



LAWS OF ALASKA

1970

Source

HCSSB 482 (Finance)

Chapter No.

135

AN ACT

Relating to loans under the Alaska Agricultural Loan Act; and providing for an effective date.

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

* Section 1. AS 03.10.030 is amended to read:

Sec. 03.10.030. LIMITATIONS ON LOANS. (a) A farm development loan may not exceed \$150,000. The mortgage which secures a farm development loan may be of any priority if the total indebtedness on the real estate, including the secured farm development loan, does not exceed \$150,000. A farm development loan which, if granted, would raise the existing indebtedness on the real estate above \$150,000, or a farm development loan on real estate which has a prior existing indebtedness of \$150,000 or more, may be made only if all prior mortgagees agree to subordinate their mortgages to that of the state for the amount of the farm development loan which exceeds the \$150,000 indebtedness limit on the real estate. A loan may not run longer than 30 years nor bear interest exceeding six per cent, and it shall be secured by a real estate or chattel mortgage, or both.

(b) Except for loans for irrigation systems as provided in this subsection, a chattel loan may not exceed \$100,000 for each farm unit and may not run longer than seven years or the useful life of the chattel, if more than seven years. It may not bear interest exceeding six per cent. It shall be secured by a real estate or chattel mortgage, or both. Loans and the real estate and chattel mortgage security thereon for irrigation systems may be in amounts and for terms as determined by the commissioner.

(c) A short term loan, to be amortized within one year, not to exceed \$15,000 to any one borrower may be made for emergency purposes.

(d) Farm development and chattel loans for irrigation systems may be for terms as determined by the commissioner.

* Sec. 2. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.