

January 28, 1955.

92  
**House File-173-**

Passed on File.

By BANKS, BUILDING AND LOAN COMMITTEE.

Passed House, Date.....*2-7-55*.....

Vote: Ayes.....*123*..... Nays.....*2*.....

Passed Senate, Date.....

Vote: Ayes..... Nays.....

Approved .....

## A BILL FOR

An Act relating to real estate holdings of savings banks,  
state banks and trust companies.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 Section 1. Section five hundred twenty-six point  
2 thirty-four (526.34), Code 1954, is amended by inserting  
3 after the words "saving bank" in line one (1), the words,  
4 ", state bank or trust company, subject to the approval of the  
5 superintendent of banking,"; and by striking subsection one  
6 (1) and inserting in lieu thereof a new subsection reading as  
7 follows: "1. Such as shall be necessary for its accommodation  
8 in the transaction of its business."

1 Sec. 2. This act, being deemed of immediate importance,  
2 shall take effect and be in full force from and after its  
3 passage and publication in the Eldora Herald-Ledger, a  
4 newspaper published at Eldora, Iowa, and in the Sibley  
5 Gazette-Tribune, a newspaper published at Sibley, Iowa.

### EXPLANATION OF H. F. 173

The great number of automobiles today, which number has been constantly increasing, has presented an auto parking problem for bank customers in which the banks would like to be able to extend some help and relief. But it is found that the present state banking laws give no authority to banks to acquire parking areas so that they may be able to extend parking facilities for the convenience of their customers. It is, therefore, the intent of this bill to authorize all of our state incorporated banks that may find it

desirable to do so, to provide such facilities upon approval by the superintendent of banking. The above bill follows the language in the national banking law with respect to the purchase or holding of such real estate by any national bank, which bank, of course, must first obtain approval of the comptroller of the currency. The above bill seeks to put our state incorporated banks upon a parity with the national banks in Iowa. Such national bank may be located in the same block or across the street from a state bank and it would appear that it is only fair that such state bank should be able to provide some parking facilities for the accommodation of its customers on a basis not unlike the national bank. Various states have already passed similar laws for their state banks. This bill is approved by both the Iowa State Banking Department and the Iowa Bankers Association.

This bill does not disturb subsection 2 of Section 526.34. That subsection will continue to remain in the Code exactly as it now stands as shown below.

The following will show how the bill would amend the present law. The part in parentheses would be repealed, the part italicized would be new subject matter.

526.34 Real estate holdings. A savings bank, *state bank or trust company*, subject to the approval of the superintendent of banking, may purchase, hold, and convey real estate only as follows:

(1. The lot and building in which its business is carried on.) :

1. *Such as shall be necessary for its accommodation in the transaction of its business*

2. Such as shall have been purchased at sales upon foreclosure of mortgages owned by it, or upon judgments or decrees obtained or rendered for debts due it, or such as shall be conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or such as it may obtain by redemption as junior mortgagee or judgment creditor, and which shall be sold by said bank within ten years after the title shall be vested in it.