

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Dowd**

A Bill

SENATE BILL

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For An Act To Be Entitled

7 "AN ACT TO REENACT THE RECIPROCAL AUTHORITY OF FOREIGN
8 BANKS AND TRUST COMPANIES TO ACT AS FIDUCIARIES WITHIN
9 THE STATE OF ARKANSAS, WHICH AUTHORITY WAS INADVERTENTLY
10 REPEALED BY THE ENACTMENT OF THE ARKANSAS BUSINESS
11 CORPORATION ACT OF 1987; AND FOR OTHER PURPOSES."

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14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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16 SECTION 1. The General Assembly has determined that Act 118 of 1979
17 authorized foreign banks and trust companies to act as fiduciaries within this
18 State if the state under which they were organized and have their principal
19 office grants reciprocal authority to Arkansas banks and trust companies, and
20 that such authority was inadvertently repealed by the Arkansas Business
21 Corporation Act of 1987. It is the intent of this Act to reestablish that
22 reciprocal authority and to ratify any transactions that have occurred since
23 the enactment of the Arkansas Business Corporation Act of 1987 and which would
24 have been valid under Act 118 of 1979.

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26 SECTION 2. (a) For purposes of this Act, "foreign bank or trust company
27 with fiduciary powers" means a bank or trust company organized under the laws
28 of and having its principal office in the District of Columbia or any
29 territory or state of the United States other than the State of Arkansas, and
30 any national bank having its principal office in the District of Columbia or a
31 territory or another state, and which bank or trust company is empowered to
32 act as a fiduciary.

33 (b) Any foreign bank or trust company with fiduciary powers may be
34 appointed and may serve in the State of Arkansas as trustee of a personal or
35 corporate trust, executor, administrator, guardian of the estate, or in any

1 other fiduciary capacity, whether the appointment is by will, deed, agreement,
2 declaration, indenture, court order, or decree, or otherwise, when and to the
3 extent that the District of Columbia, territory or other state in which the
4 foreign bank or trust company is organized and has its principal office grants
5 such fiduciary authority to a bank or trust company organized under the laws
6 of and having its principal office in the State of Arkansas, or to a national
7 bank having its principal office in the State of Arkansas.

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9 SECTION 3. All provisions of this Act of a general and permanent nature
10 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
11 Revision Commission shall incorporate the same in the Code.

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13 SECTION 4. If any provision of this Act or the application thereof to
14 any person or circumstance is held invalid, such invalidity shall not affect
15 other provisions or applications of the Act which can be given effect without
16 the invalid provision or application, and to this end the provisions of this
17 Act are declared to be severable.

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19 SECTION 5. All laws and parts of laws in conflict with this Act are
20 hereby repealed.

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22 SECTION 6. Emergency. It is hereby found and determined by the General
23 Assembly that the reciprocal authority for foreign banks and trust companies
24 to act as fiduciaries within the State of Arkansas was inadvertently repealed
25 by the enactment of the Arkansas Business Corporation Act of 1987; that this
26 Act reenacts such authority; and that until this Act becomes effective the
27 authority of foreign banks and trust companies to act as fiduciaries within
28 this State is questionable. Therefore, an emergency is declared to exist and
29 this Act being immediately necessary for the preservation of the public peace,
30 health and safety shall be in full force and effect from and after its passage
31 and approval.

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