

CHAPTER 178

BANKS AND BANKING—STATE BANKING BOARD

H. F. 392

AN ACT creating a state banking board to advise with the superintendent of banking in administration of all banking laws.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. Board created—appointment—compensation—records.

1 There is hereby created a board to be called the state banking board,
2 composed of five members of which the superintendent of banking
3 shall be ex officio a member and chairman, and four members who
4 shall be chosen from various sections of the state, so far as it is
5 geographically practical to do so.

6 Said board shall be appointed by the governor. The term of office
7 of each member thereof shall be contemporaneous with the term of
8 office of the superintendent, and each member shall hold his office for
9 such term and until his successor shall have been appointed and qual-
10 ified. In case of any vacancy in said board the governor shall appoint
11 a new member to fill such vacancy for the unexpired term. The mem-
12 bers of said board, other than the superintendent of banking, shall
13 receive no salary, but shall be allowed and paid the sum of ten dollars
14 (\$10) per diem each, for the time actually engaged in performing
15 their duties as members of such board together with all the expenses
16 necessarily incurred and paid out by them in connection therewith.
17 Such compensation and expenses shall be paid from the current and
18 accumulated earnings of the banking department. The superintendent
19 of banking shall keep a permanent record in his office containing an
20 itemized statement of the per diem and all expenses incurred by each
21 member of said board, and shall approve all expense accounts before
22 they are submitted to the auditor of state for payment, and thereupon
23 vouchers shall be allowed and paid out of the state treasury as pro-
24 vided by law.

1 **SEC. 2. Meetings.** The state banking board shall meet regularly
2 at the office of the superintendent of banking once each month on
3 such date as the board may appoint, and shall meet at such other
4 times as the board may deem necessary, or when called by the chair-
5 man of the board, or any two members thereof.

1 **SEC. 3. To act with superintendent of banking.** The members of
2 said board shall have free access to all the records in the office of the
3 superintendent of banking. Said board shall act in connection with
4 the superintendent in an advisory capacity concerning all matters
5 pertaining to the conduct of the banking department and the admin-
6 istration of the Iowa banking laws.

1 **SEC. 4. Repeal.** All acts and parts of acts in conflict with this act
2 are hereby repealed.

1 **SEC. 5. Publication clause.** This act, being deemed of immediate
2 importance, shall take effect and be in full force from and after its
3 publication in the Palo Alto Reporter, a newspaper published in the
4 city of Emmetsburg, Iowa, and Plain Talk, published in the city of
5 Des Moines, Iowa.

Approved April 3, A. D. 1925.

I hereby certify that the foregoing act was published in the Palo Alto Reporter April 9, 1925, and Des Moines Plain Talk April 9, 1925.

W. C. RAMSAY, *Secretary of State.*

CHAPTER 179

BANKS—LIQUIDATION—REORGANIZATION

H. F. 47

AN ACT to amend section nine thousand two hundred thirty-nine (9239) of the code, 1924, relating to the liquidation and distribution of the assets of banks in the hands of the superintendent of banking for liquidation and distribution.

Be it enacted by the General Assembly of the State of Iowa:

1 **SECTION 1. Reorganization.** That the law as it appears in section
2 ninety-two hundred thirty-nine (9239) of the code, 1924, be amended
3 by adding thereto the following:

4 If a majority of the creditors holding direct unsecured obligations of
5 such bank in excess of ten dollars (\$10.00) each, and totalling in the
6 aggregate amount seventy-five per cent (75%) of all direct unsecured
7 obligations, shall agree in writing to a plan of disposition and distribu-
8 tion of assets through reorganization or consolidation of the bank, the
9 district court in which such receivership is pending, upon application
10 of the superintendent of banking, may order a disposition and distribu-
11 tion conforming in general to the provisions of such plan.

1 **SEC. 2. Public funds.** Any county, city, town, township, or school
2 district, through its governing board, may so agree to the extent of
3 its unsecured and unpreferred claims. The state may through the
4 executive council so agree as to its unsecured and unpreferred claims.

1 **SEC. 3. Hearing—notice.** Prior to ordering any such disposition or
2 distribution of assets, the court or judge thereof shall fix the time and
3 place of hearing upon said application and shall by order prescribe
4 the kind and character of notice to be given to all creditors and stock-
5 holders.

1 **SEC. 4. Court to determine.** At such hearing the court shall de-
2 termine the equities of all parties and also determine whether such
3 disposition and distribution is for the best interest of the unsecured
4 creditors. If the plan shall be approved, thereafter and until the
5 assets are distributed, the court shall have power to make such re-
6 quirements as in his sound discretion will conserve the assets and in-
7 sure the distribution thereof as provided by law.