

STATE OF ALASKA

THE LEGISLATURE

1990

Source

SJR 47

Legislative
Resolve No.

86



Urging the Federal Deposit Insurance Corporation to reconsider its liquidation policies for the real property that it controls in the state.

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

WHEREAS the state continues to experience a severe economic crisis and the real estate market continues to be severely depressed; and

WHEREAS the crisis has caused the failure or instability of many financial institutions in the state, and the Federal Deposit Insurance Corporation has found it necessary to close or restructure several of these financial institutions; and

WHEREAS as a result of closing and restructuring these financial institutions, the Federal Deposit Insurance Corporation presently controls many pieces of real estate in the state that are in danger of foreclosure or that have already been foreclosed; and

WHEREAS due to the amount of real property that the Federal Deposit Insurance Corporation controls in the state, the FDIC plays a significant role in the establishment of real property values in the state; and

WHEREAS because of the important role played by the FDIC in the real property market of the state, the wholesale disposal of the real estate controlled by the FDIC in the state would severely lower property values; and

WHEREAS the FDIC has a policy of expeditious liquidation of real properties that are securing overdue obligations owed to the financial institutions of which it has taken control; and

WHEREAS the marketing of large numbers of these properties at one time would further the economic slowdown in the state,

while a more cautious marketing of these properties would help the market to recover and the FDIC to recover more money from their sales;

BE IT RESOLVED that the Alaska State Legislature encourages the Federal Deposit Insurance Corporation to reconsider its present real property liquidation policies and to consider staggering the sale of the properties that it controls in the state in a manner that will help to prevent the real property market in the state from suffering a further decline in property values.

COPIES of this resolution shall be sent to the Honorable Dan Quayle, Vice-President of the United States and President of the U.S. Senate; the Honorable Thomas S. Foley, Speaker of the U.S. House of Representatives; to the Honorable L. William Seidman, Chair of the Board of Directors of the Federal Deposit Insurance Corporation; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.