



Alaska State Legislature

1969

Source:

HJR 26 am

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JOINT RESOLUTION

Relating to the relaxing of interest rates on savings and time deposits in Alaska.

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

WHEREAS Alaska is recognized as the most capital-short state of all the 50 states and is undergoing a surge in development that is far beyond its ability to finance; and

WHEREAS Alaska residents are an average of 23 years of age and have not accumulated vast fortunes for investment in the growth of the state, nor do they have great fortunes or estates handed down from generation to generation as is the case in other states; and

WHEREAS, because of high living costs, Alaska residents are usually forced to retire outside the state, taking with them any accumulated fortunes; and

WHEREAS Alaska banks and savings institutions are regulated to the same savings and time deposit ceilings as those in capital surplus areas of the nation and accordingly cannot attract deposits to finance Alaska's growth; and

WHEREAS housing in Alaska is critically short with the housing occupancy in Anchorage and Fairbanks, the most populous centers in Alaska, in excess of 95 per cent, with more than 30 per cent substandard; and

WHEREAS, due to financial restrictions of the past two years, there is a shortage of approximately 1,500 living units in Anchorage alone; and

WHEREAS it is desirable that citizens throughout the nation should have an opportunity to share in Alaska's

development via insured deposits in Alaska banks and savings institutions; and

WHEREAS Alaska is likely to remain predominantly an import state for many years, requiring the purchase of goods and services from sources outside of Alaska, thus continuously draining its dollar resources; and

WHEREAS the high cost of living which impedes economic development, when coupled with a limited supply of capital, makes growth impossible; and

WHEREAS the United States Congress has recognized Alaska's higher costs by granting to federal employees in the state a 25 per cent tax-free cost-of-living pay differential;

BE IT RESOLVED that the Federal Home Loan Board, the Federal Deposit Insurance Corporation and the Federal Reserve Board are urged to relax interest paying rates on savings and time deposits in Alaska to the extent commensurate with other economic factors in the state.

COPIES of this Resolution shall be sent to the Honorable Robert L. Rand, Chairman of the Federal Home Loan Bank Board; the Honorable William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System; the Honorable K. A. Randall, Chairman of the Board of Directors of the Federal Deposit Insurance Corporation; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U. S. Senators, and to the Honorable Howard W. Pollock, U. S. Representative, members of the Alaska delegation in Congress.