

1 IN THE HOUSE

BY MESSRS. FISHER, GIERSDORF AND GREUEL

2 HOUSE BILL NO. 135

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to corporate ownership of  
7 shares in banks, amending Section 3.167 of  
8 Chapter 129, SLA 1951; and providing for an  
9 effective date."

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

11 Section 1. Section 3.167 of Chapter 129, SLA 1951 is hereby  
12 amended to read as follows:

13 Sec. 3.167. CORPORATE OWNERSHIP OF SHARES IN BANKS  
14 PROHIBITED. It shall be unlawful for any corporation, for-  
15 eign or domestic, to purchase or own in any manner whatsoever  
16 the capital stock, or any of it, of any corporation which is  
17 subject to the regulation of the Board, provided, that when  
18 it shall become a bona fide necessity to avoid loss, for a  
19 creditor corporation to accept shares of stock in any such  
20 regulated corporation in payment of indebtedness owing to  
21 such creditor corporation, such shares of stock may be so  
22 accepted, but in all such cases the shares of the regulated  
23 corporation shall be disposed of in accordance with regula-  
24 tions of the Board; Provided, however, notwithstanding any  
25 other provisions of this Act, any domestic bank holding  
26 company organized pursuant to Chapter 126, SLA 1957, notwith-  
27 standing Sec. 3 thereof, and registered under The Bank Holding  
28 Company Act of 1956 ( 70 Stat. 133), which shall maintain its  
29 principal office and place of business in this state and

1 conduct its principal operations in this State, may acquire  
2 and own all or any portion of the voting shares or other  
3 capital stock of, or all or substantially all of the assets  
4 of, any corporation which is subject to the regulations of  
5 the Federal Reserve Board and the Alaska Banking Board;  
6 Provided, further, any such holding company may be required  
7 to post a bond, in an amount equal to the par value of the  
8 stock held by it, with the Alaska Banking Board under such  
9 condition as may be prescribed by the Alaska Banking Board  
10 to assure full protection to the public.

11 Sec. 2. This Act shall take effect immediately upon its  
12 passage and approval, or upon its becoming law without such  
13 approval.