

Introduced: 3/7/64
Referred: State Affairs

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IN THE SENATE

RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

SENATE BILL NO. 316

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRD LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to banking interest of
department officers and employees."

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

* Section 1. AS 06.05.065 is repealed and re-enacted to read:

Sec. 06.05.065. BANKING INTEREST OF DEPARTMENT
OFFICERS AND EMPLOYEES. (a) No officer or employee of the
Department of Commerce who deals with the regulation of
lending institutions, or special agent selected by the de-
partment to do work relating to lending institutions, may be
an officer, employee, director, trustee, attorney, stock-
holder, or partner of a lending institution; or receive
directly or indirectly a payment or gratuity from a lending
institution. No person subject to this section may borrow
money from a lending institution except as provided in this
statute.

(b) A person subject to this section may

- (1) be a depositor in a lending institution;
- (2) purchase shares of a savings and loan asso-
ciation on the same terms available to the public generally;
- (3) be a member of an employee credit union;
- (4) obtain a loan by the assignment of a deposit
in a lending institution;
- (5) obtain a personal loan from a lending insti-
tution up to the amount of \$2500 for reasons and upon terms

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that loans are given to the public generally; and

(6) be indebted to a lending institution upon

(A) a mortgage loan upon the mortgagor's real property; or

(B) an installment debt transferred to the lending institution in the regular course of business by a seller of household goods or automobiles purchased by the employee; or

(C) an installment debt or loan for automobiles or household goods obtained from the lending institution in the regular course of business.

(c) Each officer and employee in the division shall notify the commissioner when he is or may be involved in transactions under this section.

(d) This section does not limit the authority of an officer or employee of the department acting in his official capacity in the business of the department.

(e) When used in this section the term "lending institution" means a bank, savings institution, industrial bank, savings and loan association, foreign banking corporation or institution, bank holding company or other institution doing banking business in the State of Alaska.

(f) An officer or employee who violates this section must be dismissed. A non-exempt employee dismissed under this section may appeal his dismissal under the state personnel act.

(g) An officer or employee who violates this section is guilty of a misdemeanor and upon conviction is punishable by a fine of not more than \$5000 or by imprisonment for not



1 more than one year, or by both.

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