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OK by Atty Gen.

House  
Comm Sub.  
new to accept

HCS for CS FOR SENATE BILI. NO. 752 (J.&C)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE - SECOND SESSION

A BILL RELATING TO

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

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

\* Section 1. AS 06.30.115 is amended to read:

Sec. 06.30.115. ACCESS TO BOOKS AND RECORDS OF ASSOCIATION.

(a) Every member or stockholder may inspect the books and records of an association which pertain to his loan, [OR] savings account, or voting rights.

(b) Except as provided in (a) [AND (c)] of this section, the right of inspection and examination of the books and records is limited to (1) the commissioner or his authorized representatives as provided in this chapter, (2) persons authorized to act for the association, and (3) any federal instrumentality or agency authorized to inspect or examine the books and records of an insured association.

[(c) IN STOCK ASSOCIATIONS EVERY STOCKHOLDER MAY INSPECT THE GENERAL BOOKS AND RECORDS OF THE ASSOCIATION EXCEPT A STOCKHOLDER MAY NOT HAVE ACCESS TO THE LOAN AND SAVINGS RECORDS OF OTHER MEMBERS.]

\* Sec. 2. AS 06.30.120 is amended to read:

Sec. 06.30.120. BOOKS AND RECORDS [PERTAINING TO MEMBERS' ACCOUNTS] TO BE KEPT CONFIDENTIAL. Except as provided in AS 06.30.115, the [THE] books and records pertaining to the accounts, [AND] loans, and voting rights of members, stockholders, savers, and borrowers shall be kept confidential by the association, its directors, officers and employees, and by the commissioner, his examiners and representatives, except where disclosure is compelled by a court of competent jurisdiction. Except as provided in AS 06.30.115, no [NO] person, including a member or stockholder may

[SHALL] have access to the books and records or [SHALL] be furnished [OR SHALL POSSESS] a partial or complete list of the members or stockholders except upon express action and authority of the board of directors.

\* Sec. 3. AS 06.30.145(b) is amended to read:

*amend.*  
(b) In a stock association each director shall own individually or jointly with his <sup>or her</sup> spouse [IN HIS OWN RIGHT] free of any encumbrance capital stock of the association in an amount equal to at least \$1,000 in par value.

\* Sec. 4. AS 06.30.500(3) is amended to read:

(3) Except for participation loans authorized under AS 06.30.530, no [NO] investment may be made in a conventional loan secured by a mortgage on a one-to-four family residence unless the mortgaged property is located inside the state.

\* Sec. 5. AS 06.30.520 is amended to read:

Sec. 06.30.520. PROPERTY IMPROVEMENT AND CONSUMER LOANS. An association may make property improvement loans to property owners for maintenance, repair, modernization, improvement, and equipment of their properties. In addition, an association may make consumer loans. A property improvement or consumer loan may be made with or without security and may be secured by liens on real estate and mobile homes. An association may not make property improvement loans exceeding 25 percent of its assets or consumer loans exceeding 40 percent of its assets.

\* Section 6. AS 06.05.235(a) is amended to read:

(a) Except as provided in (b) or (e) of this section it [IT] is unlawful for a company to own, control or hold with power to vote 25 percent or more of a class of voting securities or other [THE] capital stock of one or more state banks or domestic [STATE] bank holding companies subject to regulation under this chapter. [NOTHING IN THIS SUBSECTION PROHIBITS A COMPANY FROM QUALIFYING AS A BANK HOLDING COMPANY UNDER (b) OF THIS SECTION.] However, when it becomes a bona fide necessity to avoid loss for a creditor to accept shares of stock in one or more state banks or domestic bank

holding companies constituting more than 25 percent of the ownership or control of a state bank or domestic bank holding company in payment of indebtedness owing to the creditor, shares of stock may be accepted, but the shares of the one or more state banks or domestic bank holding companies exceeding that 25 percent shall be promptly disposed of under the supervision of the department.

\* Sec. 7. AS 06.05.235(b) is amended to read:

(b) A domestic bank holding company, as defined in AS 06.05.540 and organized under AS 10.05, which maintains its principal office and place of business in the state and conducts its principal operations in the state, may acquire and own all or any portion of the voting securities [SHARES] or other capital stock of, or all or substantially all of the assets of, one or more banks or bank holding companies unless the bank is a recently formed bank. The department may require a domestic bank holding company to post a bond with the department in an amount equal to the paid-in capital and paid-in surplus represented by the proportion of state bank stock directly or indirectly owned, held, or controlled by it, under conditions the department may prescribe, to assure full protection of the public. The domestic bank holding company is subject to an examination by the department or a competent person designated by the department when the department considers it necessary, but not less than once each year. The domestic bank holding company shall pay an examination fee in accordance with AS 06.01.010.

\* Sec. 8. AS 06.05.235(c) is amended to read:

(c) The department may adopt regulations for [BANK HOLDING] companies qualifying as domestic bank holding companies or out-of-state bank holding companies under (b) or (e) of this section to assure financially sound banking organization and practice.

\* Sec. 9. AS 06.05.235 is amended by adding new subsections to read:

(e) An out-of-state bank holding company as defined in (h) of this section may acquire and own all or any portion of the

voting securities or other capital stock of, or all or substantially all of the assets of, one or more state banks, domestic bank holding companies, or national banks conducting a banking business in the state unless the state bank or national bank is a recently formed bank. To assure full protection of the public the department may require an out-of-state bank holding company that directly or indirectly owns, holds, or controls stock in a state bank or domestic bank holding company to post a bond with the department, under conditions the department may prescribe. The amount of the bond shall be equal to the product obtained by multiplying the amount of paid-in capital and paid-in surplus of the state bank or domestic bank holding company by the percentage of state bank or domestic bank holding company stock directly or indirectly owned, held, or controlled by the out-of-state bank holding company.

(f) When the department considers it necessary, an out-of-state bank holding company directly or indirectly owning, holding, or controlling state bank stock or domestic bank holding company stock is subject to an examination by the department or a competent person designated by the department. The out-of-state bank holding company shall pay an examination fee in accordance with AS 06.01.010.

(g) As used in this section a "recently formed bank" is a state bank or national bank conducting a banking business in the state that commenced that banking business in the state on or after July 1, 1982, and that has not been in existence and continuously operating in the state for a period of three years or more. However, the term "recently formed bank" does not include

(1) a bank organized solely for the purpose of facilitating acquisition of a bank that either has been in existence and continuously operating in the state as a bank for a three-year period, or was conducting a banking business in the state on or before June 30, 1982 ;

(2) a state bank that the department determines was not chartered directly or indirectly by an acquiring out-of-state bank holding company, and that does not have the capacity to

continue to conduct its business independently in a fashion consistent with the public interest and the interest of depositors, creditors, and shareholders; or

(3) a national bank that the Board of Governors of the Federal Reserve System, or their designee, determines was not chartered directly or indirectly by an acquiring out-of-state bank holding company, and that does not have the capacity to conduct its business independently in a fashion consistent with the public interest of depositors, creditors, and shareholders.

(h) As used in this section "out-of-state bank holding company" means a company that

(1) is a bank holding company as defined in the U.S.C. 1841, et seq.);

(2) is registered as a bank holding company with the Board of Governors of the Federal Reserve System, with the Federal Reserve Bank of the Federal Reserve District in which the operations of the bank holding company are principally conducted, or with a Federal Reserve Bank that the Board of Governors may designate;

(3) maintains its principal office and place of business outside the state; and

(4) principally conducts its banking operations through out-of-state banking subsidiaries, as measured by total deposits held or controlled by it on the date on which it becomes an out-of-state bank holding company;

(i) For the purpose of this section, a trust company organized under the laws of this state which is conducting a banking business shall be deemed to be a state bank.

\* Sec. 10. This Act takes effect July 1, 1982.

*Remember Sec 10 etc 11*

*[New Sec. 10, Repeal A 506.30, 555(b)(4)]*

SB752 BILL NUMBER

SB0752CS(L&C) SPECIAL INFO

Original sponsor: Special

Committee on Banking Offered: 3/9/82

Referred:

Rules SPONSOR

BY THE

LABOR AND

IN THE SENATE

COMMERCE

COMMITTEE BILL HEADING

CS FOR SENATE BILL NO. 752 (L&C)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE - SECOND SESSION

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For an Act entitled: "An Act relating to savings  
associations;

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\* Section 1. AS 06.30.115 is amended to read:

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(a) Every member or stockholder may inspect the books and records of an association which pertain to his loan, OR: savings account, or voting rights.

(b) Except as provided in (a) :AND (c): of this section, the right of inspection and examination of the books and records is limited to (1) the commissioner or his authorized representatives as provided in this chapter, (2) persons authorized to act for the association, and (3) any federal instrumentality or agency authorized to inspect or examine the books and records of an insured association.

:(c) IN STOCK ASSOCIATIONS EVERY STOCKHOLDER MAY INSPECT THE GENERAL BOOKS AND RECORDS OF THE ASSOCIATION EXCEPT A STOCKHOLDER MAY NOT HAVE ACCESS TO THE LOAN AND SAVINGS RECORDS OF OTHER MEMBERS.:

\* Sec. 2. AS 06.30.120 is amended to read:

Sec. 06.30.120. BOOKS AND RECORDS :PERTAINING TO MEMBERS' ACCOUNTS: TO BE KEPT CONFIDENTIAL. Except as provided in AS 06.30.115, the :THE: books and records pertaining to the accounts, :AND: loans, and voting rights of members, stockholders, savers, and borrowers shall be kept confidential by the association, its directors, officers and employees, and by the commissioner, his examiners and representatives, except where disclosure is compelled by a court of competent jurisdiction. Excep AS 06.30.115, no :NO: person, including a member or stockholder may :SHALL: have access to the books and records or :SHALL: be furnished :OR SHALL POSSESS: a partial or complete list of the members or stockholders except upon express action and authority of the board of directors.

\* Sec. 3. AS 06.30.145(b) is amended to read:

(b) In a stock association each director shall own individually or jointly with his <sup>or her</sup> spouse :IN HIS OWN RIGHT: free of any encumbrance capital stock of the association in an amount equal to at least \$1,000 in par value.

\* Sec. 4. AS 06.30 is amended by adding a new section to read:

*new*  
Sec. AS 06.30.900. *not part of interstate banks - but...*  
*State Savings & Loans*  
Ownership of bank securities, stocks and assets. Federal savings and loan associations, associations as *Mr. Turner*  
defined in AS 06.30.910(1), and other thrift and home-financing *markets*  
organizations subject to this chapter may acquire and own all or any portion of the voting securities or other capital stock of, or all or substantially all of the assets of, one or more state banks, domestic bank holding companies, or national banks conducting a banking business in the state unless the state bank or national bank is a recently formed bank.

\* Section 5. AS 06.05.235(a) is amended to read:

(a) Except as provided in (b) or (e) of this section it :IT: is unlawful for a company to own, control or hold with power to vote 25 percent or more of a class of voting securities or other :THE: capital stock of one or more state banks or domestic :STATE: bank holding companies subject to regulation under this chapter. :NOTHING IN THIS SUBSECTION PROHIBITS A COMPANY FROM QUALIFYING AS

SB 756

Interstate  
Banking Bill

A BANK HOLDING COMPANY UNDER (b) OF THIS SECTION.: However, when it becomes a bona fide necessity to avoid loss for a creditor to accept shares of stock in one or more state banks or domestic bank holding companies constituting more than 25 percent of the ownership or control of a state bank or domestic bank holding company in payment of indebtedness owing to the creditor, shares of stock may be accepted, but the shares of the one or more state banks or domestic bank holding companies exceeding that 25 percent shall be promptly disposed of under the supervision of the department.

\* Sec. 6. AS 06.05.235(b) is amended to read:

(b) A domestic bank holding company, as defined in AS 06.05.540 and organized under AS 10.05, which maintains its principal office and place of business in the state and conducts its principal operations in the state, may acquire and own all or any portion of the voting securities :SHARES: or other capital stock of, or all or substantially all of the assets of, one or more banks or bank holding companies unless the bank is a recently formed bank. The department may require a domestic bank holding company to post a bond with the department in an amount equal to the paid-in capital and paid-in surplus represented by the proportion of state bank stock directly or indirectly owned, held, or controlled by it, under conditions the department may prescribe, to assure full protection of the public. The domestic bank holding company is subject to an examination by the department or a competent person designated by the department when the department considers it necessary, but not less than once each year. The domestic bank holding company shall pay an examination fee in accordance with AS 06.01.010.

\* Sec. 7. AS 06.05.235(c) is amended to read:

(c) The department may adopt regulations for :BANK HOLDING: companies qualifying as domestic bank holding companies or out-of-state bank holding companies under (b) or (e) of this section to assure financially sound banking organization and practice.

\* Sec. 8. AS 06.05.235 is amended by adding new subsections to read:

(e) An out-of-state bank holding company as defined in (h) of this section may acquire and own all or any portion of the voting securities or other capital stock of, or all or substantially all of the assets of, one or more state banks, domestic bank holding companies, or national banks conducting a banking business in the state unless the state bank or national bank is a recently formed bank. To assure full protection of the public the department may require an out-of-state bank holding company that directly or indirectly owns, holds, or controls stock in a state bank or domestic bank holding company to post a bond with the department, under conditions the department may prescribe. The amount of the bond shall be equal to the product obtained by multiplying the amount of paid-in capital and paid-in surplus of the state bank or domestic bank holding company by the percentage of state bank or domestic bank holding company stock directly or indirectly owned, held, or controlled by the out-of-state bank holding company.

(f) When the department considers it necessary, an out-of-state bank holding company directly or indirectly owning, holding, or controlling state bank stock or domestic bank holding company stock is subject to an examination by the department or a competent person designated by the department. The out-of-state bank holding company shall pay an examination fee in accordance with AS 06.01.010.

(g) As used in this section a "recently formed bank" is a state bank or national bank conducting a banking business in the state that commenced that banking business in the state on or after July 1, 1982, and that has not been in existence and continuously operating in the state for a period of three years or more. However, the term "recently formed bank" does not include

(1) a bank organized solely for the purpose of facilitating acquisition of a bank that either has been in existence and continuously operating in the state as a bank for a

three-year period, or was conducting a banking business in the state on or before June 30, 1982;

(2) a state bank that the department determines was not chartered directly or indirectly by an acquiring out-of-state bank holding company, and that does not have the capacity to continue to conduct its business independently in a fashion consistent with the public interest and the interest of depositors, creditors, and shareholders; or

(3) a national bank that the Board of Governors of the Federal Reserve System, or their designee, determines was not chartered directly or indirectly by an acquiring out-of-state bank holding company, and that does not have the capacity to conduct its business independently in a fashion consistent with the public interest of depositors, creditors, and shareholders.

(h) As used in this section "out-of-state bank holding company" means a company that

(1) is a bank holding company as defined in the U.S.C. 1841, et seq.);

(2) is registered as a bank holding company with the Board of Governors of the Federal Reserve System, with the Federal Reserve Bank of the Federal Reserve District in which the operations of the bank holding company are principally conducted, or with a Federal Reserve Bank that the Board of Governors may designate;

(3) maintains its principal office and place of business outside the state; and

(4) principally conducts its banking operations through out-of-state banking subsidiaries, as measured by total deposits held or controlled by it on the date on which it becomes an out-of-state bank holding company;

(i) For the purpose of this section, a trust company organized under the laws of this state which is conducting a banking business shall be deemed to be a state bank.

\* Sec. 9. This Act takes effect July 1, 1982.

*Done  
by  
submitted*

SB752 BILL NUMBER

SB0752CS(L&C)am SPECIAL INFO

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Referred:

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Sec. AS 06.30.900. Ownership of bank securities, stocks and assets. Federal savings and loan associations, associations as defined in AS 06.30.910(1), and other thrift and home-financing organizations subject to this chapter may acquire and own all or any portion of the voting securities or other capital stock of, or all or substantially all of the assets of, one or more state banks, domestic bank holding companies, or national banks conducting a banking business in the state unless the state bank or national bank is a recently formed bank.

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NEW  
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SA-756  
↓

A BANK HOLDING COMPANY UNDER (b) OF THIS SECTION.: However, when it becomes a bona fide necessity to avoid loss for a creditor to accept shares of stock in one or more state banks or domestic bank holding companies constituting more than 25 percent of the ownership or control of a state bank or domestic bank holding company in payment of indebtedness owing to the creditor, shares of stock may be accepted, but the shares of the one or more state banks or domestic bank holding companies exceeding that 25 percent shall be promptly disposed of under the supervision of the department.

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(c) The department may adopt regulations for :BANK HOLDING: companies qualifying as domestic bank holding companies or out-of-state bank holding companies under (b) or (e) of this section to assure financially sound banking organization and practice.

\* Sec. 8. AS 06.05.235 is amended by adding new subsections to read:

(e) An out-of-state bank holding company as defined in (h) of this section may acquire and own all or any portion of the voting securities or other capital stock of, or all or substantially all of the assets of, one or more state banks, domestic bank holding companies, or national banks conducting a banking business in the state unless the state bank or national bank is a recently formed bank. To assure full protection of the public the department may require an out-of-state bank holding company that directly or indirectly owns, holds, or controls stock in a state bank or domestic bank holding company to post a bond with the department, under conditions the department may prescribe. The amount of the bond shall be equal to the product obtained by multiplying the amount of paid-in capital and paid-in surplus of the state bank or domestic bank holding company by the percentage of state bank or domestic bank holding company stock directly or indirectly owned, held, or controlled by the out-of-state bank holding company.

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(2) is registered as a bank holding company with the Board of Governors of the Federal Reserve System, with the Federal Reserve Bank of the Federal Reserve District in which the operations of the bank holding company are principally conducted, or with a Federal Reserve Bank that the Board of Governors may designate;

(3) maintains its principal office and place of business outside the state; and

(4) principally conducts its banking operations through out-of-state banking subsidiaries, as measured by total deposits held or controlled by it on the date on which it becomes an out-of-state bank holding company;

(i) For the purpose of this section, a trust company organized under the laws of this state which is conducting a banking business shall be deemed to be a state bank.

\* Sec. 9. <sup>secs 4-8</sup> This Act takes effect July 1, 1982.

\* Sec 10. Secs 1-3 plus add'l from original

Announced on APA  
this morning in Anch.

Announce meeting - Tomorrow  
SB - Real Estate Comm.  
SB - Contents of Electrical  
of Hammer

Mr. Turner - Solely

Mr. Dave Dray - Some sections may need deleting.  
If - 5 + 6 + Sec. 7 - should be removed  
now in regulation

Mr. Lusk -

Learn's sections

See