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Referred: Judiciary

5-0313L

Original sponsor: Duncan

1 IN THE SENATE BY THE LABOR AND COMMERCE COMMITTEE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 93 (L&C)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to investments by financial insti-
7 tutions."

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

9 * Section 1. AS 06.05.180 is amended to read:

10 Sec. 06.05.180. POWERS AS TRUSTEE AUTHORIZED. Every bank organ-
11 ized under this chapter, subject to the restrictions and limitations
12 of laws and the regulations of the department, may

13 (1) act as trustee under any mortgage or bond issued by the
14 state, or any municipality, body politic, or corporation, foreign or
15 domestic, and accept and execute any municipal or corporate trust not
16 prohibited by the laws of this state;

17 (2) accept a trust from, and execute a trust for a married
18 woman in respect to the married woman's [HER] separate property, and
19 act as agent in the management of the property or transact any busi-
20 ness in relation to the property;

21 (3) act under the order or appointment of a court of compe-
22 tent jurisdiction including any probate court as guardian, receiver,
23 or trustee of the estate of a minor, and as depository of money paid
24 into court for the benefit of any person, corporation, or party, and
25 in any other fiduciary capacity;

26 (4) act under the order or appointment of a court of compe-
27 tent jurisdiction including any probate court as trustee, guardian,
28 receiver or committee of the estate of a lunatic, idiot, spendthrift,
29 person of unsound mind or habitual drunkard, or as receiver or

1 committee of the property or estate of any person in insolvency or
2 bankruptcy proceedings;

3 (5) act as executor or administrator with or without the
4 will annexed of the estate of a deceased person;

5 (6) accept and execute any legal trust, duty and power in
6 regard to the holding, management and disposition of any estate, real
7 or personal, wherever located, and the rents and profits from it, or
8 the sale of it, as may be granted or confided to it by a court of
9 competent jurisdiction including any probate court or by any person,
10 corporation, municipality or other authority, and is accountable to
11 all parties in interest for the faithful discharge of every trust,
12 duty, or power which it may accept;

13 (7) accept and execute any trust or power conferred upon it
14 by any person or any body politic or domestic or foreign corporation,
15 or any other authority, grant, assignment, transfer, devise, bequest
16 or otherwise, or which may be entrusted or committed or transferred to
17 it by order of a court of competent jurisdiction including any probate
18 court;

19 (8) receive, manage, hold and dispose of according to the
20 terms of any trust or power any property or estate, real or personal,
21 which may be the subject of any such trust or power;

22 (9) act as the fiscal or transfer agent of the United
23 States or of any state, territory, municipality, or other body poli-
24 tic, and in this capacity may receive and disburse moneys, transfer,
25 register and countersign certificates of stocks, bonds, or other
26 evidences of indebtedness;

27 (10) whenever the instrument or power governing the fidu-
28 ciary relationship directs, requires, authorizes, or permits invest-
29 ment in obligations of the United States government, invest in the

1 obligations, for short-term cash management purposes, either directly
2 or in the form of securities of, or other interests in, a money market
3 mutual fund operating as an open-end management type investment com-
4 pany or investment trust registered under 15 U.S.C. 80a-1 - 80a-64
5 (Investment Company Act of 1940), if

6 (A) the portfolio of the investment company or invest-
7 ment trust is limited to obligations of the United States govern-
8 ment and repurchase agreements fully collateralized by the obli-
9 gations; and

10 (B) the investment company or investment trust takes
11 delivery of the collateral directly or through an authorized
12 custodian.

13 * Sec. 2. AS 06.05.270(a) is amended to read:

14 (a) In addition to loans and acquisitions expressly authorized
15 by this chapter, a state bank may deal in, underwrite, and invest in
16 for its own account

17 (1) direct or guaranteed obligations of the United States,
18 either directly or in the form of securities of, or other interests
19 in, an open-end management type investment company or investment trust
20 registered under 15 U.S.C. 80a-1 - 80a-64 (Investment Company Act of
21 1940), if

22 (A) the portfolio of the investment company or invest-
23 ment trust is limited to obligations of the United States govern-
24 ment and repurchase agreements fully collateralized by the obli-
25 gations; and

26 (B) the investment company or investment trust takes
27 delivery of the collateral directly or through an authorized
28 custodian;

29 (2) general obligations of the State of Alaska and its

- 1 political subdivisions;
- 2 (3) general obligations of a state of the United States or
- 3 its political subdivisions;
- 4 (4) revenue obligations of the State of Alaska or its
- 5 political subdivisions subject to the limitation of (b) of this sec-
- 6 tion;
- 7 (5) revenue obligations of a state of the United States or
- 8 its political subdivisions subject to the limitation of (b) of this
- 9 section;
- 10 (6) obligations of instrumentalities of the United States
- 11 government including, but not limited to Federal Intermediate Credit
- 12 Banks, Federal Land Banks, the Federal National Mortgage Association,
- 13 and Banks for Cooperatives;
- 14 (7) commercial paper of prime or equivalent quality as
- 15 rated by a recognized national rating service subject to the limita-
- 16 tion of (b) of this section;
- 17 (8) secured corporate obligations rated within the three
- 18 highest grades of a national rating service subject to the limitation
- 19 of (b) of this section;
- 20 (9) obligations of the International Bank for Reconstruc-
- 21 tion and Development or the Inter-American Development Bank subject to
- 22 the limitation of (b) of this section;
- 23 (10) stock in the Federal National Mortgage Association or a
- 24 Federal Reserve Bank.