

Introduced: 6/24/81
Referred: Labor & Commerce
and Judiciary

1 IN THE SENATE

BY FERGUSON

2 SENATE BILL NO. 606

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the ownership of financial insti-
7 tutions."

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

9 * Section 1. AS 06.05.235(a) is amended to read:

10 (a) It is unlawful for a company to own, control, or hold with
11 power to vote 25 percent or more of the capital stock of one or more
12 state banks or state bank holding companies subject to regulation under
13 this chapter. Nothing in this subsection prohibits a company from
14 qualifying as a bank holding company under (b) or (e) of this section.
15 However, when it becomes a bona fide necessity to avoid loss for a
16 creditor to accept shares of stock in one or more banks or bank holding
17 companies constituting more than 25 percent of the ownership or control
18 of a bank or bank holding company in payment of indebtedness owing to
19 the creditor, shares of stock may be accepted, but the shares of the
20 one or more banks or bank holding companies exceeding that 25 percent
21 shall be promptly disposed of under the supervision of the department.

22 * Sec. 2. AS 06.05.235 is amended by adding a new subsection to read:

23 (e) An out-of-state bank holding company may acquire and own all
24 or any portion of the voting shares or other capital stock of a state
25 bank. The department may require an out-of-state holding company that
26 holds stock in a state bank to post a bond with the department under
27 conditions the department may prescribe to assure full protection of
28 the public, in an amount equal to the product obtained by multiplying
29 the amount of paid-in capital and paid-in surplus of the state bank by

1 the percentage of state bank stock directly or indirectly owned, held,
2 or controlled by the out-of-state bank holding company. An out-of-state
3 holding company directly or indirectly owning, holding, or controlling
4 state bank stock is subject to an examination by the department or a
5 competent person designated by the department as the department deter-
6 mines necessary. The out-of-state holding company shall pay an examina-
7 tion fee in accordance with AS 06.01.010. As used in this subsection
8 "out-of-state bank holding company" means a registered bank holding
9 company as defined in the Bank Holding Company Act of 1956 (12 U.S.C.
10 secs. 1841 et seq.) as amended, but does not include a domestic bank
11 holding company.
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29