

LEG. FINANCE - BILLS 1983 - 1984 18/4

HB 302 cont.

1874

WILLIAMS: I move that we adopt Resolution No. 291, resolution adopting, I'm sorry, resolution establishing the general obligation fund dedicating certain veterans affairs mortgages and revenues to said fund.

ROPPEL: Second?

PARRISH: I'll second it.

ROPPEL: Mr. Parrish seconded it.

WILLIAMS: Mr. Chairman?

ROPPEL: Yes sir.

WILLIAMS: I request a very brief recess for an opportunity to confer with bond counsel over a possible amendment to the resolution.

ROPPEL: Okay, let's take ten minutes.

WILLIAMS: I only need five.

ROPPEL: Five? Okay.

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ROPPEL: Now we have Resolution 291 that has been moved and seconded. Now there is an amendment to 291? ✓

WILLIAMS: Mr. Chairman?

ROPPEL: Yes sir.

WILLIAMS: I would like to move the following amendment to be

WILLIAMS: ✓ inserted into Section 1 of Resolution 291. The amendment has been typed and distributed, but I'll read it for the record. ✓ Assets may be transferred from the general obligation fund by a resolution of the Board of Directors of the Corporation or upon the presentation of a claim against the Corporation's general obligation by a bond trustee with respect to bonds issued by the Corporation. It seemed to me that this was in order because we talked about how money goes into it, but we don't talk about how funds ever go out of it.

ROPPEL: Okay, are you ready for the question on the amendment?

PARRISH: Second.

ROPPEL: It's been moved and seconded by Mr. Parrish. Are you ready for the question on the amendment? Okay, all in favor of the amendment, I guess we better do this by roll call, say aye.

SHINN: Jack Smodey?

SMODEY: Aye.

SHINN: Commissioner Williams?

WILLIAMS: Aye.

SHINN: Lance Parrish?

PARRISH: Aye.

SHINN: Frank Roppel?

ROPPEL: Aye. Okay...

WILLIAMS: Mr. Chairman?

ROPPEL: Yes sir?

WILLIAMS: I offer, I don't know, I think this is just a, not, doesn't rise to the level of an amendment, but there is a typographical error in Section 2 of the third line. I think divisions should be division.

ROPPEL: Okay, are there any other corrections on this?

WILLIAMS: That's the only correction. I have one other amendment.

ROPPEL: Okay.

WILLIAMS: Right now, Mr. Chairman, Section 3 suspends the creation of the general obligation fund until the release of the veterans mortgage loans from the state-assisted mortgage fund, and I would suggest an amendment saying, to Section 3, saying "Section 2 of this resolution shall take effect upon the release of the veterans mortgage loans from the state-assisted mortgage fund." That means that the general obligation fund will spring into existence with the adoption of this resolution. There will be nothing in it, but it will exist and then the transfer will be accomplished as soon as the assets can be released from their present use.

PARRISH: Second.

ROPPEL: Do you have any problem with that?

GOLDBAR: No, that's fine. Bob, does that give you any problems?

FLINT: That's fine.

WILLIAMS: That was amendment 2, Mr. Chairman.

ROPPEL: Okay, let's do this by amendment then. There is amendments to 291 to change Section 3 and correct a typo in Section 2 has been moved by Commissioner Williams.

WILLIAMS: Correct.

PARRISH: And seconded.

ROPPEL: And Mr. Parrish has seconded it.

PARRISH: Both of them, or one, whichever.

ROPPEL: The change to the original Resolution 291. All in favor by roll call say aye.

SHINN: Jack Smodey?

SMODEY: Aye.

SHINN: Commissioner Williams?

WILLIAMS: Aye.

SHINN: Lance Parrish?

PARRISH: Aye.

SHINN: Frank Roppel?

ROPPEL: Aye. Okay, now we're ready for...

PARRISH: One question, Mr. Chairman. Is the title part of the resolution? Because the title says certain veterans mortgages and the body says all veterans mortgages and all are certain with respect to all the mortgages we have, but if it's not, if the title is not, in judging from the discussion we had earlier, I was under the impression that only certain mortgages were going to be transferred, but apparently, all mortgages which are from the Division of Veterans Affairs are going to be transferred to this fund.

FLINT: Well, only those being held in the SAM Fund. Under the special mandatory redemption. Now, all of those mortgages, I understood, were to be transferred and if there are other Veterans mortgages outside that SAM Fund, then they wouldn't be, and I don't know whether there are or not.

ROPPEL: Okay, so...

PARRISH: There are.

FLINT: So the title would be certain mortgages, but the other one would be all mortgages in the SAM fund.

PARRISH: Okay.

ROPPEL: Any more questions? Ready for the question? All in favor of Resolution 291 by roll call, say aye.

SHINN: Jack Smodey?

SMODEY: Aye.

SHINN: Commissioner Williams?

WILLIAMS: Aye.

SHINN: Lance Parrish?

PARRISH: Aye.

SHINN: Frank Roppel?

ROPPEL: Aye. 291 with the two amendments is now passed. Now ✓ the last remaining business in our packet is the Nuveen letter requiring the authority to negotiate bond issues within certain guidelines. And it is my understanding that as desirable as this is, there are some additional

ANALYSIS OF STATE LOAN AND GRANT PROGRAM FUNDING
Prepared by the House Special Committee on State Loans

PLEASE NOTE INTERIOR PAGES CORRESPOND WITH BILL SECTION NUMBERS. SEE APPROPRIATE PAGE FOR MORE DETAIL.

Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
01	AHFC Special Mortgage Loan Purchase	\$19,500,000	\$105,000,000	\$100,000,000
02	AHFC Home Ownership Assistance	\$50,000,000	\$45,000,000	\$50,000,000
03	C&RA Senior Citizens Housing Development	\$19,530,000	\$10,000,000	\$2,500,000
04	C&RA Housing Assistance Loan Fund (for existing programs)	\$45,000,000	\$45,000,000	\$45,000,000
05	C&RA Housing Assistance Loan Fund (for implementation of HOAF; see HB 302, section 13)	\$15,000,000	n/a	n/a
06	C&RA Home Ownership Assistance Fund (for capitalization of new program; see HB 302, section 13)	\$650,000	n/a	n/a
07	C&RA (for new program operating costs; see HB 302, section 13)	\$226,000	n/a	n/a
08	C&ED Division of Investments	\$24,083,900	\$51,800,000	\$28,508,900
09	DNR Agricultural Loan	\$10,000,000	\$10,000,000	\$10,000,000
10	Scholarship Loan	\$65,000,000	\$52,000,000	\$50,000,000
11	Scholarship Loan (federal receipts)	\$850,000	\$986,100	\$850,000
12	APA Rural Electrification Loan	\$1,000,000	Ø	\$1,000,000

* Amounts taken from CCSSB 322, Appropriation to various state loan and grant programs, (1982)

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
01	AHFC Special Mortgage Loan Purchase	\$19,500,000	\$105,000,000	\$100,000,000

Supervisory/Administrative Agency: Department of Revenue

Statutory Authority: AS 18.56.010 - AS 18.56.210 Reference: page 81, State Loan Programs

Program Description: The Special Mortgage Loan Purchase Program is intended to assist in the acquisition and development of land and in the construction, rehabilitation, and refinancing of housing for people of lower income, as well as for all Alaskans. The Special Mortgage Loan Purchase Program is AHFC's principal financing program, accounting for approximately 90 percent of the agency's lending activities.

Funding breakdown:

Continuation funding.....	7,000,000
Additional funding to.....	12,500,000
compensate for certain	
provisions of CSHB 302	
(Loans)	
	19,500,000

Comments:

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02	AHFC Home Ownership Assistance	\$50,000,000	\$45,000,000	\$50,000,000

Supervisory/Administrative Agency: Department of Revenue

Statutory Authority: AS 18.56.091 Reference: page 65, State Loan Programs

Program Description: The Home Ownership Assistance Program is intended to provide mortgage subsidies to people of low and moderate income. By a corporation funding mechanism, the appropriation to the Home Ownership Assistance Program is invested in Alaskan mobile home loans purchased under the mobile home loan purchase program; the subsequent interest income stream is then used to subsidize actual HOAP loans.

Funding breakdown:

Continuation funding.....	50,000,000
	50,000,000

Comments:

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
03	C&RA Senior Citizens Housing Development	\$19,530,000	\$10,000,000	\$2,500,000

Supervisory/Administrative Agency: Department of Community and Regional Affairs, Housing Assistance Div.

Statutory Authority: AS 44.47.610 - AS 44.47.620

Reference: Letter from C&RA

Program Description: The Senior Citizens Housing Development Fund is intended to alleviate the shortage of decent, safe, and sanitary residential housing available at low or moderate prices or rentals to persons 60 years of age or older.

Funding breakdown:

Continuation funding.....	2,500,000
Additional funding to.....	17,030,000
meet projected shortfall	
	19,530,000

Comments:

* Amounts taken from CCSSB 322, Appropriation for various state loan and grant programs (1982)

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
04	C&RA Housing Assistance Loan Fund (for existing programs)	\$45,000,000	\$45,000,000	\$45,000,000

Supervisory/Administrative Agency: Department of Community and Regional Affairs, Housing Assistance Div.

Statutory Authority: AS 44.47.380 - AS 44.57.560

Reference: page 87, State Loan Programs

Program Description: The Housing Assistance Loan Fund is intended to provide funding for mortgages, building materials, renovations, and improvements for nonconforming and rural housing.

Funding breakdown:

Continuation funding.....	45,000,000
	45,000,000

Comments:

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
05	C&RA Housing Assistance Loan Fund (for implementation of HOAF; see below)	\$15,000,000	n/a	n/a

Supervisory/Administrative Agency: Department of Community and Regional Affairs, Housing Assistance Div.

Statutory Authority: (HALF) AS 44.47.380 - AS 44.47.560 Reference: Section 13, HB 302 also

Program Description: The proposed Home Ownership Assistance Fund is intended to subsidize mortgage loans for people with low or moderate income, subject to the definitions and restrictions in section 13 of House Bill 302. C&RA projects that the new subsidy program will result in substantially higher demand.

Funding breakdown:

Funding for increased.....	15,000,000
demand due to new loan program, Home Ownership Assistance Fund, in HB 302 (see bill for details)	
	15,000,000

Comments:

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
06	C&RA Home Ownership Assistance Fund (for capitalization of new program; see below)	\$650,000	n/a	n/a

Supervisory/Administrative Agency: Department of Community and Regional Affairs, Housing Assistance Div.

Statutory Authority: n/a, see Section 13, HB 302

Reference: Section 13, HB 302

Program Description: The proposed Home Ownership Assistance Fund is intended to subsidize mortgage loans for people with low or moderate income, subject to the definitions and restrictions in section 13 of House Bill 302.

Funding breakdown:

Funding for new loan.....	650,000
program, Home Ownership Assistance Fund, in HB 302 (see bill for details)	650,000

Comments:

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
07	C&RA (for new program operating costs; see HB 302, section 13)	\$226,000	n/a	n/a

Supervisory/Administrative Agency: Department of Community and Regional Affairs, Housing Assistance Div.

Statutory Authority: n/a, see Section 13, HB 302

Reference: Section 13, HB 302

Program Description: The proposed Home Ownership Assistance Fund is intended to subsidize mortgage loans for people with low or moderate income, subject to the definitions and restrictions in section 13 of House Bill 302.

Funding breakdown:

Funding for operation of.....	226,000
new loan program, Home Ownership Assistance Fund, in HB 302 (see bill for details)	
	<u>226,000</u>

Comments:

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
08	C&ED Division of Investments	\$24,083,900	\$51,800,000	\$28,508,900

Supervisory/Administrative Agency: Department of Commerce and Economic Development, Div. of Investments

Statutory Authority: see specific programs below

Reference: see specific programs below

Program Descriptions:	<u>Loan Program</u>	<u>Statute</u>	<u>Allocation</u>	<u>Reference</u>
	alternative technology and energy loans	AS 45.88	4,000,000	p.57
	commercial fishing loans	AS 16.10.300- AS 16.10.370	9,091,000	p.29
	child care facility loans	AS 44.30.240	869,500	p.97
	historical district loans	AS 45.98	500,000	p.113
	fisheries enhancement loans	AS 16.10.500	6,500,000	p.33
	residential energy conservation loans	AS 45.89	3,123,400	p.59

Funding breakdown:

See above for individual programs

Comments:

* Amounts taken from CCSSB 322, Appropriation for various state loan and grant programs (1982)

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
09	DNR Agricultural Loan	\$10,000,000	\$10,000,000	\$10,000,000

Supervisory/Administrative Agency: Department of Natural Resources

Statutory Authority: AS 03.10.020 - AS 03.10.060 Reference: page 13, State Loan Programs

Program Description: The Agricultural Revolving Loan Fund is intended to promote the more rapid and effective development of agriculture as an industry throughout the state through long term, low interest loans.

Funding breakdown:

Continuation funding.....	10,000,000
	10,000,000

Comments:

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
10	Scholarship Loan	\$65,000,000	\$52,000,000	\$60,000,000

Supervisory/Administrative Agency: Commission on Postsecondary Education

Statutory Authority: AS 14.43.090 - AS 14.43.160 Reference: page 45, State Loan Programs

Program Description: The Scholarship Revolving Loan Fund is intended to provide educational loans at a low cost to Alaskan students enrolled in undergraduate, graduate, or career degree programs.

Funding breakdown:

Continuation funding.....	60,000,000
Additional funding based.....	5,000,000
on commission projections	
	65,000,000

Comments:

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
11	Scholarship Loan (federal receipts)	\$850,000	\$986,100	\$850,000

Supervisory/Administrative Agency: Commission on Postsecondary Education

Statutory Authority: AS 14.43.090 - AS 14.43.160 Reference: page 45, State Loan Programs

Program Description: The Scholarship Revolving Loan Fund is intended to provide educational loans at a low cost to Alaskan students enrolled in undergraduate, graduate, or career degree programs.

Funding breakdown:

Continuation funding.....	850,000
	850,000

Comments:

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Bill Sec	Program	Amount requested in CSHB 315 (Loans)	Amount requested last year*	Amount requested in Gov's Capital Budget (1-11-83)
12	APA Rural Electrification Loan	\$1,000,000	Ø	\$1,000,000

Supervisory/Administrative Agency: Alaska Power Authority

Statutory Authority: AS 45.88.010 - AS 45.88.040 Reference: page 59, State Loan Programs

Program Description: The Rural Electrification Revolving Loan Fund is intended to make loans to electric utilities to extend electric service into rural areas of the state.

Funding breakdown:

Continuation funding.....	1,000,000
	1,000,000

Comments:

* Amounts taken from CCSSB 322, Appropriation for various state loan and grant programs (1982)

STATE OF ALASKA
THE LEGISLATURE

POUCHY - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 10, 1983

SUBJECT: Comparison of HB 302, CSHB 302 (C&RA) and
CSHB 302 (Loans)

TO: Representative Albert P. Adams
Chairman, House Finance Committee

FROM: *LHA* Linn H. Asper
Legislative Counsel

You have requested a sectional analysis that compares
HB 302, CSHB 302 (C&RA) and CSHB 302 (Loans) (state housing
loan programs).

Provisions that are the same in all three versions of the
bill:

Section 6 of HB 302, concerning eligibility for veterans
interest rates on AHFC loans (AS 18.50.101), is the
same as Sec. 1 of CSHB 302 (C&RA) and Sec. 9 of
CSHB 302 (Loans).

Section 7 of HB 302, concerning retention of a finan-
cial advisor for AHFC bond sales, is substantially the
same as Sec. 2 of CSHB 302 (C&RA) and Sec. 10 of
CSHB 302 (Loans).

The portion of Sec. 9 of HB 302, that repeals
AS 44.47.385, is the same as Sec. 5 of CSHB 302 (C&RA)
and Sec. 18 of CSHB 302 (Loans).

Section 10 of HB 302 (immediate effective date) is
essentially the same as Sec. 6 of CSHB 302 (C&RA) and
Sec. 20 of CSHB 302 (Loans).

Provisions that are the same or similar in HB 302 and
CSHB 302 (Loans):

Sections 1 - 3 in both HB 302 and CSHB 302 (Loans)
increase the amount that may be loaned under the

special mortgage loan purchase program (AS 18.56.098) for a single family residence. HB 302 would increase the loan limit to \$250,000. CSHB 302 (Loans) would increase the limit to 10 percent above the FNMA loan limits.

Section 4 of HB 302, changing the method of calculating the interest rate under AS 18.56.098(g), is the same as Sec. 4 of CSHB 302 (Loans) except that HB 302 provides for a maximum state loan subsidy of four percent and CSHB 302 (Loans) limits the subsidy to three percent. Also, CSHB 302 (Loans) raises the subsidized portion of a loan from \$90,000 to \$100,000, while HB 302 does not.

Section 5 of HB 302, making technical changes in the interest calculation mechanism under AS 18.56.098(g) is the same as Sec. 7 in CSHB 302 (Loans) except that CSHB 302 (Loans) raises the subsidized portion of a loan from \$90,000 to \$100,000, while HB 302 does not.

The portion of Sec. 9 of HB 302 that repeals AS 18.-56.098(g)(2) is the same as the similar portion of Sec. 18 in CSHB 302 (Loans).

Provisions that are the same or similar in CSHB 302 (C&RA) and CSHB 302 (Loans):

Section 3 of CSHB 302 (C&RA), making the housing assistance fund in the Department of Community and Regional Affairs a revolving fund, is the same as Sec. 12 in CSHB 302 (Loans).

Section 4 of CSHB 302 (C&RA), establishing a home ownership assistance fund in the Department of Community and Regional Affairs is substantially the same as Sec. 13 in CSHB 302 (Loans), except that the Loans version is more specific as to restrictions on use of the home ownership subsidy for people of low or moderate income.

Provisions that are found only in HB 302:

Section 8 of HB 302 makes some of the changes to the AHFC interest rate calculation apply only to bond sales after the effective date of the Act. This provision was dropped in the Community and Regional Affairs substitute and not picked up again in the Loans substitute.

Provisions that are found only in CSHB 302 (Loans):

Sections 5, 6, and 8 of CSHB 302 (Loans) amend AS 18.-56.098(g) to increase the subsidized portion of an AHFC loan from \$90,000 to \$100,000.

Section 11 allows AHFC to purchase a housing loan for a residence within 50 miles of the District of Columbia for a member of the Alaska delegation to the U.S. Congress.

Section 14 amends existing law so that a person who receives a nonconforming or rural housing loan from the Department of Community and Regional Affairs can also get a loan for nonowner-occupied housing from that department.

Section 15 changes the method of calculating interest for nonconforming and rural housing under the Department of Community and Regional Affairs to tie both loan programs to the interest rate for AHFC loans.

Section 16 changes the current community and regional affairs housing loans definition of "rural" to extend that definition to all communities with fewer than 4,500 people that are either not connected by road or rail to Anchorage, or are connected by road or rail to Anchorage, but are more than 50 air miles from Anchorage.

Section 17 allows alternative technology loans to be made for certain kinds of central heating systems that use solid fuel.

Section 19 delays the effective date of the establishment of the home ownership assistance fund until January 1, 1984.

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LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

May 10, 1983

SUBJECT: Comparison of HB 302, CSHB 302 (C&RA) and
CSHB 302 (Loans)

TO: Representative Albert P. Adams
Chairman, House Finance Committee

FROM: *LHA* Linn H. Asper
Legislative Counsel

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Provisions that are the same in all three versions of the
bill:

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CSHB 302 (Loans).

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same as Sec. 2 of CSHB 302 (C&RA) and Sec. 10 of
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essentially the same as Sec. 6 of CSHB 302 (C&RA) and
Sec. 20 of CSHB 302 (Loans).

Provisions that are the same or similar in HB 302 and
CSHB 302 (Loans):

Sections 1 - 3 in both HB 302 and CSHB 302 (Loans)
increase the amount that may be loaned under the

special mortgage loan purchase program (AS 18.56.098) for a single family residence. HB 302 would increase the loan limit to \$250,000. CSHB 302 (Loans) would increase the limit to 10 percent above the FNMA loan limits.

Section 4 of HB 302, changing the method of calculating the interest rate under AS 18.56.098(g), is the same as Sec. 4 of CSHB 302 (Loans) except that HB 302 provides for a maximum state loan subsidy of four percent and CSHB 302 (Loans) limits the subsidy to three percent. Also, CSHB 302 (Loans) raises the subsidized portion of a loan from \$90,000 to \$100,000, while HB 302 does not.

Section 5 of HB 302, making technical changes in the interest calculation mechanism under AS 18.56.098(g) is the same as Sec. 7 in CSHB 302 (Loans) except that CSHB 302 (Loans) raises the subsidized portion of a loan from \$90,000 to \$100,000, while HB 302 does not.

The portion of Sec. 9 of HB 302 that repeals AS 18.-56.098(g)(2) is the same as the similar portion of Sec. 18 in CSHB 302 (Loans).

Provisions that are the same or similar in CSHB 302 (C&RA) and CSHB 302 (Loans):

Section 3 of CSHB 302 (C&RA), making the housing assistance fund in the Department of Community and Regional Affairs a revolving fund, is the same as Sec. 12 in CSHB 302 (Loans).

Section 4 of CSHB 302 (C&RA), establishing a home ownership assistance fund in the Department of Community and Regional Affairs is substantially the same as Sec. 13 in CSHB 302 (Loans), except that the Loans version is more specific as to restrictions on use of the home ownership subsidy for people of low or moderate income.

Provisions that are found only in HB 302:

Section 8 of HB 302 makes some of the changes to the AHFC interest rate calculation apply only to bond sales after the effective date of the Act. This provision was dropped in the Community and Regional Affairs substitute and not picked up again in the Loans substitute.

Provisions that are found only in CSHB 302 (Loans):

Sections 5, 6, and 8 of CSHB 302 (Loans) amend AS 18.-56.098(g) to increase the subsidized portion of an AHFC loan from \$90,000 to \$100,000.

Section 11 allows AHFC to purchase a housing loan for a residence within 50 miles of the District of Columbia for a member of the Alaska delegation to the U.S. Congress.

Section 14 amends existing law so that a person who receives a nonconforming or rural housing loan from the Department of Community and Regional Affairs can also get a loan for nonowner-occupied housing from that department.

Section 15 changes the method of calculating interest for nonconforming and rural housing under the Department of Community and Regional Affairs to tie both loan programs to the interest rate for AHFC loans.

Section 16 changes the current community and regional affairs housing loans definition of "rural" to extend that definition to all communities with fewer than 4,500 people that are either not connected by road or rail to Anchorage, or are connected by road or rail to Anchorage, but are more than 50 air miles from Anchorage.

Section 17 allows alternative technology loans to be made for certain kinds of central heating systems that use solid fuel.

Section 19 delays the effective date of the establishment of the home ownership assistance fund until January 1, 1984.

CHANGES FROM LOANS CS IN THIS PROPOSED CS HB 302 (FINANCE)

1. All sections raising the subsidized portion of the loan from \$90,000 to \$100,000 have been removed.
2. Two new sections (p. 2, lines 5-9 and p. 6, lines 21-26) have been added to prohibit discrimination in rental housing financed through AHFC or DCRA.
3. Secs. 4 and 5 (p. 2) have been changed by replacing \$100,000 with the \$90,000 currently in statute. Again, this change is made to reflect the subcommittee's decision not to raise the subsidized portion of a loan from \$90,000 to \$100,000.
4. The new rural deep subsidy program is made eligible for purchase or construction of single family homes. (See sec. 10, line 17, p. 5.)
5. The language of section 15 has been changed to reflect the use of wood or coal for fuel, only. Please see the memorandum from Legal Services regarding the appropriateness of adding the phrase: "notwithstanding (3)(A) of this section" and the reason for its omission from this draft of the committee substitute.

STATE OF ALASKA
THE LEGISLATURE

FOLCHY, STATE CAPITOL
JUNEAU, ALASKA 99801
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 19, 1983

SUBJECT: Alternative energy systems
(CSHB 302 (Finance))

TO: Representative Albert P. Adams
Chairman, House Finance Committee

FROM: *EHA* Linn H. Asper
Legislative Counsel

I have prepared a draft of a Finance committee substitute for HB 302. One of your requests was to add language to the proposed amendment to AS 45.88.500(2) that would state that the addition of certain central heating systems to the list of alternative energy systems eligible for loans under AS 45.88 is "notwithstanding (3)(A) of this section". AS 45.88.500(3)(A) excludes wood, coal, or multifuel heating stoves from eligible alternative energy systems.

*** A "notwithstanding" clause is used to establish priority between two legislative provisions where there is a conflict between them. In this case, however, there is no conflict. Instead, in AS 45.88.500, close distinctions have been made between "wood, coal, or multifuel heating stoves" (45.88.-500(3)(A)), "woodstoves with catalytic converters" (45.88.-500(2)(D)), and the proposed "central heating systems that use wood or coal for fuel" (45.88.500(2)(E)). It is my opinion that the use of a "notwithstanding" clause is not necessary in this situation and will only add confusion to an already complicated statutory provision. Furthermore, if a "notwithstanding" clause is added to the new language, it should also be added to the existing provision dealing with catalytic converters, AS 45.88.500(2)(D).

The underlying problem with this legislation is caused by the legislature's attempt to create distinctions between energy systems that are very similar. To remedy this problem the better approach would be to rework the entire

Representative Albert P. Adams

Page 2

May 19, 1983

section, or to allow the close distinctions to be made by regulations adopted by the department that administers the loan program.

LHA:ljb

20/029

Asper
5-19-83

Original sponsor: House Special Committee
on State Loans

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 302 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state housing loan and state
7 alternative technology loan programs; and providing
8 for an effective date."

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

0 * Section 1. AS 18.56.096(1) is amended to read:

1 (1) a first mortgage loan under this chapter for a duplex,
2 triplex, or four-plex that exceeds the limitations on first mortgage
3 loans for similar housing purchased by the Federal National Mortgage
4 Association as to principal amount and loan-to-value ratio; [OR]

5 * Sec. 2. AS 18.56.096(2) is amended to read:

6 (2) a second mortgage loan for a duplex, triplex, or four-
7 plex the amount of which, when combined with the principal balance of
8 a first mortgage loan on the property, exceeds the limitation on the
9 amount set out in (1) of this section or that has a loan-to-value
0 ratio, when considered with the principal balance of the first mort-
1 gage loan, that exceeds 90 percent; [.]

2 * Sec. 3. AS 18.56.096 is amended by adding new paragraphs to read:

3 (4) a first mortgage loan for a single-family residence
4 that exceeds the limitations on first mortgage loans for similar
5 housing purchased by the Federal National Mortgage Association as to
6 principal amount by more than 10 percent, or has a loan-to-value ratio
7 that exceeds 95 percent, or a second mortgage loan for a single-family
8 residence, the amount of which, when combined with the principal
9 balance of a first mortgage loan on the property, exceeds the

1 limitations on loans for similar housing purchased by the Federal
2 National Mortgage Association as to principal amount by more than 10
3 percent, or has a loan-to-value ratio, when considered with the prin-
4 cipal balance of the first mortgage loan, that exceeds 90 percent; or

5 (5) a first or second mortgage loan for rental housing
6 unless the borrower agrees not to discriminate against tenants or
7 prospective tenants because of sex, marital status, changes in marital
8 status, pregnancy, parenthood, race, religion, color, or national
9 origin.

10 * Sec. 4. AS 18.56.098(g)(1) is amended to read:

11 (1) The interest rate on the first \$90,000 of a mortgag
12 loan purchased with the proceeds of an [THE FIRST] issue of taxable
13 bonds of the corporation is three percent less than [10 PERCENT OR
14 the cost of funds of that issue, except that

15 (A) if the cost of funds of that issue is less than 1
16 percent, the interest rate is equal to the cost of funds; and

17 (B) if the cost of funds of that issue is more than 1
18 percent, the interest rate may not be less than 10 percent [
19 WHICHEVER IS LESS].

20 * Sec. 5. AS 18.56.098(g)(5) is amended to read:

21 (5) The interest rate on the first \$90,000 of a mortgag
22 loan purchased with [FROM] money that is not the proceeds of eithe
23 taxable or tax-exempt bonds [APPROPRIATED TO THE CORPORATION] is th
24 rate the corporation determines is appropriate by application of th
25 provisions of (1) [- (4)] of this subsection. [THE RATE MAY BE BASE
26 ON AN ESTIMATE OF THE COST OF FUNDS OF A PROPOSED ISSUE OR ISSUES C
27 BONDS.]

28 * Sec. 6. AS 18.56.101 is amended to read:

29 Sec. 18.56.101. ELIGIBILITY FOR VETERANS' INTEREST RATES. TH

1 following persons are eligible veterans for the purposes of AS 18.56.-
2 098(g) and (h):

3 (1) a person who served in the armed forces of the United
4 States for 90 days or more, or whose service was for less than 90 days
5 because of injury or disability incurred in the line of duty, after
6 April 6, 1917,

7 [(A) WHO AT THE TIME OF INDUCTION INTO THE SERVICE WAS
8 A RESIDENT OF THE TERRITORY OR STATE, WHO HAD BEEN A RESIDENT FOR
9 NOT LESS THAN ONE YEAR IMMEDIATELY BEFORE HIS INDUCTION, AND WHO
0 RETURNED TO THE TERRITORY OR STATE WITHIN ONE YEAR AFTER DIS-
1 CHARGE AS A RESIDENT WITH THE INTENTION OF REMAINING IN THE
2 TERRITORY OR STATE; OR

3 (B) WHO, NOT BEING A BONA FIDE RESIDENT OF THE TERRI-
4 TORY OR STATE AT THE TIME OF ENTRY INTO THE SERVICE, HAS BEEN A
5 RESIDENT OF THE TERRITORY OR STATE FOR AT LEAST ONE YEAR AT THE
6 TIME OF THE LOAN APPLICATION AND HAS BEEN A RESIDENT TO THE
7 TERRITORY OR STATE FOR AT LEAST FIVE YEARS; AND

8 (C)] whose discharge was under honorable conditions;

9 (2) the widow or widower of a member of the armed forces or
10 an eligible veteran if

11 [(A) THE MEMBER OR VETERAN WAS A RESIDENT OF THE TERRI-
12 TORY OR STATE FOR ONE YEAR BEFORE INDUCTION INTO THE SERVICE;

13 (B)] the member or veteran served in the armed forces
14 for at least 90 days after April 6, 1917 [;] and

15 [(C)] the veteran's [HIS] discharge was under honorable
16 conditions;

17 (3) a person who has served for not less than five years in
18 the Alaska Army National Guard, the Alaska Air National Guard, [OR]
19 the Alaska Naval Militia, or [WHO HAS SERVED IN] a reserve unit of the

United States armed forces [IN ALASKA] if the reserve unit required, as a minimum, one weekend each month of duty and 15 consecutive days of active duty training each year [FOR NOT LESS THAN FIVE YEARS] and whose discharge was under honorable conditions.

* Sec. 7. AS 18.56.115 is amended to read:

Sec. 18.56.115. INDEPENDENT FINANCIAL ADVISOR. In negotiating the private sale of bonds or bond anticipation notes to an underwriter, the corporation may [SHALL] retain a financial advisor. A financial advisor retained under this section must be [WHO IS] independent from the underwriter.

* Sec. 8. AS 18.56 is amended by adding a new section to read:

Sec. 18.56.205. RESIDENTIAL MORTGAGE ASSISTANCE FOR MEMBERS OF THE ALASKA DELEGATION TO CONGRESS. The corporation may extend the special mortgage loan purchase program (AS 18.56.098) to purchase a mortgage loan made for the purchase or rehabilitation of a residence located in the District of Columbia or within 50 miles of the District of Columbia to a member of the United States Congress from Alaska if the member is otherwise qualified for assistance under the special mortgage loan purchase program.

* Sec. 9. AS 44.47.380 is amended to read:

Sec. 44.47.380. HOUSING ASSISTANCE LOAN FUND. There is created in the Department of Community and Regional Affairs, as a revolving loan fund, the housing assistance loan fund consisting of money appropriated to it by the legislature and repayments of principal of loans made or purchased from the assets of the fund. Interest on loans made or purchased from the assets of the fund must be transferred to the Department of Revenue for deposit in the general fund. The director shall administer the housing assistance loan fund in accordance with AS 44.47.360 - 44.47.560 and shall use the money in the housing

1 assistance loan fund to originate, purchase, or participate in the
2 purchase of

3 (1) nonconforming and rural housing mortgage loans;

4 (2) loans made for building materials for nonconforming and
5 rural housing;

6 (3) loans made for renovations or improvements to noncon-
7 forming and rural housing;

8 (4) loans made for the construction of owner-occupied
9 nonconforming and rural housing other than loans to builders or con-
0 tractors or loans that compensate an owner for the owner's labor or
1 services in constructing the owner's own housing.

2 * Sec. 10. AS 44.47 is amended by adding a new section to read:

3 Sec. 44.47.382. HOME OWNERSHIP ASSISTANCE FUND. (a) There is
4 created in the Department of Community and Regional Affairs, the home
5 ownership assistance fund consisting of money appropriated to it by
6 the legislature. Money in the fund shall be used solely to assist
7 persons of lower and moderate income to purchase or construct single-
8 family homes financed under AS 44.47.360 - 44.47.560 by providing a
9 subsidy to those persons.

0 (b) The subsidy provided by this section may not exceed the
1 amount that is necessary to reduce the annual interest rate paid on
2 the mortgage loan to six percent.

3 (c) A mortgage loan that is subsidized from the home ownership
4 assistance fund may not exceed \$120,000.

5 (d) The division shall adopt regulations that establish maximum
6 income-to-loan payment ratios for persons who apply for a subsidy
7 under this section.

8 (e) In this section, "persons of lower and moderate income"
9 means individuals considered by the division to require assistance

under this section because of inadequate income or other limited personal financial resources, taking into consideration

- (1) the amount of total income available for housing needs;
- (2) the size of the family;
- (3) the cost and condition of available housing;
- (4) standards established in various federal programs for determining eligibility based on income;
- (5) the ability to enter the private housing market and to pay market amounts for decent, safe, and sanitary housing; and
- (6) other factors considered relevant by the division.

* Sec. 11. AS 44.47.390(4) is amended to read:

(4) originate a direct loan for nonconforming or rural housing or purchase or participate in the purchase of a nonconforming or rural housing mortgage loan, other than a loan for the repair, remodeling, rehabilitation, or expansion of an existing owner-occupied residence, if the borrower has an outstanding housing loan made under a state loan program, other than a loan for nonowner-occupied housing under AS 44.47.520, that bears interest at a rate that was less than the prevailing market interest rate for similar housing loans at the time the loan was made.

* Sec. 12. AS 44.47.390 is amended by adding a new paragraph to read:

Ven's language
(5) originate a direct mortgage loan or purchase or participate in the purchase of a mortgage loan for rental housing unless the borrower agrees not to discriminate against tenants or prospective tenants because of sex, marital status, changes in marital status, pregnancy, parenthood, race, religion, color, or national origin.

* Sec. 13. AS 44.47.410 is amended to read:

Sec. 44.47.410. INTEREST ON LOANS. (a) The interest rate on a mortgage loan originated or purchased in whole or in part under

AS 44.47.380 for nonconforming housing that is not rural housing is one-quarter percent more than [EQUAL TO] the interest rate, as determined under AS 18.56.098(g)(1) - (4), on a mortgage loan purchased under AS 18.56.098(a) from the proceeds of the most recent applicable issue of taxable bonds before the origination or purchase of the mortgage loan originated or purchased under AS 44.47.380.

(b) The interest rate on a mortgage loan originated or purchased in whole or in part under AS 44.47.380 for rural housing is one percent less than the interest rate, as determined under AS 18.56.098-(g)(1) - (4), on a mortgage loan purchased under AS 18.56.098(a) from the proceeds of the most recent applicable issue of taxable bonds before the origination or purchase of the mortgage loan originated or purchased under AS 44.47.380 [10-1/2 PERCENT].

* Sec. 14. AS 44.47.560(5) is repealed and reenacted to read:

(5) "rural" means of or relating to a community in the state with a population of 4,500 or less, as determined by the department under AS 29.88.015, that

(A) is not connected by road or rail to Anchorage; or

(B) is connected by road or rail to Anchorage, but is more than 50 air miles from Anchorage;

* Sec. 15. AS 45.88.500(2) is amended by adding a new subparagraph to read:

(E) a steam, hot water, or ducted hot air central heating system that uses wood or coal for fuel; *See memo from Asper*

* Sec. 16. AS 18.56.098(g)(2) and AS 44.47.385 are repealed.

* Sec. 17. Section 10 of this Act takes effect January 1, 1984.

* Sec. 18. Sections 1 - 9, and 11 - 16 of this Act take effect immediately in accordance with AS 01.10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHR 302 (Fin)
 Title State Housing Loans
 Requested by House Finance Date 5/17/83

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs
 Program Category Affected Development
 BRU, Program, Or Subprogram(s) Affected Housing Assistance
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES		141	193	205	217	230
200 TRAVEL		41	44	46.1	48.9	51.8
300 CONTRACTUAL		12	13	13.5	14.3	15.2
400 COMMODITIES		29	31	32	33	34
500 EQUIPMENT		2	3.1	3.3	3.5	3.7
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		226	284.1	299.9	316.7	334.7

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source) Program Receipts		226	284.1	299.9	316.7	334.7

POSITIONS

FULL TIME		5	5	5	5	5
PART TIME						
TEMPORARY						

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

This appropriation will fund the increased costs of operating the home ownership assistance program created in this bill. It is the only appropriation, in addition to the funding provided in CSHB 315 (Finance), which is necessary to provide these low interest loans. These costs will be funded with program receipts. See the attachment for details on the funding provided through this fiscal note.

IV. DATE 5/17/83 PREPARED BY Al Adams, Chairman *APA*
 AGENCY House Finance Committee
 PHONE 465.3706
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Home Ownership Assistance Fund (HOAF) Assumptions for Fiscal Note

Expenditures

OPERATING:

Personal Services

\$141,000

<u>Position</u>	<u>Salary & Benefits</u>
Loan Examiner I	\$ 41,867 (12 months)
Clerk Typist III	20,335 (9 months)
Accountant III	25,883 (6 months)
Accounting Clerk III	22,890 (9 months)
Documents Processing Clerk III	<u>30,519 (12 months)</u>
	\$141,000 (rounded down)

All salaries are based on GGU Salary Schedule for A ranges Effective 1/1/83 for number of months requested.

Benefits were calculated at .0613 of gross salaries.

Supplemental benefits were calculated at DCRA FY'84 variable rate of .1537.

Fixed benefits were calculated at gross salary x 240.

FY'84 impacts for new positions varied between 12 and 6 months. FY'85 projections assume all positions at 12 month plus 6% salary inflation costs. Subsequent years assume only annual inflation rate of 6%.

Travel

\$ 41,000

Travel is assumed to reflect both direct and indirect lending services of the division. FY'84 travel reflects the following specific assumptions:

Loan Examiner I to hearings in six field locations	\$ 2,500
Accountant, 6 trips to Juneau ..	3,000
Central office to bring field staff for training on new program	5,000
6 field offices @ 5,000 each for increased direct services and program outreach	<u>30,000</u>
	<u>\$41,000</u>

HOAF Assumptions for Fiscal Note
Page 2

Contractual \$ 12,000

Contractual assumptions were as follows

- New Regulations	\$ 8,500
- Computer programming	3,500
	<u>\$12,000</u>

Commodities \$ 29,000

Commodities assumptions were based on present cost of equipment for desks, chairs, files, WANG stations and data processing equipment.

Equipment \$ 3,000

Equipment is assumed at \$500 per new position plus \$500 for extra supplies to field.

Annual projections carry a 6% inflation calculation.

Total Fiscal Note Request \$226,000

Additional Personal Services data is provided on the attached FY'84 Budget Forms. Please note the justification section on each form for a needs assessment of each position requested.

1.	POSITION TITLE LOAN EXAMINER I				RANGE/STEP 15-A	BARC. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL		ADDITION		JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT						
	1	2	3							
	PERSONAL SERVICES									
5.	Salary 2398 x 12	28,776								
6.	Benefits	1,763								
7.	Supplemental Benefits	4,422								
8.	Fixed Benefits	6,906								
9.	TOTAL PERSONAL SERVICES	01	41,867							
10.	Travel	02	2,500							
11.	Contractual	03	-0-							
12.	Commodities	04	6,500							
13.	Equipment	05	500							
14.	Other		-0-							
15.	TOTAL COST		52,767							
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		52,767						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY										
4A KEY NUMBER _____										

- This position is calculated for twelve months to absorb extra underwriting duties expected from renewal of rural interest rates reduced from urban ratchet rate. Other duties will include establishment of eligibility criteria forms for HOAF program, drafting of regulations to administer program, development of rural outreach and training projects for the division and underwriting of all HOAF loans. First year estimated activity is 176 HOAF loans averaging \$85,000 each for a total underwriting responsibility of \$15,000,000.
- Travel includes public hearing schedule for rural HOAF loan program in all regional office locations.
- Commodities reflect office equipment, word and data processing equipment for this position.

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____

BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

FY 84

Page _____ of _____

Revised Date _____

1.	POSITION TITLE CLERK TYPIST III				RANGE/STEP 08-A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 9	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL		ADDITION	X	JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT						
	1	2		3						
	PERSONAL SERVICE									
5.	Salary	1553 x 9	13,977							
6.	Benefits		856							
7.	Supplemental Benefits		2,148							
8.	Fixed Benefits		3,354							
9.	TOTAL PERSONAL SERVICES		01	20,335						
10.	Travel		02	-0-						
11.	Contractual		03	-0-						
12.	Commodities		04	4,500						
13.	Equipment		05	500						
14.	Other									
15.	TOTAL COST			25,335						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		25,335						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY										
4A KEY NUMBER _____										

1. This clerical position will support an FY'84 increase in professional staff and assume all clerical duties for certification and recertification of HOAF clients.
2. Commodities are assumed to cover office and data processing equipment for this position.

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____

BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

FY 84

Page _____ of _____
Revised Date _____

1.	POSITION TITLE ACCOUNTANT III				RANGE/STEP 18-A	BARC. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 6	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL	ADDITION	X		JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<ol style="list-style-type: none"> This position will oversee all accounting staff of the division (3) and will monitor all revolving loan fund accounts, subsidy accounts, operating loss reserve account and title loss reserve account. This position will be responsible for reconciliation with PBA for an estimated \$155 million in loan funds and \$55 million in construction grant funds by the end of FY'84. This position will be the final department authority on low income eligibility for loan or grant programs on direct services. This position will be the final department authority for reconciliation with all seller/servicers on indirect services. This position will maintain an ongoing portfolio analysis of expenditures and advise management on expenditure patterns per statute for each program. This position is based on 6 months only for FY'84 and assumes 6 trips to Juneau @ \$600 each annually. Contractual costs are assumed for special computer programming services. Commodities reflect office equipment and data processing equipment. 					
	1	2	3							
	PERSONAL SERVICES									
5.	Salary	2965 x 6	17,790							
6.	Benefits		1,090							
7.	Supplemental Benefits		2,734							
8.	Fixed Benefits		4,269							
9.	TOTAL PERSONAL SERVICES		01	25,883						
10.	Travel		02	3,600						
11.	Contractual		03	2,000						
12.	Commodities		04	4,500						
13.	Equipment		05	500						
14.	Other									
15.	TOTAL COST			36,483						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		36,483						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								

FOR B&M USE ONLY

4A KEY NUMBER _____

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____

BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

FY 84

13 REQUEST FOR
NEW POSITION

Page _____ of _____

Revised Date _____

1.	POSITION TITLE ACCOUNTING CLERK III				RANGE/STEP 10-A	BARG. UNIT G	FORM 12 PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 9	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL		ADDITION	X	JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<p>1. This position is calculated at 9 months only. It will accomodate increased accounting responsibilities as a result of interest rate reductions in rural Alaska.</p> <p>2. This position will assist accounting technician staff in posting PITI figures for an estimated 1150 loans prior to assumption of new loan program for low income borrowers in rural Alaska.</p> <p>3. Accounting unit currently has no clerical support. More correspondence with PBA regarding low income and existing program borrowers is anticipated.</p> <p>4. Weight of data processing conversions and file maintenance for accounting unit will be borne by accounting unit clerical staff person.</p> <p>5. Commodities include office equipment, word and data processing equipment for this position.</p>					
	1	2	3							
	PERSONAL SERVICES*									
5.	Salary	1748 x 9	15,732							
6.	Benefits		964							
7.	Supplemental Benefits		2,418							
8.	Fixed Benefits		3,776							
9.	TOTAL PERSONAL SERVICES	01	22,890							
10.	Travel	02	-0-							
11.	Contractual	03	-0-							
12.	Commodities	04	6,500							
13.	Equipment	05	500							
14.	Other									
15.	TOTAL COST		31,890							
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		31,890						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR D&M USE ONLY										
4A KEY NUMBER _____										

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____

BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

FY 84

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Revised Date _____

1.	POSITION TITLE DOCUMENTS PROCESSING CLERK III			RANGE/STEP 10-A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PPT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.	
3.	CONTINUATION LEVEL	ADDITION	X	JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
	PERSONAL SERVICES*								
5.	Salary 1748 x 12	20,976							
6.	Benefits	1,285							
7.	Supplemental Benefits	3,224							
8.	Fixed Benefits	5,034							
9.	TOTAL PERSONAL SERVICES	01	30,519						
10.	Travel	02	-0-						
11.	Contractual	03	1,500						
12.	Commodities	04	6,500						
13.	Equipment	05	500						
14.	Other	-0-							
15.	TOTAL COST	39,019							
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		G.F. Hatch 1003							
18.		General Funds 1004		39,019					
19.		I-A Receipts 1005							
20.		Program Receipts 1028							
21.		Other							
FOR B&M USE ONLY 4A KEY NUMBER _____									

1. This position will be responsible for all loan file transfers between six field offices and the central office and between the central office and all seller/servicers
2. This position receives all files logged in and will enter them into data processing, review them for completeness, distribute to underwriters, accountants or loan closers for action.
3. This position receives all completed files from HAD staff and transmits to seller/servicers all executed documents of file.
4. This position is responsible for maintaining all logs, tracking and filing systems for the division.
5. Contractual services are calculated to assume additional data processing programming for new programs and present programs experiencing interest rate adjustments.
6. Commodities are estimated to include office equipment word and data processing equipment for this position.

13 REQUEST FOR
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AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

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CHANGES FROM LOANS CS IN THIS PROPOSED CS HB 302 (FINANCE)

1. All sections raising the subsidized portion of the loan from \$90,000 to \$100,000 have been removed.
2. Two new sections (p. 2, lines 5-9 and p. 6, lines 21-26) have been added to prohibit discrimination in rental housing financed through AHFC or DCRA.
3. Secs. 4 and 5 (p. 2) have been changed by replacing \$100,000 with the \$90,000 currently in statute. Again, this change is made to reflect the subcommittee's decision not to raise the subsidized portion of a loan from \$90,000 to \$100,000.
4. The new rural deep subsidy program is made eligible for purchase or construction of single family homes. (See sec. 10, line 17, p. 5.)
5. The language of section 15 has been changed to reflect the use of wood or coal for fuel, only. Please see the memorandum from Legal Services regarding the appropriateness of adding the phrase: "notwithstanding (3)(A) of this section" and the reason for its omission from this draft of the committee substitute.

STATE OF ALASKA
THE LEGISLATURE

FOUCHY - STATE CAPITOL
JUNEAU, ALASKA 99801
907-465-3000

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 19, 1983

SUBJECT: Alternative energy systems
(CSHB 302 (Finance))

TO: Representative Albert P. Adams
Chairman, House Finance Committee

FROM: *LHA* Linn H. Asper
Legislative Counsel

I have prepared a draft of a Finance committee substitute for HB 302. One of your requests was to add language to the proposed amendment to AS 45.88.500(2) that would state that the addition of certain central heating systems to the list of alternative energy systems eligible for loans under AS 45.88 is "notwithstanding (3)(A) of this section". AS 45.88.500(3)(A) excludes wood, coal, or multifuel heating stoves from eligible alternative energy systems.

*** A "notwithstanding" clause is used to establish priority between two legislative provisions where there is a conflict between them. In this case, however, there is no conflict. Instead, in AS 45.88.500, close distinctions have been made between "wood, coal, or multifuel heating stoves" (45.88.-500(3)(A)), "woodstoves with catalytic converters" (45.88.-500(2)(D)), and the proposed "central heating systems that use wood or coal for fuel" (45.88.500(2)(E)). It is my opinion that the use of a "notwithstanding" clause is not necessary in this situation and will only add confusion to an already complicated statutory provision. Furthermore, if a "notwithstanding" clause is added to the new language, it should also be added to the existing provision dealing with catalytic converters, AS 45.88.500(2)(D).

The underlying problem with this legislation is caused by the legislature's attempt to create distinctions between energy systems that are very similar. To remedy this problem the better approach would be to rework the entire

Representative Albert P. Adams

Page 2

May 19, 1983

section, or to allow the close distinctions to be made by regulations adopted by the department that administers the loan program.

LHA:ljb

20/029

Original sponsor: House Special Committee
on State Loans

IN THE HOUSE

BY THE FINANCE COMMITTEE

CS FOR HOUSE BILL NO. 302 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to state housing loan and state alternative technology loan programs; and providing for an effective date."

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

* Section 1. AS 18.56.096(1) is amended to read:

(1) a first mortgage loan under this chapter for a duplex, triplex, or four-plex that exceeds the limitations on first mortgage loans for similar housing purchased by the Federal National Mortgage Association as to principal amount and loan-to-value ratio; [OR]

* Sec. 2. AS 18.56.096(2) is amended to read:

(2) a second mortgage loan for a duplex, triplex, or four-plex the amount of which, when combined with the principal balance of a first mortgage loan on the property, exceeds the limitation on the amount set out in (1) of this section or that has a loan-to-value ratio, when considered with the principal balance of the first mortgage loan, that exceeds 90 percent; [.]

* Sec. 3. AS 18.56.096 is amended by adding new paragraphs to read:

(4) a first mortgage loan for a single-family residence that exceeds the limitations on first mortgage loans for similar housing purchased by the Federal National Mortgage Association as to principal amount by more than 10 percent, or has a loan-to-value ratio that exceeds 95 percent, or a second mortgage loan for a single-family residence, the amount of which, when combined with the principal balance of a first mortgage loan on the property, exceeds the

1 limitations on loans for similar housing purchased by the Federal
2 National Mortgage Association as to principal amount by more than 10
3 percent, or has a loan-to-value ratio, when considered with the prin-
4 cipal balance of the first mortgage loan, that exceeds 90 percent; or

5 (5) a first or second mortgage loan for rental housing
6 unless the borrower agrees not to discriminate against tenants or
7 prospective tenants because of sex, marital status, changes in marital
8 status, pregnancy, parenthood, race, religion, color, or national
9 origin.

10 * Sec. 4. AS 18.56.098(g)(1) is amended to read:

11 (1) The interest rate on the first \$90,000 of a mortgage
12 loan purchased with the proceeds of an [THE FIRST] issue of taxable
13 bonds of the corporation is three percent less than [10 PERCENT OR]
14 the cost of funds of that issue, except that

15 (A) if the cost of funds of that issue is less than 10
16 percent, the interest rate is equal to the cost of funds; and

17 (B) if the cost of funds of that issue is more than 10
18 percent, the interest rate may not be less than 10 percent [,
19 WHICHEVER IS LESS].

20 * Sec. 5. AS 18.56.098(g)(5) is amended to read:

21 (5) The interest rate on the first \$90,000 of a mortgage
22 loan purchased with [FROM] money that is not the proceeds of either
23 taxable or tax-exempt bonds [APPROPRIATED TO THE CORPORATION] is the
24 rate the corporation determines is appropriate by application of the
25 provisions of (1) [- (4)] of this subsection. [THE RATE MAY BE BASED
26 ON AN ESTIMATE OF THE COST OF FUNDS OF A PROPOSED ISSUE OR ISSUES OF
27 BONDS.]

28 * Sec. 6. AS 18.56.101 is amended to read:

29 Sec. 18.56.101. ELIGIBILITY FOR VETERANS' INTEREST RATES. The

1 following persons are eligible veterans for the purposes of AS 18.56.-
2 098(g) and (h):

3 (1) a person who served in the armed forces of the United
4 States for 90 days or more, or whose service was for less than 90 days
5 because of injury or disability incurred in the line of duty, after
6 April 6, 1917,

7 [(A) WHO AT THE TIME OF INDUCTION INTO THE SERVICE WAS
8 A RESIDENT OF THE TERRITORY OR STATE, WHO HAD BEEN A RESIDENT FOR
9 NOT LESS THAN ONE YEAR IMMEDIATELY BEFORE HIS INDUCTION, AND WHO
0 RETURNED TO THE TERRITORY OR STATE WITHIN ONE YEAR AFTER DIS-
1 CHARGE AS A RESIDENT WITH THE INTENTION OF REMAINING IN THE
2 TERRITORY OR STATE; OR

3 (B) WHO, NOT BEING A BONA FIDE RESIDENT OF THE TERRI-
4 TORY OR STATE AT THE TIME OF ENTRY INTO THE SERVICE, HAS BEEN A
5 RESIDENT OF THE TERRITORY OR STATE FOR AT LEAST ONE YEAR AT THE
6 TIME OF THE LOAN APPLICATION AND HAS BEEN A RESIDENT TO THE
7 TERRITORY OR STATE FOR AT LEAST FIVE YEARS; AND

8 (C)] whose discharge was under honorable conditions;

9 (2) the widow or widower of a member of the armed forces or
0 an eligible veteran if

1 [(A) THE MEMBER OR VETERAN WAS A RESIDENT OF THE TERRI-
2 TORY OR STATE FOR ONE YEAR BEFORE INDUCTION INTO THE SERVICE;

3 (B)] the member or veteran served in the armed forces
4 for at least 90 days after April 6, 1917 [;] and

5 [(C)] the veteran's [HIS] discharge was under honorable
6 conditions;

7 (3) a person who has served for not less than five years in
8 the Alaska Army National Guard, the Alaska Air National Guard, [OR]
9 the Alaska Naval Militia, or [WHO HAS SERVED IN] a reserve unit of the

United States armed forces [IN ALASKA] if the reserve unit required, as a minimum, one weekend each month of duty and 15 consecutive days of active duty training each year [FOR NOT LESS THAN FIVE YEARS] and whose discharge was under honorable conditions.

* Sec. 7. AS 18.56.115 is amended to read:

Sec. 18.56.115. INDEPENDENT FINANCIAL ADVISOR. In negotiating the private sale of bonds or bond anticipation notes to an underwriter, the corporation may [SHALL] retain a financial advisor. A financial advisor retained under this section must be [WHO IS] independent from the underwriter.

* Sec. 8. AS 18.56 is amended by adding a new section to read:

Sec. 18.56.205. RESIDENTIAL MORTGAGE ASSISTANCE FOR MEMBERS OF THE ALASKA DELEGATION TO CONGRESS. The corporation may extend the special mortgage loan purchase program (AS 18.56.098) to purchase a mortgage loan made for the purchase or rehabilitation of a residence located in the District of Columbia or within 50 miles of the District of Columbia to a member of the United States Congress from Alaska if the member is otherwise qualified for assistance under the special mortgage loan purchase program.

* Sec. 9. AS 44.47.380 is amended to read:

Sec. 44.47.380. HOUSING ASSISTANCE LOAN FUND. There is created in the Department of Community and Regional Affairs, as a revolving loan fund, the housing assistance loan fund consisting of money appropriated to it by the legislature and repayments of principal of loans made or purchased from the assets of the fund. Interest on loans made or purchased from the assets of the fund must be transferred to the Department of Revenue for deposit in the general fund. The director shall administer the housing assistance loan fund in accordance with AS 44.47.360 - 44.47.560 and shall use the money in the housing

1 assistance loan fund to originate, purchase, or participate in the
2 purchase of

3 (1) nonconforming and rural housing mortgage loans;

4 (2) loans made for building materials for nonconforming and
5 rural housing;

6 (3) loans made for renovations or improvements to noncon-
7 forming and rural housing;

8 (4) loans made for the construction of owner-occupied
9 nonconforming and rural housing other than loans to builders or con-
0 tractors or loans that compensate an owner for the owner's labor or
1 services in constructing the owner's own housing.

2 * Sec. 10. AS 44.47 is amended by adding a new section to read:

3 Sec. 44.47.382. HOME OWNERSHIP ASSISTANCE FUND. (a) There is
4 created in the Department of Community and Regional Affairs, the home
5 ownership assistance fund consisting of money appropriated to it by
6 the legislature. Money in the fund shall be used solely to assist
7 persons of lower and moderate income to purchase or construct single-
8 family homes financed under AS 44.47.360 - 44.47.560 by providing a
9 subsidy to those persons.

0 (b) The subsidy provided by this section may not exceed the
1 amount that is necessary to reduce the annual interest rate paid on
2 the mortgage loan to six percent.

3 (c) A mortgage loan that is subsidized from the home ownership
4 assistance fund may not exceed \$120,000.

5 (d) The division shall adopt regulations that establish maximum
6 income-to-loan payment ratios for persons who apply for a subsidy
7 under this section.

8 (e) In this section, "persons of lower and moderate income"
9 means individuals considered by the division to require assistance

under this section because of inadequate income or other limited personal financial resources, taking into consideration

- (1) the amount of total income available for housing needs;
- (2) the size of the family;
- (3) the cost and condition of available housing;
- (4) standards established in various federal programs for determining eligibility based on income;

(5) the ability to enter the private housing market and to pay market amounts for decent, safe, and sanitary housing; and

(6) other factors considered relevant by the division.

* Sec. 11. AS 44.47.390(4) is amended to read:

(4) originate a direct loan for nonconforming or rural housing or purchase or participate in the purchase of a nonconforming or rural housing mortgage loan, other than a loan for the repair, remodeling, rehabilitation, or expansion of an existing owner-occupied residence, if the borrower has an outstanding housing loan made under a state loan program, other than a loan for nonowner-occupied housing under AS 44.47.520, that bears interest at a rate that was less than the prevailing market interest rate for similar housing loans at the time the loan was made.

* Sec. 12. AS 44.47.390 is amended by adding a new paragraph to read:

Ven's language

(5) originate a direct mortgage loan or purchase or participate in the purchase of a mortgage loan for rental housing unless the borrower agrees not to discriminate against tenants or prospective tenants because of sex, marital status, changes in marital status, pregnancy, parenthood, race, religion, color, or national origin.

* Sec. 13. AS 44.47.410 is amended to read:

Sec. 44.47.410. INTEREST ON LOANS. (a) The interest rate on a mortgage loan originated or purchased in whole or in part under

AS 44.47.380 for nonconforming housing that is not rural housing is one-quarter percent more than [EQUAL TO] the interest rate, as determined under AS 18.56.098(g)(1) - (4), on a mortgage loan purchased under AS 18.56.098(a) from the proceeds of the most recent applicable issue of taxable bonds before the origination or purchase of the mortgage loan originated or purchased under AS 44.47.380.

(b) The interest rate on a mortgage loan originated or purchased in whole or in part under AS 44.47.380 for rural housing is one percent less than the interest rate, as determined under AS 18.56.098(a)(1) - (4), on a mortgage loan purchased under AS 18.56.098(a) from the proceeds of the most recent applicable issue of taxable bonds before the origination or purchase of the mortgage loan originated or purchased under AS 44.47.380 [10-1/2 PERCENT].

* Sec. 14. AS 44.47.560(5) is repealed and reenacted to read:

(5) "rural" means of or relating to a community in the state with a population of 4,500 or less, as determined by the department under AS 29.88.015, that

(A) is not connected by road or rail to Anchorage; or

(B) is connected by road or rail to Anchorage, but is more than 50 air miles from Anchorage;

* Sec. 15. AS 45.88.500(2) is amended by adding a new subparagraph to read:

(E) a steam, hot water, or ducted hot air central heating system that uses wood or coal for fuel; *See memo from Aspen*

* Sec. 16. AS 18.56.098(g)(2) and AS 44.47.385 are repealed.

* Sec. 17. Section 10 of this Act takes effect January 1, 1984.

* Sec. 18. Sections 1 - 9, and 11 - 16 of this Act take effect immediately in accordance with AS 01.10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 302 (Fin)
 Title State Housing Loans
 Requested by House Finance Date 5/17/83

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs
 Program Category Affected Development
 ERU, Program, Or Subprogram(s) Affected Housing Assistance
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES		141	193	205	217	230
200 TRAVEL		41	44	46.1	48.9	51.8
300 CONTRACTUAL		12	13	13.5	14.3	15.2
400 COMMODITIES		29	31	32	33	34
500 EQUIPMENT		3	3.1	3.3	3.5	3.7
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		226	284.1	299.9	316.7	334.7

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
Program Receipts		226	284.1	299.9	316.7	334.7

POSITIONS

FULL TIME		5	5	5	5	5
PART TIME						
TEMPORARY						

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

This appropriation will fund the increased costs of operating the home ownership assistance program created in this bill. It is the only appropriation, in addition to the funding provided in CSHB 315 (Finance), which is necessary to provide these low interest loans. These costs will be funded with program receipts. See the attachment for details on the funding provided through this fiscal note.

IV. DATE 5/17/83 PREPARED BY Al Adams, Chairman *APA*
 AGENCY House Finance Committee
 Original: Legislative Finance PHONE 465.3706
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/82)

Home Ownership Assistance Fund (HOAF) Assumptions for Fiscal Note

Expenditures

OPERATING:

Personal Services

\$141,000

<u>Position</u>	<u>Salary & Benefits</u>
Loan Examiner I	\$ 41,867 (12 months)
Clerk Typist III	20,335 (9 months)
Accountant III	25,883 (6 months)
Accounting Clerk III	22,890 (9 months)
Documents Processing Clerk III	<u>30,519 (12 months)</u>
	\$141,000 (rounded down)

All salaries are based on GGU Salary Schedule for A ranges Effective 1/1/83 for number of months requested.

Benefits were calculated at .0613 of gross salaries.

Supplemental benefits were calculated at DCRA FY'84 variable rate of .1537.

Fixed benefits were calculated at gross salary x 240.

FY'84 impacts for new positions varied between 12 and 6 months. FY'85 projections assume all positions at 12 month plus 6% salary inflation costs. Subsequent years assume only annual inflation rate of 6%.

Travel

\$ 41,000

Travel is assumed to reflect both direct and indirect lending services of the division. FY'84 travel reflects the following specific assumptions:

Loan Examiner I to hearings in six field locations	\$ 2,500
Accountant, 6 trips to Juneau	3,600
Central office to bring field staff for training on new program	5,000
6 field offices @ 5,000 each for increased direct services and program outreach	<u>30,000</u>
	\$41,000

HOAF Assumptions for Fiscal Note
Page 2

Contractual \$ 12,000

Contractual assumptions were as follows

- New Regulations	\$ 8,500
- Computer programming	3,500
	<u>\$12,000</u>

Commodities \$ 29,000

Commodities assumptions were based on present cost of equipment for desks, chairs, files, WANG stations and data processing equipment.

Equipment \$ 3,000

Equipment is assumed at \$500 per new position plus \$500 for extra supplies to field.

Annual projections carry a 6% inflation calculation.

Total Fiscal Note Request \$226,000

Additional Personal Services data is provided on the attached FY'84 Budget Forms. Please note the justification section on each form for a needs assessment of each position requested.

1.	POSITION TITLE LOAN EXAMINER I				RANGE/STEP 15-A	BARC. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT						
	1	2	3							
	PERSONAL SERVICES									
5.	Salary	2,398 x 12	28,776							
6.	Benefits		1,763							
7.	Supplemental Benefits		4,422							
8.	Fixed Benefits		6,906							
9.	TOTAL PERSONAL SERVICES		01	41,867						
10.	Travel		02	2,500						
11.	Contractual		03	-0-						
12.	Commodities		04	5,500						
13.	Equipment		05	500						
14.	Other			-0-						
15.	TOTAL COST			52,767						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		52,767						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY 4A KEY NUMBER _____										

1. This position is calculated for twelve months to absorb extra underwriting duties expected from renewal of rural interest rates reduced from urban ratchet rate. Other duties will include establishment of eligibility criteria forms for HOAF program, drafting of regulations to administer program, development of rural outreach and training projects for the division and underwriting of all HOAF loans. First year estimated activity is 176 HOAF loans averaging \$85,000 each for a total underwriting responsibility of \$15,000,000.

2. Travel includes public hearing schedule for rural HOAF loan program in all regional office locations.

3. Commodities reflect office equipment, word and data processing equipment for this position.

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____

BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

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1.	POSITION TITLE CLERK TYPIST III				RANGE/STEP 08-A	BARC. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 9	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL	ADDITION	X		JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<p>1. This clerical position will support an FY'84 increase in professional staff and assume all clerical duties for certification and recertification of HOAF clients.</p> <p>2. Commodities are assumed to cover office and data processing equipment for this position.</p>					
	1	2	3							
	PERSONAL SERVICES									
5.	Salary	1553 x 9	13,977							
6.	Benefits		856							
7.	Supplemental Benefits		2,148							
8.	Fixed Benefits		3,354							
9.	TOTAL PERSONAL SERVICES	01	20,335							
10.	Travel	02	-0-							
11.	Contractual	03	-0-							
12.	Commodities	04	4,500							
13.	Equipment	05	500							
14.	Other									
15.	TOTAL COST		25,335							
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		25,335						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY 4A KEY NUMBER _____										

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____

BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

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1.	POSITION TITLE ACCOUNTANT III				RANGE/STEP 18-A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 6	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL		ADDITION	X	JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<ol style="list-style-type: none"> This position will oversee all accounting staff of the division (3) and will monitor all revolving loan fund accounts, subsidy accounts, operating loss reserve account and title loss reserve account. This position will be responsible for reconciliation with PBA for an estimated \$155 million in loan funds and \$55 million in construction grant funds by the end of FY'84. This position will be the final department authority on low income eligibility for loan or grant programs on direct services. This position will be the final department authority for reconciliation with all seller/servicers on indirect services. This position will maintain an ongoing portfolio analysis of expenditures and advise management on expenditure patterns per statute for each program. This position is based on 6 months only for FY'84 and assumes 6 trips to Juneau @ \$600 each annually. Contractual costs are assumed for special computer programming services. Commodities reflect office equipment and data processing equipment. 					
	PERSONAL SERVICES									
5.	Salary	2965 X 6	17,790							
6.	Benefits		1,090							
7.	Supplemental Benefits		2,734							
8.	Fixed Benefits		4,269							
9.	TOTAL PERSONAL SERVICES		01	25,883						
10.	Travel		02	3,600						
11.	Contractual		03	2,000						
12.	Commodities		04	4,500						
13.	Equipment		05	500						
14.	Other									
15.	TOTAL COST			36,483						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts	1002							
17.		G.F. Match	1003							
18.		General Funds	1004	36,483						
19.		I-A Receipts	1005							
20.		Program Receipts	1028							
21.		Other								
FOR B&M USE ONLY 4A KEY NUMBER _____										

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____

BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

FY 84

Page _____ of _____
Revised Date _____

1.	POSITION TITLE ACCOUNTING CLERK III				RANGE/STEP 10-A	DARG. UNIT G	FORM 12 PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 9	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEC.		
3.	CONTINUATION LEVEL		ADDITION	X	JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<p>1. This position is calculated at 9 months only. It will accommodate increased accounting responsibilities as a result of interest rate reductions in rural Alaska.</p> <p>2. This position will assist accounting technician staff in posting PITI figures for an estimated 1150 loans prior to assumption of new loan program for low income borrowers in rural Alaska.</p> <p>3. Accounting unit currently has no clerical support. More correspondence with PBA regarding low income and existing program borrowers is anticipated.</p> <p>4. Weight of data processing conversions and file maintenance for accounting unit will be borne by accounting unit clerical staff person.</p> <p>5. Commodities include office equipment, word and data processing equipment for this position.</p>					
	1		2	3						
	PERSONAL SERVICES									
5.	Salary	1748 X 9	15,732							
6.	Benefits		964							
7.	Supplemental Benefits		2,418							
8.	Fixed Benefits		3,776							
9.	TOTAL PERSONAL SERVICES	01	22,890							
10.	Travel	02	-0-							
11.	Contractual	03	-0-							
12.	Commodities	04	6,500							
13.	Equipment	05	500							
14.	Other									
15.	TOTAL COST		31,890							
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		31,890						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								

FOR B&M USE ONLY
4A KEY NUMBER _____

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____

BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

FY 34

Page _____ of _____

Revised Date _____

1.	POSITION TITLE DOCUMENTS PROCESSING CLERK III				RANGE/STEP 10-A	DARG. UNIT G	FORM 12 PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PPT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL	ADDITION	X		JUSTIFICATION					
4.	TYPE OF EXPENDITURE				AMOUNT					
	1		2		3					
	PERSONAL SERVICES*									
5.	Salary	1748 x 12	20,976							
6.	Benefits		1,285							
7.	Supplemental Benefits		3,224							
8.	Fixed Benefits		5,034							
9.	TOTAL PERSONAL SERVICES		01	30,519						
10.	Travel		02	-0-						
11.	Contractual		03	1,500						
12.	Commodities		04	6,500						
13.	Equipment		05	500						
14.	Other			-0-						
15.	TOTAL COST			39,019						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Hatch 1003								
18.		General Funds 1004			39,019					
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY 4A KEY NUMBER _____										

1. This position will be responsible for all loan file transfers between six field offices and the central office and between the central office and all seller/servicers
2. This position receives all files logged in and will enter them into data processing, review them for completeness, distribute to underwriters, accountants or loan closers for action.
3. This position receives all completed files from HAD staff and transmits to seller/servicers all executed documents of file.
4. This position is responsible for maintaining all logs, tracking and filing systems for the division.
5. Contractual services are calculated to assume additional data processing programming for new programs and present programs experiencing interest rate adjustments.
6. Commodities are estimated to include office equipment word and data processing equipment for this position.

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

PROGRAM _____
BRU HOUSING ASSISTANCE DIVISION

COMPONENT _____

FY 84

Page _____ of _____
Revised Date _____

0

HOUSE FINANCE BUDGET HEARING
SCHEDULE OF INFORMATION PRESENTED

\$7 Million Capital Budget Request - Special Mortgage Loan Purchase Program

Introductory Presentation	Exhibit A
Summary of Mortgage Demand and Proposed Bond Financings	Exhibit B
Reasonableness Test for Estimated FY 84 Mortgage Loan Demand	Exhibit C
Housing Units Authorized by Building Permits: Anchorage	Exhibit D
Summary of First Mortgage Applications by Program	Exhibit E
Summary of State Financial Support	Exhibit F
Program Brochures	Exhibit G

\$50 Million Capital Budget Request - Home Ownership Fund/Mobile Home Loan Program

Introductory Presentation	Exhibit H
Program Brochures:	
Home Ownership Assistance Program	Exhibit I
Mobile Home Loan Program	Exhibit J
Summary of Applications - Mobile Home Loan Program	Exhibit K
Loan Summary:	
Home Ownership Assistance Program	Exhibit L
Mobile Home Loan Program	Exhibit M
Summary of Projected Demand and Proposed Sources of Funding Mobile Home Loan Program	Exhibit N

ALASKA HOUSING FINANCE CORPORATION

FY 84 Capital Budget Request
Special Mortgage Loan Purchase Loan Program

The Corporation's original FY 84 capital budget request for the Special Mortgage Loan Purchase Program prepared in September 1982, was for \$200 million. The request has been revised several times as the Corporation nears the end of the current fiscal year and can better estimate the amount of subsidy funds available to be carried over into FY 84.

As finally prepared and presented in Exhibit B, the capital budget request stands at \$7 million. This amount, combined with an estimated \$240 million in carry forward funds and \$8 million in FY 84 subsidy funds earnings will enable the Corporation to meet in excess of \$1.3 billion in total mortgage demand.

There are several factors which have resulted in the substantial funds available for carry forward into the next fiscal year including:

- 1) Total mortgage demand for FY 83 will be approximately \$200 million below the level reflected in the FY 83 budget.
- 2) The FY 83 budget assumed a 5.75% level of subsidy for the taxable program. That level has gradually been reduced down to a current 2.11 percent.
- 3) State Veterans G.O. funded activity was estimated at \$82 million but should total close to \$150 million for FY 83 resulting in a substantial reduction in required subsidy.

ALASKA HOUSING FINANCE CORPORATION
SPECIAL MORTGAGE LOAN PURCHASE PROGRAM
SUMMARY OF MORTGAGE DEMAND AND PROPOSED BOND FINANCINGS
Fiscal Year 1984

(In Millions)

	<u>Estimated Carry-Over From FY '83</u>	<u>Program Repayments And Earnings</u>	<u>Bond Proceeds</u>	<u>Sales Costs</u>	<u>Subsidy</u>	<u>Subsidy Allocation</u>	<u>Estimated Carry-Over To FY '85</u>	<u>Estimated FY '84 Mortgage Demand</u>
Taxable First Mortgage Program								
State Assisted Mortgage Bonds -								
Single-Family and Duplex	\$ 80	\$ 40	\$ 550	\$ (6)	\$ 183	\$ 54	\$ 50	\$ 851
Triplex and Four-plex	5	20					5	20
First Mortgage Veterans' Program -								
State Guaranteed Veterans' Bonds	60		200	(5)	22		10	267
Tax-Exempt First Mortgage Program -								
Home Mortgage Bonds	30		200	(5)	32	(27)	50	180
Taxable Second Mortgage Program -								
Second Mortgage Bonds	12							12
Reserve to Complete Open Series	—	—	—	—	27	(27)	—	—
TOTAL	<u>\$ 187</u>	<u>\$ 60</u>	<u>\$ 950</u>	<u>\$ (16)</u>	<u>\$ 264</u>	<u>\$ -</u>	<u>\$ 115</u>	<u>\$1,330</u>

April 28, 1983

ALASKA HOUSING FINANCE CORPORATION
 SCHEDULE OF SUBSIDY FUNDS
 (in Millions)
 Assumes General Obligation Fund Asset
 Transfer to the SAM Fund

Second Half of FY 83

Subsidy funds available 1/1/83		\$ 19.611
Reverted assets to be used for subsidy		
Cash (102.516 plus 11.023)	\$ 113.540	
(1) Mortgages (136.762 plus 50.062)	<u>186.824</u>	<u>300.364</u>
Total		319.975
Subsidy required January 1 through June 30, 1983		<u>70.776</u>
Subsidy funds available for FY 84		<u><u>\$249.199</u></u>

Fiscal Year 1984

Estimated Subsidy		\$264.000
Estimated Earnings on SAM Fund (Avg. Bal. of 100m at 8%)		(8.000)
Subsidy Funds Carried Forward from FY 83		<u>(249.199)</u>
Estimated FY 84 Subsidy Requirement		<u><u>\$ 6.801</u></u>

	<u>NON-DVA</u>	<u>DVA (GOF)</u>
(1) Mortgages Reverted	\$172.512	\$ 77.562
Utilized to fill outstanding non-ABE bond issues	(17.000)*	
Discount on \$75 million mortgage to an approximate yield of 13.50%	(18.750)	
Discount on \$70 million (DVA) mortgage to an approximate yield of 13.5%		(27.500)
	<u><u>\$136.762</u></u>	<u><u>\$ 50.062</u></u>

*Series B & C \$18.5
 Series D & E 6.5
 Series 81- 1 (8.0)
\$17.0

Note: Mortgage loans remaining in the SAM Fund at June 30, 1983 will consist only of those originally appropriated to the Corporation.

April 28, 1983

ALASKA HOUSING FINANCE CORPORATION
SPECIAL MORTGAGE LOAN PURCHASE PROGRAM

SUMMARY OF MORTGAGE DEMAND AND PROPOSED BOND FINANCINGS
Fiscal Year 1984
<Attachment>

Assumptions

- Continued availability of credit facilities enabling the Corporation to issue intermediate term securities
- Level of subsidy for taxable first mortgage program at 3.00 percent. No modification to the ratchet and mortgage rates totally dependent upon the Corporation's cost of funds.
- Tax exempt interest rates not substantially higher than current levels.
- Federal tax exempt mortgage bond authorization terminating December 1983 (other than authorization for qualified veterans bonds which continues indefinitely). The \$200 million in bond sales reflected in the Schedule would be the last issue sold pursuant to the Mortgage Subsidy Bond Tax Act of 1980.
- Mortgage demand maintained at current levels with seasonal adjustments. Allocation between Taxable First Mortgage Program and State Guaranteed Veterans' Program based upon a reduction in Qualifying Veterans activity to the previous levels experienced under the definition of "State Veteran."
- Legislation received in 1983 authorizing a special general state election approving additional State Guaranteed Bonds for the Veterans Mortgage Program.
- Mortgage loans held in the SAM Fund and reverting from a previous pledge sold to yield approximately 13.50%. If possible, a separate mortgage backed bond issue will be utilized as opposed to a whole loan sale.
- Home Improvement Loan Bonds 1982 Series A called on June 1, 1983 releasing approximately \$7 million back to the Special Mortgage Loan Purchase Program.

April 28, 1983

° State Assisted Mortgage Bonds Series G funds "warehoused" during FY 84 and available for mortgage purchases only if the Corporation's cost of funds increase to a level which allows adherence to the legislatively established rate for the issue.

NOTE: Activity in the Mobile Home Loan Purchase Program is not reflected in the schedule as funding is from appropriations to the Home Ownership Fund with the earnings on the loans used to meet obligations of the Corporation under assistance contracts entered into under the Home Ownership Assistance Program. The Corporation's capital budget request for the Home Ownership Fund for FY 84 is \$50 million which will be used to purchase mobile home loans.

April 28, 1983

ALASKA HOUSING FINANCE CORPORATION

SCHEDULE OF PROPOSED FINANCINGS
(in Millions)

		<u>Bond Issue</u>	<u>Required Subsidy</u>	<u>Mortgage Loan Pool</u>
<u>January through June 30, 1983</u>				
Taxable First Mortgage Bonds				
SAM Series I	1/83	\$ 50,000	\$ 15,175	\$ 62,500
SAM Series J	3/83	50,000	14,410	62,000
SAM Series K	5/83	75,000	21,500	93,000
Sam Series L	6/83	75,000	21,500	93,000
		<u>250,000</u>	<u>72,585</u>	<u>310,500</u>
State Guaranteed Veterans Bonds				
SGB 1983 First Series	1/83	50,000	1,681	50,100
SGB 1983 Second Series	5/83	125,000	3,750	125,000
SGB 1983 Third Series	6/83	75,000	2,250	75,000
		<u>250,000</u>	<u>7,681</u>	<u>250,100</u>
Other Items Effecting Subsidy:				
Subsidy Reversion upon				
HIL Call	6/83		(7,000)	
Interest Earned on SAM Fund			(8,000)	
Reserve for ABI Bond Issues Completed			12,500	12,500
Cash from SAM Mortgage Loan Fund for Series B & C			(7,000)	
		<u>-</u>	<u>(9,500)</u>	<u>12,500</u>
TOTALS 1/1/83 to 6/30/83		<u>\$500,000</u>	<u>\$ 70,766</u>	<u>\$ 573,100</u>
<u>July 1, 1983 through June 30, 1984</u>				
Taxable First Mortgage Bonds		\$550,000	\$183,000	\$ 727,000
Tax-Exempt First Mortgage Bonds		200,000	32,000	227,000
State Guaranteed Veterans Bonds		200,000	22,000	217,000
Reserve to Complete Open Series			27,000	27,000
TOTALS 7/1/83 to 6/30/84		<u>\$950,000</u>	<u>264,000</u>	<u>\$1,198,000</u>

ALASKA HOUSING FINANCE CORPORATION

Reasonableness Test for Estimated FY '84
Mortgage Loan Demand

	<u>Non-Seasonally Adjusted</u>	<u>Seasonally Adjusted</u>
<u>All First Mortgages</u>		
Four weeks from 3/07 to 4/01/83	\$ 105,022,050	\$ 105,022,050
Acceptance Rate	<u>90%</u>	<u>90%</u>
	94,519,845	94,519,845
Seasonal Adjustment		-84%*
	<u>94,519,845</u>	<u>112,523,625</u>
	+ 4	+ 4
	x 52	x 52
Annualized Previous Four Week Activity	<u><u>\$1,228,757,985</u></u>	<u><u>\$1,462,807,125</u></u>

* March 1982 activity was 78 percent of the average monthly activity for FY '82.

Factors Which May Affect FY 84' Mortgage Loan Demand:

May be Even Higher as a Result of:

- 1) Sustained AHFC Mortgage Rates at thier current relatively low levels.
- 2) Fears of future rate increases.
- 3) Even greater demand in the State Veterans Program as individuals take advantage of the building season and construct their homes and access the very attractive rates.

Note: Building permits for the Municipality of Anchorage through March for Calendar Year 1983 were 2,315 compared to 1,064 for the same period in 1982.

May be Lower as a Result of:

- 1) Increasing rental vacancy rates.
- 2) Saturation of the low-end market.
- 3) Overbuilt situation resulting in a buyers market with consumer expectations that home prices will not be rising in the near future so "why buy now."
- 4) Lengthened transaction times in a slower market.
- 5) A slowdown in the employment growth.

EXHIBIT D

ANCHORAGE AREA
OFFICEHOUSING UNITS AUTHORIZED BY BUILDING PERMITS
LOCALITY: ANCHORAGE

20 APRIL 1983

YEAR	SINGLE FAMILY	2-TO-4 FAMILY	5 OR MORE FAMILY	MOBILE HOMES	TOTAL UNITS	CONVERSIONS + DEMOLITIONS
1970	1,400	(- - - - 1,600 - - - -)		NA	3,000	-59
1971	1,385	(- - - - 1,665 - - - -)		NA	3,050	-39
1972	1,445	(- - - - 1,506 - - - -)		NA	2,951	-63
1973	1,402	(- - - - 684 - - - -)		NA	2,086	-54
1974	1,798	(- - - - 1,024 - - - -)		NA	2,822	-41
1975	1,827	(- - - - 2,183 - - - -)		NA	4,010	-12
1976	1,269	(- - - - 2,216 - - - -)		453	3,938	-46
1977	1,955	1,070	1,432	420	4,877	-22
1978	1,492	751	675	371	3,289	-12
1979	588	270	369	232	1,469	10
1980	897	186	115	190	1,397	9
1981	2,100	483	522	315	3,432	12
1982	<u>3,083</u>	<u>992</u>	<u>2,206</u>	<u>392</u>	<u>6,689</u>	<u>16</u>
1ST 3 MTH 1982 TOTAL	347	141	521	55	1,064	0
1ST 3 MTH 1983						
JAN	60	64	48	16	189	1
FEB	192	101	454	26	773	0
MAR	<u>375</u>	<u>346</u>	<u>599</u>	<u>23</u>	<u>1,353</u>	<u>10</u>
1ST 3 MTH 1983 TOTAL	627	511	1,101	65	2,315	11

ALASKA HOUSING FINANCE CORPORATION
 SUMMARY OF ALL APPLICATIONS - MONTHLY
 ALL CONVENTIONAL AND FHA/VA FIRST MORTGAGES
 (EXCLUDING RURAL PROGRAMS)

		Received		Approved			Denied		
		No.	AMT.	No.	AMT.	%	No.	AMT.	%
January	1982	594	51,059,000	446	38,791,500	75.08	148	12,267,500	24.92
February	1982	619	53,993,250	411	36,773,300	66.40	208	17,219,950	33.60
March	1982	700	62,136,400	476	43,885,950	68.00	224	18,250,450	32.00
April	1982	814	71,741,500	585	52,651,550	71.87	229	19,089,950	28.13
May	1982	924	82,224,400	686	62,095,600	74.24	238	20,128,800	25.76
June	1982	885	80,012,300	680	62,354,600	76.84	205	17,657,700	23.16
July	1982	971	86,966,850	743	66,860,650	76.21	228	20,106,200	23.48
August	1982	1,026	92,246,700	843	77,626,050	82.16	182	16,514,250	17.74
September	1982	957	85,572,150	782	70,300,150	81.71	174	15,112,000	18.18
October	1982	976	87,644,500	768	68,641,250	78.69	208	19,003,250	21.31
November	1982	928	83,319,850	770	69,376,600	82.97	158	13,943,250	17.03
December	1982	1,048	98,282,900	856	81,208,750	81.68	192	17,074,150	18.32
January	1983	905	85,809,300	740	70,602,750	81.77	163	15,036,550	18.01
February	1983	886	85,531,450	734	71,186,550	82.84	152	14,344,900	17.16
March	1983	1,169	116,429,350	1,015	102,012,750	86.83	137	12,675,500	11.72
April	1983	565	55,298,750	274	28,031,000	48.50	35	3,234,200	6.19

Month Appl. Rec.	Pending			In Process		
	No.	AMT.	%	No.	AMT.	%
January	2	140,000	.22	-0-		
March	13	1,304,800	1.11	4	436,300	.34
April	50	5,116,350	8.85	206	18,917,200	36.46

ALASKA HOUSING FINANCE CORPORATION
SUMMARY OF APPLICATIONS - MONTHLY
FIRST MORTGAGES UNDER THE MORTGAGE BOND SUBSIDY TAX ACT LOAN PROGRAM

		Received		Approved		%	Denied		%
		No.	AMT.	No.	AMT.		No.	AMT.	
January	1982	144	10,779,050	103	7,644,300	71.53	41	3,134,750	28.47
February	1982	173	13,176,800	75	5,667,100	43.35	98	7,509,700	56.65
March	1982	289	22,005,400	151	11,614,500	52.25	138	10,390,900	47.75
April	1982	284	21,424,450	172	13,011,300	60.56	112	8,413,150	39.44
May	1982	349	27,005,050	229	17,408,750	65.56	120	9,596,750	34.38
June	1982	293	23,398,850	210	16,839,400	71.67	83	6,559,450	28.33
July	1982	382	29,809,300	292	22,798,500	76.44	90	7,010,800	23.56
August	1982	406	32,832,600	337	27,243,200	83.00	69	5,589,400	17.00
September	1982	445	35,525,500	369	29,683,050	82.92	76	5,842,450	17.08
October	1982	491	39,236,550	387	31,070,150	78.82	104	8,166,400	21.18
November	1982	506	40,727,350	427	34,279,500	84.39	79	6,368,100	15.61
December	1982	458	37,349,400	351	28,871,200	76.64	107	8,478,200	23.36
January	1983	319	25,998,350	242	19,888,350	75.86	77	5,110,000	24.14
February	1983	248	19,166,600	203	15,759,150	81.85	45	3,407,450	18.15
March	1983	181	13,329,800	143	10,539,900	79.01	37	2,715,800	20.44
April	1983	115	8,548,550	35	2,609,550	30.43	6	374,500	5.22

Month Appl. Rec.	Pending			In Process		
	No.	AMT.	%	No.	AMT.	%
March	1	74,100	.55	-0-		
April	8	618,200	6.96	66	4,946,300	57.39