

STATE OF ALASKA
SENATE

1989

Source

SR 7

Senate

Resolve No.

6



Relating to Alaska Statebank.

BE IT RESOLVED BY THE SENATE:

WHEREAS Alaska Statebank, a state chartered bank that has been in business in the state for 40 years, has long been considered one of the pioneer community banks in Alaska; and

WHEREAS because of this pioneering role, Alaska Statebank has historically been a major contributor to Alaska's overall progress and economic development; and

WHEREAS the recent drop in the world market price of crude oil has had a strong adverse effect on Alaska's economy as a whole and a severe adverse impact on smaller communities in particular; and

WHEREAS this economic downturn throughout Alaska has caused several smaller banking institutions to fail; and

WHEREAS the same economic situation has caused Alaska Statebank to suffer substantial financial distress; and

WHEREAS Alaska Statebank has filed an application with the Federal Deposit Insurance Corporation under 12 U.S.C. 1823(c) (Federal Deposit Insurance Corporation Act) for assistance in connection with a proposed recapitalization of the bank; and

WHEREAS, with the aid of the Federal Deposit Insurance Corporation in reorganization and recapitalization, it is likely that Alaska Statebank will attract an infusion of private capital from in-state investors; and

WHEREAS the Alaskan public would continue to be well served by the operation of Alaska Statebank if assistance is provided to

the bank; and

WHEREAS reorganization of Alaska Statebank may relieve the Federal Deposit Insurance Corporation of the otherwise necessary burden of managing delinquent loan accounts;

BE IT RESOLVED that the Senate supports Alaska Statebank's request to the Federal Deposit Insurance Corporation for assistance; and be it

FURTHER RESOLVED that the Senate respectfully urges the Chair of the Board of Directors of the Federal Deposit Insurance Corporation, and the state Division of Banking, Securities and Corporations to give full consideration to Alaska Statebank's proposal for assistance.

COPIES of this resolution shall be sent to the Honorable Willis Kirkpatrick, the Director of the Division of Banking, Securities and Corporations of the Alaska Department of Commerce and Economic Development; to the Honorable L. William Seidman, Chair of the Board of Directors of the Federal Deposit Insurance Corporation; and to the Honorable Alan Greenspan, Chair of the Board of Governors of the Federal Reserve Board; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.