

HB

432

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act authorizing AHFC to accept trades in certain cases."
Sponsor: Labor and Commerce
Requestor: House Labor & Commerce

Agency Affected: Revenue
BKU: AHFC
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	15,210	-	-	-	-	-
TOTAL	15,210	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: (Attach a separate page if necessary)

It is unclear at this time what the total volume of the program would be under this bill. The maximum amount would be 1% of \$1.521 billion or \$15,210,000.

Prepared By: Ron Lehr, Executive Director Phone: 276-5599
Division: Alaska Housing Finance Corporation Date: 03/03/88

Approved by Commissioner: Hugh Malone Date: 03/03/88
Agency: Department of Revenue

Distribution (by preparer):

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

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/3/88

FURTHER REFERRALS:

Judiciary
Finance

DATE: 2/23/88

The Labor & Commerce Committee has considered HB 432

"An Act authorizing the Alaska Housing Finance Corporation to accept trades in certain cases; and providing for an effective date."

RECOMMENDS:

- replace with CSHB 432 (L+C) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

David Wiley

Ellis

Ch. A. Brasher

Grant Munn

W. Furnace

Cliff Davidson

Wills Kozman

SIGNING OTHER RECOMMENDATIONS:

David Wiley
Chairman's signature

STATE OF ALASKA
THE LEGISLATURE

POUCHY - STATE CAPITOL
JUNEAU, ALASKA 99811
907.465-3800

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

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

HL+C

2-18-88

1:30 p.m.

HL+C

2-23-88

1:30 p.m.



Official Business

COMMITTEE:

HOUSE LABOR & COMMERCE

DATE: February 18, 1988

SIGN-IN

Subject of meeting:

- HB 432 An Act authorizing AHFC to accept trades
- HB 430 An Act relating to the neighborhood business development program.
- HB 431 An Act making an appropriation to the neighborhood business development fund.
- HB 313 An Act relating to insurance rate filings
- HB 310 An Act relating to payment under public construction contracts.
- HB 384 An Act relating to unemployment insurance
- HB 352 An Act relating to workers' compensation

DO YOU WANT TO TESTIFY?

NAME ADDRESS

PHONE REPRESENTING

NAME	ADDRESS	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY?
Jim Coate	Box 3-7000 Juneau	465-2712	Dept LABOR	384 YES
Rod Wilson		465-2960	DOT/PT	310 Answer Questions
Nesw Terred	134 No. Franklin - JUNEAU ⁹⁹⁸⁰¹	586-1740	A.O.C.	H B 310
DWIGHT PERKINS	723 W. 10TH ST. JUNEAU	586-2874	PLUMBERS & PIPEFITTERS LOCAL UNION 262	H B 310
Doug RICKEY		465-3720	Rep. Grossendorf	HB 310
Darrell Smith	610 W. 54th St. Anch	562-2810	Plumbers & Pipefitters Union Local 367	H B 310
Keith KORSMO	2555 DAVID - 99801	304-2509		H B 432
Don KOCH	POUCH D	2577	DIV INSURANCE	YES HB 313

Feberuary 16, 1988

To Whom It May Concern,

My name is Rick Bierman, I am a 9 year resident of Alaska. My family and I live in a mobile home in Juneau. We have been paying an AHFC loan on our home for 4 years. In addition we have made approximately 5000 dollars worth of improvements including a new kitchen, fence, wood shed, rear deck, flower beds and an approved wood stove...We have done needed maintenance. My point is, we love , respect and care for our home.

Our problem is we've out grown our home and need a larger one. Our family is growing and our present home can no longer accommodate our needs, our income has also grown and we can afford a larger home.

Due to market conditions we are unable to sell our home even at a substantial loss. I'm willing to take this loss and trade my home at market value for a larger more satisfactory home. I'm not asking for something for nothing, I don't want a gift, I want to buy.

By allowing people like me to trade up AHFC would hold a smaller note on a well kept home as opposed to a large note on a repossessed home, possibly not as well kept.

By allowing people in financial trouble to trade a larger home for mine, or one like mine AHFC would be sparing people the indignity of repossession.

Isn't the reason for AHFC to help Alaskans have homes? In 1982 that purpose was filled by creating financing to help Alaskans acquire homes. In 1988 that purpose, in some cases, may only be filled by allowing Alaskans to trade homes in order to keep our homes.

Sincerely,

Rick Bierman & Family
9951 Spruce Wood Park
#25
Juneau, Alaska 99801
789-0076

Original sponsors: Donley, Ellis,
Boucher, et al.

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 432 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the Alaska Housing Finance Corpo-
7 ration to accept trades in certain cases; and provid-
8 ing for an effective date."

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

10 * Section 1. PURPOSE AND AUTHORIZATION. (a) The legislature finds
11 that a sizeable proportion of the residents of the state have mortgages
12 that exceed both the present value of the property and the present ability
13 of the mortgagors of the property to make the payments agreed to in the
14 past. The purpose of this Act is to direct the Alaska Housing Finance
15 Corporation to use creative solutions to the present crisis in the housing
16 market and, at the same time, to permit the corporation to seek the dis-
17 posal of surplus residences within the corporation's inventory.

18 (b) The Alaska Housing Finance Corporation may permit mortgagors who
19 are experiencing difficulty in meeting their mortgage payments to return
20 the residence and its mortgage to the Alaska Housing Finance Corporation
21 and to enter into a new mortgage for different residential property subject
22 to the control of the corporation at rates that are more within the ability
23 of the mortgagors.

24 (c) The Alaska Housing Finance Corporation may also permit a mortga-
25 gor who is willing to accept the responsibility for a larger mortgage to
26 offer an existing residence and its mortgage to the corporation and enter
27 into a new mortgage for different residential property subject to the
28 control of the corporation.

29 (d) The Alaska Housing Finance Corporation, the mortgage insurers,

1 and the mortgagor shall, in each case, work together to reduce ~~a portion of~~
2 the negative equity that may be present in individual cases.

3 (e) Subject to appropriations, the Alaska Housing Finance Corporation
4 may use up to 1 percent of its total fund equity to achieve the purposes
5 of this section.

6 (f) In this section, "residence" includes mobile homes.

7 * Sec. 2. This Act is repealed July 1, 1991.

8 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29