



# LAWS OF ALASKA

1982

**Source**

CCSHB 524

**Chapter No.**

99

## AN ACT

Relating to small loans; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 14, 1982  
Actual Effective Date: June 15, 1982

AN ACT

Relating to small loans; and providing for an effective date.

\* Section 1. AS 06.20.230(a) is amended to read:

(a) A licensee may lend any sum of money not exceeding \$25,000 and may charge, contract for, and receive on the loan interest at a rate not exceeding three percent a month on that part of the unpaid principal balance of a loan not in excess of \$850 [\$500]; two percent a month on the [REMAINDER OF ANY] unpaid principal balance exceeding \$850 [\$500] but not exceeding \$10,000 [\$1,000]; and at a rate agreed by contract [ONE PERCENT A MONTH] on the remainder of any unpaid principal balance exceeding \$10,000 [\$1,000] but not exceeding \$25,000. [ON LOANS THE PRINCIPAL OF WHICH IS \$50 OR LESS A LICENSEE MAY CHARGE, CONTRACT AND RECEIVE INTEREST AT A RATE NOT EXCEEDING FIVE PERCENT A MONTH.]

\* Sec. 2. AS 06.20.230(b) is amended to read:

(b) Notwithstanding the provisions of (a) of this section, a licensee who makes open-end loans under this chapter may charge, contract for, and receive interest at a rate not exceeding three percent a month on that part of the unpaid principal balance of a loan not in excess of \$850; two percent a month on the unpaid principal balance exceeding \$850 but not exceeding \$10,000; and at a rate agreed by contract on the remainder of any unpaid principal balance [OR WHO MAKES A LOAN UNDER THIS CHAPTER] exceeding \$10,000 [\$5,000] but not exceeding \$25,000 [MAY ELECT TO CHARGE, CONTRACT FOR, AND RECEIVE INTEREST NOT TO

Chapter 99

1 EXCEED THE GREATER OF

2 (1) ONE AND ONE-HALF PERCENT A MONTH; OR

3 (2) EIGHT PERCENTAGE POINTS ABOVE THE FEDERAL RESERVE DISCOUNT  
4 RATE ON 90-DAY COMMERCIAL PAPER CHARGED TO BANKS FOR ADVANCES BY THE  
5 12TH FEDERAL RESERVE DISTRICT ON THE FIRST DAY OF THE MONTH BEFORE THE  
6 CALENDAR QUARTER DURING WHICH THE LOAN IS MADE].

7 \* Sec. 3. AS 06.20.260 is amended by adding a new paragraph to read:

8 (6) a late payment fee of not more than 10 percent of the  
9 payment that is due or \$15, whichever is less.

10 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-

11 070(c).