

Original sponsor: Hackney

Offered: 3/11/80
Referred: Judiciary

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

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CS FOR SENATE BILL NO. 367

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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ELEVENTH LEGISLATURE - SECOND SESSION

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A BILL

6 For an Act entitled: "An Act relating to savings associations."

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

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* Section 1. AS 06.30.025 is repealed and re-enacted to read:

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Sec. 06.30.025. DECLARATION OF POLICY; RULE-MAKING AUTHORITY. (a)

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In giving authority for the establishment of associations, it is the intent of the legislature to make available to the people of the state the benefits of savings and loan associations, thereby promoting a sound and competitive association system, the practice of thrift, savings, investment, home financing, and the security of persons saving through associations. For the accomplishment of these purposes, the legislature intends by this chapter to vest in the department, in addition to other regulatory authority, the authority to allow by regulation those powers possessed by state-chartered associations in other states which the department determines have demonstrated accomplishment of these purposes.

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(b) The commissioner may by regulation define the powers of associations and adopt regulations to carry out the purposes of associations consistent with this chapter and AS 06.01.020.

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* Sec. 2. AS 06.30.030 is amended to read:

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Sec. 06.30.030. STANDARDS FOR REGULATIONS. The commissioner in the exercise of the power to issue regulations under [NECESSARY TO CARRY OUT] this chapter shall act in the interests of a sound and competitive savings and loan system and in the interest of promoting and encouraging thrift, savings, investment, home financing, and the security of persons saving through savings associations.

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1 * Sec. 3. AS 06.30.280 is amended by adding a new paragraph to read:

2 (19) under regulations adopted by the department provide
3 negotiable or nonnegotiable orders of withdrawal accounts for its
4 depositors.

5 * Sec. 4. AS 06.30.295 is amended to read:

6 Sec. 06.30.295. FIXED RATE, FIXED TERM ACCOUNTS. No association
7 may issue, sell, negotiate, or advertise for sale either to members or
8 the public any type of investment security other than savings accounts
9 unless otherwise provided in this chapter or in regulations adopted
10 under AS 06.01.020. An association may accept accounts bearing a
11 definite rate of return for fixed periods of time when its board of
12 directors has adopted a resolution providing for the issuance of fixed
13 rate, fixed term accounts and those accounts are insured by the Federal
14 Savings and Loan Insurance Corporation.

15 * Sec. 5. AS 06.30.375 is amended to read:

16 Sec. 06.30.375. SAVINGS ACCOUNTS IN GENERAL. (a) Savings
17 accounts shall be opened for cash or its equivalent. Except as limited
18 by the board of directors, a member may make additions to his savings
19 accounts in amounts and at times he chooses.

20 (b) Earnings on accounts shall be fixed or otherwise declared in
21 accordance with the provisions of this chapter, the implementing regula-
22 tions adopted under this chapter, or regulations adopted under AS 06.01.
23 020.

24 (c) Under regulations adopted by the department, each association
25 may classify and differentiate among accounts but [EXCEPT AS PROVIDED IN
26 AS 06.30.450 - 06.30.455,] an association may not prefer one of its
27 savings accounts within an account class over another savings account
28 in the same class as to the right to participate in earnings [RECEIVE
29 DIVIDENDS].

1 (d) No preference between savings account members may be created
2 with respect to the distribution of assets upon voluntary or involuntary
3 liquidation, dissolution or winding up the business of the association.

4 * Sec. 6. AS 06.30.450 is amended to read:

5 Sec. 06.30.450. DECLARATION OF DIVIDENDS. As of one of the last
6 three business days before the closing of any period as fixed by the
7 board of directors, the board may declare a dividend on various account
8 classifications [SAVINGS ACCOUNTS] of record on that date. The dividend
9 shall be payable as of that date or a later date not more than 30 days
10 following the close of the period as determined by the board. No divi-
11 dends shall be declared except dividends payable as provided in this
12 section.

13 * Sec. 7. AS 06.30.455 is amended to read:

14 Sec. 06.30.455. COMPUTATION AND PAYMENT OF DIVIDENDS ON SAVINGS
15 PLANS. Dividends shall be credited to savings accounts on the books of
16 the association on the dividend-payment date unless a savings account
17 holder requests and the association agrees to pay dividends on all or
18 part of a savings account in cash. Dividends payable in cash shall be
19 paid on the dividend-payment date and may be paid by check or bank
20 draft. All [SAVINGS] account holders shall participate equally in
21 earnings [DIVIDENDS] pro rata to the withdrawal value of their respec-
22 tive accounts unless an association has classified or differentiated
23 among its accounts. If an association has classified and differentiated
24 among its accounts, all account holders in the same class participate
25 equally in earnings pro rata to the withdrawal value of their respective
26 accounts. [, EXCEPT THE] The association may pay dividends according to
27 the rate limitations prescribed for different classes of accounts and
28 administered by the Federal Home Loan Bank Board. Dividends shall be
29 declared on the withdrawal value of each savings account at the begin-

1 ning of the dividend period, plus additions to it made during the
2 dividend period, less amounts withdrawn and noticed for withdrawal,
3 which for dividend purposes shall be deducted from the latest previous
4 addition, computed at the declared rate for the time invested. The date
5 of investment is the date of actual receipt by the association of an
6 account or an addition to an account. If the board of directors so
7 determines, accounts or additions received by the association on or
8 before a date not later than the 10th day of the month, unless the day
9 determined is not a business day, in which case it may be the next
10 succeeding business day, shall receive dividends as if invested on the
11 first day of the month in which the payments were received. If the
12 board makes this determination, it also shall determine that payments
13 received after the determination date shall either (1) receive dividends
14 as if invested on the first day of the next succeeding month, or (2)
15 receive dividends from the date of actual receipt by the association.

16 * Sec. 8. AS 06.30.460 is repealed and re-enacted to read:

17 Sec. 06.30.460. APPLICATION FOR WITHDRAWAL OR TRANSFER. An
18 account holder or an authorized representative may at any time apply for
19 withdrawal or transfer of all or a part of an account. The application
20 may consist of a negotiable or nonnegotiable order of withdrawal or an
21 authorization for transfer from one account to another. Each appli-
22 cation shall request immediate withdrawal or transfer of a specified
23 amount in accordance with AS 06.30.470. A member may cancel his
24 application at any time in whole or in part by written notice.

25 * Sec. 9. AS 06.30 is amended by adding a new section to article 15 to
26 read:

27 Sec. 06.30.897. ADDITIONAL POWERS. The enumeration of the general
28 powers of association in AS 06.30.280 does not exclude the exercise of
29 other powers that are appropriate for the achievement of the objectives

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and purposes of an association under this chapter. With the approval of the department, an association may provide for the exercise of other powers in its bylaws or regulations.

* Sec. 10. AS 06.30.910 is amended by adding a new paragraph to read:

(27) "order of withdrawal" means an order directing withdrawal from a savings or similar interest-bearing account.