



LAWS OF ALASKA

1974

Source

CSHB 497

Chapter No.

146

AN ACT

Relating to interest rates charged in the state; and providing for an effective date.

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

* Section 1. AS 45.45.010(b) is repealed and re-enacted to read:

(b) No interest may be charged by express agreement of the parties in a contract or loan commitment dated after the effective date of this Act which is more than four percentage points above the annual rate charged member banks for advances by the 12th Federal Reserve District that prevailed on the 25th day of the month preceding the commencement of the calendar quarter during which the contract or loan commitment is made. A contract or loan commitment in which the principal amount exceeds \$100,000 is exempt from the limitation of this subsection.

* Sec. 2. AS 45.45.010(d) is amended to read:

(d) Notice of the annual rate charged member banks for advances by the 12th Federal Reserve District prevailing on the 25th day of the month preceding the commencement of each calendar quarter required for the maximum interest rate computation under (b) of this section shall be provided by the Department of Commerce.

* Sec. 3. AS 45.45.010(g) is amended to read:

(g) Loan contracts and commitments covering one- to four-family dwellings may be prepaid without penalty, except federally insured loans that require a prepayment penalty.

* Sec. 4. AS 45.45.010(e) is repealed.

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* Sec. 5. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.