



March 11, 2021

The Honorable Bart LeBon
State House of Representatives
State Capitol, Room 3
Juneau, AK 99801

Re: Support for House Bill 85 – Bank Modernization Act

Dear Representative LeBon:

First Bank supports the passing of HB85- Bank Modernization Act. The banking code in Alaska has been outdated for quite some time. As the economic and regulatory environment has changed nationally over the years, the state banking statutes have not kept up the pace. It is important for the code to evolve so that state-chartered banks like First Bank can compete with nationally chartered banks under a similar set of rules.

The Alaska Bankers Association worked closely in partnership with the State Division of Banking to craft the proposed legislation. HB85 provides meaningful updates to the banking code that are supported by both bankers and the regulators who oversee them. First Bank fully supports passage of the bill.

Thank You,

Todd MacManus, President

First Bank



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The Honorable Bart LeBon
State House of Representatives
State Capitol, Room 3
Juneau, AK 99801

March 12, 2021

Re: Support for HB 85 0 Bank Modernization Bill

Dear Honorable Representative LeBon,

Mt. McKinley Bank strongly supports HB 85 which modernizes and streamlines Alaska's banking laws. Since 1965, Mt. McKinley Bank has provided banking services to Interior Alaska residents to help our community grow and prosper. As you know so well, Mt. McKinley Bank is the sole mutual chartered bank in the state and has to follow AS 06.05 and additional laws and regulations found in AS 06.15. The proposed AS 06.15 and AS 06.05 updates will help Alaska state chartered banks remain competitive as increasingly broad powers are granted to national banks by the OCC and other federal regulators.

The proposed revisions modernize the Alaska banking laws and provide State banks with parity to its national bank competitors and allows for state banks to take advantage of an ever changing technical landscape. The proposed revisions also provide much needed protections in regard to environmental law as the State of Alaska has no CERCLA protections for its financial institutions. CERCLA protections benefit Alaskan business as it ensures their access to financing.

We appreciate your support in helping to keep Alaska's state chartered financial institutions competitive by updating Alaska statutes to reflect modern best practices.

Sincerely,

Patty Mongold – President and CEO

Amy Richards – Executive Vice President and CCO

David Durham – Executive Vice President and CCA

Alaska Bankers Association

ELECTRONIC MAIL

March 14, 2021

The Honorable Bart LeBon
State House of Representatives
State Capitol, Room 3
Juneau, AK 99801

Re: Support for House Bill 85 – Bank Modernization Act

Dear Representative LeBon:

The Alaska Bankers Association (AKBA) represents four Alaska-chartered and three nationally chartered banks in Alaska. Alaska's Division of Banking serves as the primary regulator and chartering authority for Alaska-chartered 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 the federally chartered financial institutions, it is important for Alaska to adapt by amending the permissible powers of Alaska-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 modernize its banking statutes has existed for years as technology and the financial services industry have evolved. In response, the AKBA has worked with the Alaska Division of Banking to craft legislation to equalize and maintain the quality of competition between Alaska and federally chartered financial institutions.

HB85 provides Alaska-chartered banks with the powers to compete on an equal footing with national banks without endangering safety and soundness and consumer protection. The AKBA supports HB85 to reflect changes in technology, consumer preferences and the business of banking.

Thank you,

Michael Martin

Michael Martin, President
Alaska Bankers Association