



# LAWS OF ALASKA

1974

Source

Chapter No.

HCSSB 386 am H (e. date added) (FCC)

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## AN ACT

Relating to veteran 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 \$10,000. 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 eight per cent a year on the unpaid balance.

(2) Farm and home loans not exceeding \$55,000 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. The loans may not exceed 90 per cent of the appraised value when made 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 the interest rate which is charged for Federal Veterans Administration loans at the time a state loan is granted.

(3) Business loans not exceeding \$100,000 may be made to acquire, finance or refinance or equip businesses, including mining and fishing but not including farming, if the loan applicant has had three or more years of general business experience. 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 the interest rate which is charged for Federal Veterans Administration loans at the time a state loan is granted.

(4) Multiple dwelling loans not exceeding \$80,000 may be made to purchase, remodel, repair, build, furnish, refinance or equip multiple dwellings. 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 the interest rate which is charged for Federal Veterans Administration loans at the time a state loan is granted.

\* Sec. 2. AS 26.15.040(c) is amended to read:

(c) No loans authorized by (a)(2), (3) and (4) of this section may be made unless the commissioner of commerce is satisfied that money at a comparable rate of interest is not available to the applicant from private lending institutions on a guaranteed basis as set out in (b) of this section. An applicant is eligible for more than one type of loan, but the total may not exceed \$100,000 at any one time.

\* Sec. 3. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.