

1 IN THE SENATE

BY SENATOR POLLOCK

2 SENATE BILL NO. 112

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the duties of the
7 Commissioner of Revenue; amending Subsec.
8 (a), Sec. 7-1-6, ACLA 1949, as amended by
9 Ch. 50, SLA 1949, and Ch. 186, SLA 1957;
10 and providing for an effective date."

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

12 Section 1. Subsec. (a), Sec. 7-1-6, ACLA 1949, as amended
13 by Sec. 1, Ch. 50, SLA 1949, and Sec. 19, Ch. 186, SLA 1957, is
14 amended to read:

15 (a) COLLECTION AND DEPOSIT OF MONEYS. The Commissioner
16 of Revenue [TREASURER] shall demand, sue for, collect,
17 receive and safely keep all moneys of the State [TERRITORY]
18 from whatever source derived, which are not by law entrusted
19 to the care and custody of some other officer. The Commission-
20 er of Revenue may in his discretion [TREASURER SHALL] keep
21 these funds in banks within the State, or outside the State
22 where necessary to maintain compensating balances [TERRITORY
23 NEAREST THE LOCATION WHERE THE FUNDS ARE COLLECTED]. Provided
24 however, that before the Commissioner of Revenue [TREASURER]
25 shall deposit any funds of the State [TERRITORY] in any bank,
26 said bank shall deposit with the Commissioner of Revenue, or
27 with a fiduciary agent approved and designated by the Com-
28 missioner of Revenue, [TREASURER] as collateral security to
29 secure such funds, bonds or other securities which are eligible

1 to secure deposits of the United States, the aggregate
2 market value of which shall at all times be at least equal
3 to the funds deposited, or State of Alaska general obligation
4 or revenue bonds, the aggregate market value of which shall
5 at all times be equal to the funds deposited, or shall
6 deposit other good bonds whose aggregate market value shall
7 at all times exceed by [BE] at least twenty per centum [IN
8 EXCESS OF] the deposits so secured, and mortgages insured by
9 the government of the United States under the terms and pro-
10 visions of the National Housing Act approved June 27, 1934,
11 or deeds of trust or mortgages on real property located with-
12 in the State of Alaska, which shall meet with the approval
13 of the Commissioner of Revenue, the aggregate value of which
14 shall at all times exceed by at least twenty per centum the
15 deposits so secured; provided, however, such deposits secured
16 by deeds of trust or mortgages shall not exceed the combined
17 capital and surplus of the bank accepting such deposit; or
18 shall enter into a bond to the State [TERRITORY] with a
19 surety company, authorized as such to transact business in
20 Alaska, as surety thereon, conditioned that it will safely
21 keep and pay on demand to the Commissioner of Revenue
22 [TREASURER] as required by him, all funds of the State
23 [TERRITORY] deposited with it. The banks in which State
24 [TERRITORIAL] funds are deposited under a time deposit agree-
25 ment shall pay at least a minimum interest rate to be fixed
26 by the Commissioner of Revenue [TERRITORIAL BANKING BOARD]
27 and such interest when paid shall be covered into the general
28 fund [GENERAL FUND OF THE TREASURY], or such other funds
29 as are established by law; Provided, further, that nothing in

1 this section shall prohibit the Commissioner of Revenue
2 [TREASURER] from depositing such funds as he may deem necessary
3 for the proper conduct of his office in solvent banks out-
4 side the State [TERRITORY] of Alaska under the terms and
5 conditions provided herein.

6 The Commissioner of Revenue [TREASURER] is authorized
7 to deposit funds in banks within or without the State
8 [TERRITORY] in active accounts or on demand deposits without
9 requiring those in which such accounts are deposited to pay
10 interest on such deposits, it being the intention of the
11 Legislature that the Commissioner of Revenue [TREASURER]
12 shall keep active deposits in any banks he deems deserving
13 upon which no interest shall be paid in order to [PARTIALLY]
14 compensate such banks for cashing State [TERRITORIAL]
15 warrants in their regular course of business.

16 Sec. 2. This Act takes effect on the day after its passage
17 and approval or on the day it becomes law without such approval.
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