

Byron Mallott
Lieutenant Governor
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**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

M E M O R A N D U M

TO: Micaela Fowler
Department of Commerce, Community, and Economic Development

FROM: Scott Meriwether, Office of the Lieutenant Governor 465.4081 

DATE: February 2, 2018

RE: Filed Permanent Regulations: Department of Commerce, Community, and Economic Development

Department of Commerce, Community, and Economic Development regulations re:
financial institution general administration (3 AAC 01.110(a); 3 AAC 01.905(a)(4),(e))

Attorney General File:	JU2017200768
Regulation Filed:	2/2/2018
Effective Date:	3/4/2018
Print:	225, April 2018

cc with enclosures: Linda Miller, Department of Law
Judy Herndon, LexisNexis

ORDER ADOPTING CHANGES TO REGULATIONS OF THE
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

The attached two pages of regulations, dealing with financial institution general administration, are adopted and certified to be a correct copy of the regulation changes that the Department of Commerce, Community, and Economic Development adopts under the authority of AS 06.01.010, 06.01.025, AS 06.05.005, AS 06.15.010, AS 06.20.340, AS 06.26.900, AS 06.40.180, AS 06.45.010, and AS 44.81.270 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Department of Commerce, Community, and Economic Development paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

Date: 1.26.18


Micaela Fowler, Legislative Liaison
Office of the Commissioner
Department of Commerce, Community, and
Economic Development

Claire Richardson

FILING CERTIFICATION

I, Byron Mallott, Lieutenant Governor for the State of Alaska, certify that on

1 Feb. 2, 2018, at 2:27 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.


Lieutenant Governor

Effective: March 4, 2018

Register: 225, April 2018



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

OFFICE OF THE COMMISSIONER

P.O. Box 110800
Juneau, AK 99811-0800
Main: 907.465.2500
Fax: 907.465.5442

In accordance with AS 44.17.010, the authority and responsibility for adopting regulations, outside of the Division of Corporations, Business and Professional Licensing (CBPL), but for the Department of Commerce, Community, and Economic Development (DCCED), under the Alaska Administrative Procedure Act, is hereby delegated to:

Micaela Fowler
Legislative Liaison
Office of the Commissioner
DCCED
P.O. Box 110800
Juneau, AK 99811-0800
907-465-2503
micaela.fowler@alaska.gov

In accordance with AS 44.17.010, the authority and responsibility for adopting regulations of the Division of Corporations, Business and Professional Licensing, under the Alaska Administrative Procedure Act, is hereby delegated to:

Janey Hovenden
Director
CBPL
DCCED
P.O. Box 110806
Juneau, AK 99811-0806
907-465-2538
janey.hovenden@alaska.gov

This Delegation of Authority will remain in effect until modified or revoked by a subsequent delegation. This Delegation supersedes and revokes all delegations preceding it.

Dated the 6th day of November, 2017

A handwritten signature in blue ink, reading "Mike Navarre", is written over a horizontal line.
Mike Navarre
Commissioner
Department of Commerce, Community,
and Economic Development


FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, BYRON MALLOTT, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employee to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

Claire Richardson, Special Assistant

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on January 7th 2015.




.....

**BYRON MALLOTT
LIEUTENANT GOVERNOR**

3 AAC 01.110(a) is repealed and readopted to read:

(a) The department will assess a state-chartered deposit institution a regulatory fee based on total assets shown in the December 31 and June 30 report of condition. The assessment will be collected semiannually and will be computed using the following schedule:

- (1) up to \$20,000,000; \$6,000;
- (2) \$20,000,001 or more, but not over \$100,000,000; \$8,000 plus .000124 of total assets over \$20,000,000;
- (3) \$100,000,001 or more, but not over \$200,000,000; \$18,000 plus .000122 of total assets over \$100,000,000;
- (4) \$200,000,001 or more, but not over \$300,000,000; \$31,000 plus .000114 of total assets over \$200,000,000;
- (5) \$300,000,001 or more, but not over \$500,000,000; \$43,000 plus .000061 of total assets over \$300,000,000;
- (6) \$500,000,001 or more, but not over \$1,000,000,000; \$56,000 plus .000038 of total assets over \$500,000,000;
- (7) \$1,000,000,001 or more, but not over \$3,000,000,000; \$80,000 plus .000023 of total assets over \$1,000,000,000;
- (8) over \$3,000,000,001; \$126,000 plus .000015 of total assets over \$3,000,000,000.

(Eff. 11/28/92, Register 124; am 3 / 4 / 2018, Register 225)

Authority: AS 06.01.010 **AS 44.81.270** [AS 44.81.270(c)]

Register 225, April 2018 COMMERCE, COMMUNITY, AND EC. DEV.

3 AAC 01.905(a)(4) is amended to read:

(4) a person or financial institution the records, reports, or correspondence that apply to that particular person or financial institution; **the records, reports, or correspondence will not be disclosed to a person who is not a current account holder, except in the discretion of the commissioner.**

3 AAC 01.905(e) is amended to read:

(e) The board of directors of a bank may release a report of examination, prepared by the department,

(1) to an independent auditor under contract to produce a report of the bank's condition under AS 06.05.438(d); **or**

(2) for review by a potential purchaser of a financial institution, upon written consent of the department under AS 06.01.025(a).

(Eff. 6/6/82, Register 82; am 1/10/94, Register 129; am 3 / 4 / 2018, Register 225)

Authority:	AS 06.01.025	AS 06.15.010	<u>AS 06.26.900</u>
	<u>AS 06.05.005</u>	AS 06.20.340	AS 06.40.180
	[AS 06.05.005(a)]	[AS 06.25.315]	AS 06.45.010

MEMORANDUM


State of Alaska Department of Law

To: Hon. Byron Mallott
Lieutenant Governor

Date: February 2, 2018

File No.: 2017200768

Tel. No.: 465-3600

From: Steven C. Weaver 
Sr. Assistant Attorney General
and Assistant Regulations Attorney
Legislation and Regulations Section

Re: Department of Commerce,
Community, and Economic
Development regulations re: financial
institution general administration
(3 AAC 01.110(a); 3 AAC
01.905(a)(4), (e))

We have reviewed the attached regulations from the Department of Commerce, Community, and Economic Development against the statutory standards of the Administrative Procedure Act. I have reviewed this project under a specific delegation dated February 2, 2018 from the Regulations Attorney. The regulations update provisions and requirements relating to financial institution general administration.

We find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations.

The November 16, 2017 public notice and the January 26, 2018 adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

Hon. Byron Mallott, Lieutenant Governor
Our file: 2017200768

February 2, 2018
Page 2

We have made a technical correction to re-position a history note in accordance with AS 44.62.125. The correction is shown on the attached copy of the regulations.

SCW

cc w/enc: (via email)

Hon. Mike Navarre, Commissioner
Department of Commerce, Community, and Economic Development

Micaela Fowler, Regulations Contact
Department of Commerce, Community, and Economic Development

Barbara Reid, Acting Director
Division of Banking and Securities
Department of Commerce, Community, and Economic Development

Amie Spieth
Division of Banking and Securities
Department of Commerce, Community, and Economic Development

Erin Egan, Assistant Attorney General
Commercial, Fair Business, and Child Support Section

MEMORANDUM


State of Alaska Department of Law

TO: Hon. Byron Mallott
Lieutenant Governor

DATE: February 2, 2018

FILE NO.: 2017200768

TELEPHONE NO.: (907) 465-3600

FROM: Susan R. Pollard 
Chief Assistant Attorney General
and Regulations Attorney
Legislation/Regulations Section

SUBJECT: Specific delegation of authority
regarding regulations review on
Department of Commerce,
Community, and Economic
Development regulations re:
financial institution general
administration (3 AAC 01.110(a);
3 AAC 01.905(a)(4), (e))

By this memorandum, I am delegating my authority as Regulations Attorney under AS 44.62 to Assistant Attorney General Steven C. Weaver for the above-referenced regulations project. Under this delegation of authority, Steven Weaver has my full authority under AS 44.62 to conduct the legal review under AS 44.62 and take necessary actions on this regulations project.

If you have questions, please let me know.

SCW

cc w/enc: Scott C. Meriwether, AAC Coordinator
Office of the Lieutenant Governor

Steven C. Weaver
Sr. Assistant Attorney General and
Assistant Regulations Attorney
Legislation/Regulations Section

NOTICE OF PROPOSED CHANGES ON FINANCIAL INSTITUTIONS
IN THE REGULATIONS OF THE DEPARTMENT OF COMMERCE,
COMMUNITY, AND ECONOMIC DEVELOPMENT

BRIEF DESCRIPTION

The Department of Commerce, Community, and Economic Development proposes changes to regulations under 3 AAC 01 dealing with financial institutions in order to clarify and update existing regulations and to update assessment fees.

The Department of Commerce, Community, and Economic Development proposes to adopt regulation changes in Title 3, Chapter 01, of the Alaska Administrative Code, dealing with financial institutions, including the following:

- (1) Update assessment fees charged to financial institutions under 3 AAC 01.110 to accurately reflect costs to the program.
- (2) Amend 3 AAC 01.905 to clarify who has access to department records.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to Amie Spieth, Division of Banking and Securities, Department of Commerce, Community, and Economic Development, P.O. Box 110807, Juneau, AK, 99801. Additionally, the Department of Commerce, Community, and Economic Development will accept comments by facsimile at (907) 465-1230 and by electronic mail at dbsregs@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. **The comments must be received not later than December 18, 2017.**

You may submit written questions relevant to the proposed action to Amie Spieth by electronic mail at dbsregs@alaska.gov or by mail at P.O. Box 110807, Juneau, AK, 99801. **The questions must be received at least 10 days before the end of the public comment period.** The Department of Commerce, Community, and Economic Development will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and the Division of Banking and Securities' website at <https://www.commerce.alaska.gov/web/dbs>. The Department of Commerce, Community, and Economic Development may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Amie Spieth at dbsregs@alaska.gov or (907) 465-5450 not later than December 18, 2017 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Division of Banking and Securities' website at <https://www.commerce.alaska.gov/web/dbs> and the Alaska Online Public Notice System. You may also request a copy by contacting Amie Spieth at dbsregs@alaska.gov

or (907) 465-5450.

After the public comment period ends, the Department of Commerce, Community, and Economic Development will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. **You should comment during the time allowed if your interests could be affected. Written comments and questions received are public records and are subject to public inspection.**

Statutory authority: AS 06.01.048

Statutes being implemented, interpreted, or made specific: AS 06.01.010; AS 06.01.025; AS 06.05.005; AS 06.15.010; AS 06.20.340; AS 06.25.315; AS 06.40.180; AS 06.45.010; AS 44.81.270

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date

11-15-17

Chief of Licensing

The Department of Commerce, Community, and Economic Development, Division of Banking and Securities keeps a list of individuals and organizations interested in its regulations. Those on the list will automatically be sent a copy of all the Division's Notice of Proposed Regulation Changes. To be added to or removed from the list, send the request to Division of Banking and Securities, Department of Commerce, Community, and Economic Development, P.O. Box 110807, Juneau, AK, 99801 or to dbsregs@alaska.gov. Please include your name and either your electronic mail address or mailing address, as you prefer for receiving notices.

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))

1. **Adopting agency:** Department of Commerce, Community, and Economic Development
2. **General subject of regulation:** Regulation of financial institutions
3. **Citation of regulation:** 3 AAC 01.110, 3 AAC 01.905
4. **Department of Law file number:** 2017200768
5. **Reason for the proposed action:** Update and clarify various outdated sections of the financial regulations and increase assessment fees to cover costs, as required under AS 06.01.010
6. **Appropriation/Allocation:** None
7. **Estimated annual cost to comply with the proposed action to:**

A private person: An increase in semi-annual assessment fees ranging from \$1128-\$23,900 plus .000135 of total assets depending on current assets.
Another state agency: None
A municipality: None
8. **Cost of implementation to the state agency and available funding (in thousands of dollars):** No costs are expected in FY2018 or in subsequent years.
9. **The name of the contact person for the regulation:**

Amie Spieth, Regulations Specialist
Division of Banking and Securities
Telephone: (907) 465-5450
E-mail address: amie.spieth@alaska.gov
10. **The origin of the proposed action:** Division of Banking and Securities
11. **Date:** November 7, 2017
Prepared by: Amie Spieth, Regulations Specialist

AFFIDAVIT OF NOTICE OF PROPOSED REGULATION
AND FURNISHING OF ADDITIONAL INFORMATION

I, Amie Spieth, Regulation Specialist II, of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to 3 AAC 01 related to financial institution general administration has been given by being

- (1) published in a newspaper or trade publication;
- (2) furnished to interested persons;
- (3) furnished to appropriate state officials;
- (4) furnished to the Department of Law, along with a copy of the proposed regulation;
- (5) furnished electronically to incumbent State of Alaska legislators;
- (6) furnished to the Legislative Affairs Agency, Division of Legal and Research Services;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1); and
- (8) furnished electronically, along with a copy of the proposed regulation, to the Legislative Affairs Agency, the chair of the Labor and Commerce Committee of the Alaska Senate and House of Representatives, the Administrative Regulation Review Committee, and the legislative council.

As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (5) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: 01/26/18




Amie Spieth, Regulations Specialist II

Subscribed and sworn to before me at Juneau AK on

Jan 26 2018.





Notary Public in and for the State of Alaska

AFFIDAVIT OF AGENCY RECORD OF PUBLIC COMMENT


I, Amie Spieth, Regulation Specialist II, of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities, being sworn, state the following:

In compliance with AS 44.62.215, the Department of Commerce, Community, and Economic Development has kept a record of its use or rejection of factual or other substantive information that was submitted in writing as public comment and that was relevant to the accuracy, coverage, or other aspect of the Department of Commerce, Community, and Economic Development regulations dealing with financial institution general administration.

Date: 01/26/18


Amie Spieth, Regulations Specialist II

Subscribed and sworn to before me at Juneau AK on
Jan 26 2018.


Notary Public in and for the State of Alaska



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RECEIVED
SOA/Dept. of Commerce

NOV 21 2017

Securities
Juneau

RECEIVED
Juneau

NOV 20 2017

CBPL

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

Lisa Hartlieb

being first duly sworn on oath deposes and says that he/she is a representative of the Alaska Dispatch News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

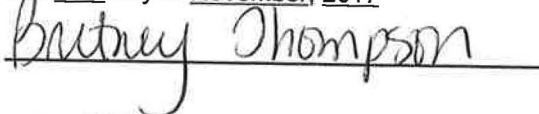
November 16, 2017

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed



Subscribed and sworn to before me
this 16th day of November, 2017



Notary Public in and for
The State of Alaska.
Third Division

Anchorage, Alaska

MY COMMISSION EXPIRES

2/23/2019
Notary Public
BRITNEY L. THOMPSON
State of Alaska
My Commission Expires Feb 23, 2019

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Statutory authority: AS 06.01.048

Statutes being implemented, interpreted, or made specific: AS 06.01.010; AS 06.01.025; AS 06.05.005; AS 06.15.010; AS 06.20.340; AS 06.25.315; AS 06.40.180; AS 06.45.010; AS 44.81.270

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: 11/15/17

/s/ Barbara Reid
Chief of Licensing

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Published: November 16, 2017