

# Alaska Bankers Association

March 12, 2020

The Honorable Bart LeBon  
State House of Representatives  
State Capitol, Rm. 430  
Juneau, AK 99801-1182

Re: Support for House Bill 257

Dear Representative LeBon,

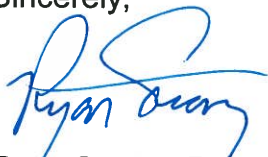
The Alaska Bankers Association (AKBA) represents four state-chartered and three nationally chartered banks in Alaska. Alaska's Division of Banking serves as the primary regulator and chartering authority for state banks and the Office of the Comptroller of the Currency is charged with chartering and regulating national banks. This dual banking system promotes healthy competition and provides banks with choices based on available powers, geographic concerns, accessibility of regulators, regulatory philosophy, and costs.

As federal regulators adopt new initiatives that expand the powers of federally chartered financial institutions, it is important for state regulators to adapt by amending the permissible powers of state chartered banks in ways that maintain competitiveness with federal alternatives and promote safety and soundness in the industry.

Alaska's banking statutes are outdated. The need for Alaska to update its banking statutes has existed for years as technology and the financial services industry have evolved. In response, the AKBA has partnered with the State Division of Banking to craft legislation to equalize and maintain the quality of competition between state and federally chartered financial institutions.

HB257 provides state banks with the powers to compete on an equal footing with national banks without endangering financial institutions' safety and soundness. The AKBA supports HB257 to reflect changes in technology, consumer preferences and the business of banking.

Sincerely,



Ryan Strong, President  
Alaska Bankers Association