

1 IN THE HOUSE

BY MESSRS. FISHER,
GIERSDORF AND GREUEL

2 HOUSE BILL NO. 417

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to loans made by foreign
7 banks and other similar lending institutions."

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

9 Section 1. As used in this Act:

10 (1). "state" means any state in the United States, the
11 District of Columbia, Guam, the Commonwealth of Puerto Rico and
12 Virgin Islands;

13 (2) "foreign bank" means a bank, trust company,
14 savings bank, industrial bank, building and loan association,
15 savings and loan association, credit union or other similar lend-
16 ing organization the principal office of which is in another state,
17 whether incorporated or unincorporated and whether acting in its
18 individual capacity or in a fiduciary capacity, but does not in-
19 clude small loan companies of the general character covered by the
20 Alaska Small Loans Act.

21 Sec. 2. A foreign bank which does not maintain a place of
22 business in this state for the receipt of deposits and which com-
23 plies with the provisions of this Act does not by engaging in
24 this state in any or all of the activities specified in the follow-
25 ing section violate the laws of this state relating to doing
26 business or doing a banking business or become subject to any
27 taxation which would otherwise be imposed for doing business or
28 doing a banking business in this state.

29 Sec. 3. a. The activities referred to in the preceding

1 section are:

2 (1) making loans;

3 (2) receiving security for loans;

4 (3) acquiring by assignment or otherwise partial or
5 entire interests in loans or in security for loans;

6 (4) servicing, collecting, enforcing or otherwise
7 realizing upon loans or upon security for loans or upon interests
8 therein; and holding, managing or disposing of proceeds therefrom;
9 and

10 (5) entering into and performing contracts and doing
11 other acts necessary or appropriate for or preliminary or incident
12 to any of the foregoing activities.

13 b. Loans within the meaning of this section may be: .

14 (1) evidenced by negotiable instruments or otherwise;

15 and

16 (2) unsecured or secured by a lien upon or a pledge
17 of real or personal property or both within or without this state.

18 Sec. 4. Prior to engaging in this state in any of the
19 activities specified in the preceding section a foreign bank shall
20 execute and file with the Commissioner of Commerce a statement.

21 The statement shall list its name, state of incorporation or or-
22 ganization and principal place of business and shall appoint
23 irrevocably the Commissioner of Commerce and his successors its
24 agents upon whom may be served process against it in any proceed-
25 ing or cause of action arising out of its engaging in this state
26 in any of the activities referred to in the preceding section.

27 Until the statement is filed the immunities provided by this Act
28 do not become operative, but failure to file the statement has no
29 other effect.

1 Sec. 5. This Act may be cited as the "Model Foreign Bank
2 Loan Act."

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