



LAWS OF ALASKA

1967

Source

Chapter No.

SB 113 am H

62

AN ACT

An Act relating to veterans' loans; and providing for an effective date.

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

* Section 1. AS 26.15.040(a) is amended to read:

(a) The commissioner of commerce may, under rules, regulations, and policies adopted by him, make the following loans:

(1) Personal loans may be made for educational, domestic, remote area family housing and other personal purposes, not exceeding \$5,000. The loans shall be secured by acceptable collateral when available but if not available the commissioner may make loans on the basis of good character. The rate of interest may not exceed six per cent a year on the unpaid balance.

(2) Farm and home loans may be made to purchase, remodel, repair, build, furnish, refinance or equip homes or farms in the state, including the clearing and drainage for farms, not exceeding \$22,500. The loans may not exceed 90 per cent of the appraised value when the loan is for the purchase or construction of a home unless additional amounts are secured by acceptable collateral as determined by the commissioner of commerce in conformity with established minimum requirements. The rate of interest may not exceed six per cent a year on the unpaid balance.

(3) Business loans may be made to acquire, finance or refinance or equip businesses, including mining and fishing but not including farming, not exceeding \$22,500. The loans shall be secured by acceptable collateral and may not exceed 75 per cent of the appraised value of the collateral offered as security. The rate of interest may not exceed six per cent a year on the unpaid balance.

- * Sec. 2. AS 26.15.040(b) is amended to read:

(b) The commissioner of commerce may enter into agreements with private banks, other lending institutions and individuals for the purpose of guaranteeing loans made to qualified applicants. The guarantees may not exceed 90 per cent of the amount loaned and the loans shall be secured in the same manner provided for direct loans under this section. A loan made under this subsection and guaranteed by the commissioner of commerce and the state shall bear an interest rate not exceeding seven per cent a year on the unpaid balance.

- * Sec. 3. AS 26.15.050 is amended to read:

Sec. 26.15.050. INTEREST RATES. The provisions of sec. 40 of this chapter applying to interest rates apply only to loans made after April 1, 1967. The interest rates on loans made before April 1, 1967 shall be prescribed at the time the loan was made.

- * Sec. 4. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.