

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 am H (e.date am)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

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For an Act entitled: "An Act relating to savings associations; and providing for an effective date."

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 AS 06.30.025 is repealed and re-enacted to read: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

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

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(19) under regulations adopted by the department provide negotiable or nonnegotiable orders of withdrawal accounts for its

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1 depositors.

2 \* Sec. 4. AS 06.30.295 is amended to read:

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

12 \* Sec. 5. AS 06.30.375 is amended to read:

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

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

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

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

1 \* Sec. 6. AS 06.30.450 is amended to read:

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

10 \* Sec. 7. AS 06.30.455 is amended to read:

11           Sec. 06.30.455. COMPUTATION AND PAYMENT OF DIVIDENDS ON SAVINGS  
12 PLANS. Dividends shall be credited to savings accounts on the books of  
13 the association on the dividend-payment date unless a savings account  
14 holder requests and the association agrees to pay dividends on all or  
15 part of a savings account in cash. Dividends payable in cash shall be  
16 paid on the dividend-payment date and may be paid by check or bank  
17 draft. All [SAVINGS] account holders shall participate equally in  
18 dividends pro rata to the withdrawal value of their respective accounts  
19 unless an association has classified or differentiated among its ac-  
20 counts. If an association has classified and differentiated among its  
21 accounts, all account holders in the same class participate equally in  
22 dividends pro rata to the withdrawal value of their respective accounts.

23 [ , EXCEPT THE] The association may pay dividends according to the rate  
24 limitations prescribed for different classes of accounts and adminis-  
25 tered by the Federal Home Loan Bank Board. Dividends shall be declared  
26 on the withdrawal value of each savings account at the beginning of the  
27 dividend period, plus additions to it made during the dividend period,  
28 less amounts withdrawn and noticed for withdrawal, which for dividend  
29 purposes shall be deducted from the latest previous addition, computed

1 at the declared rate for the time invested. The date of investment is  
2 the date of actual receipt by the association of an account or an addi-  
3 tion to an account. If the board of directors so determines, accounts  
4 or additions received by the association on or before a date not later  
5 than the 10th day of the month, unless the day determined is not a  
6 business day, in which case it may be the next succeeding business day,  
7 shall receive dividends as if invested on the first day of the month in  
8 which the payments were received. If the board makes this determina-  
9 tion, it also shall determine that payments received after the determi-  
10 nation date shall either (1) receive dividends as if invested on the  
11 first day of the next succeeding month, or (2) receive dividends from  
12 the date of actual receipt by the association.

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

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

22 \* Sec. 9. AS 06.30 is amended by adding a new section to article 15 to  
23 read:

24 Sec. 06.30.897. ADDITIONAL POWERS. The enumeration of the general  
25 powers of association in AS 06.30.280 does not exclude the exercise of  
26 other powers that are appropriate for the achievement of the objectives  
27 and purposes of an association under this chapter. With the approval of  
28 the department, an association may provide for the exercise of other  
29 powers in its bylaws or regulations.

1 \* Sec. 10. AS 06.30.910 is amended by adding a new paragraph to read:  
2 (27) "order of withdrawal" means an order directing withdrawal  
3 from a savings or similar interest-bearing account.  
4 \* Sec. 11. This Act takes effect immediately in accordance with AS 01.10.  
5 070(c).

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