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# HOUSE COMMITTEE REPORT

(7)

Date referred: 2/8/88

FURTHER REFERRALS: Finance

DATE: 5/8/88  
CSSB 333(L&C) (efd add)

The Labor & Commerce Committee has considered \_\_\_\_\_

"An Act relating to wage, salary, and benefit claims having priority in certain bank liquidations and to certain bank reports required by the Department of Commerce and Economic Development; and providing for an effective date."

**RECOMMENDS:**

- replace with HCS CSSB 333(L&C)  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact
- zero fiscal note
- zero with analysis
- same as previous fiscal note published \_\_\_\_\_
- same as previous zero fiscal note published 2/4/88

**SIGNING DO PASS:**

*W. K. ...*

*R. A. ...*

*David ...*

*J. Ellis*

\_\_\_\_\_

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\_\_\_\_\_

**SIGNING OTHER RECOMMENDATIONS:**

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\_\_\_\_\_

\_\_\_\_\_

*David ...*  
Chairman's signature

5-1512N  
Bannister  
5/3/88

Original sponsors: Halford, Kelly,  
Uehling, et al.

1 IN THE SENATE

BY THE LABOR AND  
COMMERCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 333 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to wage, salary, and benefit claims  
7 having priority in certain bank liquidations and to  
8 certain bank reports required by the Department of  
9 Commerce and Economic Development; and providing for  
10 an effective date."

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

12 \* Section 1. AS 06.05.045(a) is amended to read:

13 (a) Each [EVERY] state bank shall make at least four reports of  
14 condition each year to the department on days designated by it, and on  
15 forms prescribed by it. The report shall be verified by an oath of  
16 the president, vice president, or cashier and by at least three direc-  
17 tors, certifying and subscribing under oath that they and each of them  
18 have personal knowledge of the facts stated in the report and that the  
19 facts are true. The reports shall exhibit in detail and under appro-  
20 priate heads the resources and liabilities of the bank, and each  
21 report shall be transmitted or mailed to the department no later than  
22 30 [WITHIN 10] days after the date designated for the report [OF THE  
23 RECEIPT OF THE REQUEST FROM THE DEPARTMENT].

24 \* Sec. 2. AS 06.05.470(t) is amended to read:

25 (t) The following claims have priority in liquidation proceed-  
26 ings, in the order listed:

27 (1) obligations incurred by the department;

28 (2) wages, [AND] salaries, and benefits of [OFFICERS AND]  
29 employees earned during the 12-month [THREE-MONTH] period preceding

1 the department's possession in an amount not exceeding \$12,000  
2 [\$3,000] for each person;  
3 (3) fees and assessments due to the department;  
4 (4) deposits;  
5 (5) wages, salaries, and benefits of officers earned during  
6 the 12-month period preceding the department's possession in an amount  
7 not exceeding \$3,000 for each person.

8 \* Sec. 3. This Act takes effect immediately under AS 01.10.070(c).  
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FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Commerce & Econ. Dev.  
 Title: Certain claims having priority in BRU: Banking, Securities & Corporations  
certain bank liquidations  
 Sponsor: Halford, et al. Components: \_\_\_\_\_  
 Requester: \_\_\_\_\_

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Willis F. Kirkpatrick, Director Phone: 465-2521  
 Division: Banking, Securities and Corporations Date: January 20, 1988

Approved by Commissioner: J. Anthony Smith, Commissioner Date: January 20, 1988  
 Agency: Department of Commerce and Economic Development

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

# Senator Rick Halford

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Senate District 1  
Chugiak, Eagle River, East Anchorage, Fort Richardson



Senate Finance Committee  
Co-Chairman

February 23, 1988

RECEIVED  
FEB 24 1988

## MEMORANDUM

TO: Representative Dave Donley, Chairman  
House Labor and Commerce Committee

FROM: Senator Rick Halford, Co-Chairman  
Senate Finance Committee *R. H.*

SUBJECT: SB 333 - Priority Claims During Bank Liquidations

House Finance informed me that SB 333 was to be heard on Thursday, February 25, 1988. It has come to my attention that the bill is still in the House Labor and Commerce Committee. Since HB 373, an identical bill introduced by Representative Phillips, passed out of your Committee in the beginning of February and is currently in the House Finance Committee, I would appreciate it if your Committee would waive the opportunity to hear the bill so that it could indeed be heard by House Finance.

Thank you for your attention to this matter.



# Senator Rick Halford

Senate District 1  
Chugiak, Eagle River, East Anchorage, Fort Richardson

Senate Finance Committee  
Co-Chairman

March 31, 1988

MEMORANDUM

TO: Representative Dave Donley, Chairman  
House Labor and Commerce Committee

FROM: Senator Rick Halford, Co-Chairman  
Senate Finance Committee *Rick Halford*

SUBJECT: SB 333 - Priority Claims During Bank Liquidations

Senate Bill 333 is currently pending before your committee and I would appreciate a hearing on it at the committee's earliest convenience. The bill amends the banking and financial institutions statutes by changing the amount an employee may receive of his already earned wages and benefits during a bank liquidation. The legislation's intent is to bring the amount more in line with today's economic structure.

Section 1 of the bill was added in the Senate Labor and Commerce Committee. It amends AS 06.05.045 by extending the time allowed for a financial institution to submit their report of condition to the Department of Commerce and Economic Development. It changes the time period from 10 days after receipt of a request from the department to 30 days after a date designated for the report. This brings Alaska law more in line with Federal Law. It is supported by both the Banker's Association and the Division of Banking and Securities.

Section 2 amends AS 06.05.470 (t). It adds benefits into the list of items that have priority status during a bank liquidation, changes the time period proceeding the liquidation that an employee can receive their back pay and benefits for from 3 to 12 months, and the amount that an individual can receive from \$3,000 to \$12,000.

Should you need additional information please contact Theresa Maser of my staff at 465-4958.

# Senator Rick Halford



Senate District 1  
Chugiak, Eagle River, East Anchorage, Fort Richardson

Senate Finance Committee  
Co-Chairman

May 1, 1988

## MEMORANDUM

TO: Representative Dave Donley, Chairman  
House Labor and Commerce Committee

FROM: Senator Rick Halford, Co-Chairman  
Senate Finance Committee

SUBJECT: SB 333 - Priority Claims During Bank Liquidations

*Rick Halford*

Senate Bill 333 is currently pending before your committee and I would appreciate a hearing on it at the committee's earliest convenience. The bill amends the banking and financial institutions statutes by changing the amount an employee may receive of his already earned wages and benefits during a bank liquidation. The legislation's intent is to bring the amount more in line with today's economic structure.

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STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY  
LEGISLATIVE REFERENCE LIBRARY

POUCH V - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HL+C

5-8-88

2:00 p.m.