

1 IN THE HOUSE

BY MR. HANSEN

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 293

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the limitation on the
7 cost of bank premises."

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

9 Section 1. Sec. 3.170, Art. III, Ch. 129, SLA 1951, as
10 amended by Sec. 1, Ch. 124, SLA 1955 is repealed and re-enacted
11 to read:

12 Sec. 3.170 LIMITATION ON COST OF BANKING PREMISES.

13 a. No bank shall invest an amount of money greater than
14 100 per cent of its capital stock in its bank premises,
15 without the approval of the commissioner of commerce. This
16 limitation does not apply to the present holdings of banks
17 now doing business.

18 b. No bank shall invest an amount of money greater
19 than 100 per cent of its capital in the stocks, bonds,
20 debentures or other obligations of an affiliated corporation
21 holding its banking premises or shall make loans to or upon
22 the security of the affiliated corporation in an amount of
23 money greater than 100 per cent of its capital stock, without
24 the approval of the commissioner of commerce. The investments
25 in and loans of the bank to the affiliated corporation to-
26 gether with the amount of any indebtedness of the affiliated
27 corporation is considered as one total amount in determining
28 if the bank is investing an amount of money greater than 100
29 per cent of its capital stock. The limitation in this

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subsection does not apply to the present holdings of banks
now doing business.