Many delinquencies go unreported; some are handled by private attorneys.)

passed out of Senate HESS

4/23/85.

You were a DO PASS.