

Commerce 4/9

Senate File 445
Commerce
Rabedeaux, Chairman
Glenn
Bergman

FILED APR 8 1975

SENATE FILE 445

By LAMBORN, RODGERS and PRIEBE

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the establishment of fees for certain
2 applications filed with the department of banking.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 Section 1. Section five hundred twenty-four point three
2 hundred three (524.303), subsection two (2), Code 1975, is
3 amended to read as follows:

4 2. ~~Applicable~~ An initial fee of one thousand five hundred
5 dollars payable to the superintendent, together with the
6 applicable fees, payable to the secretary of state as specified
7 in section 496A.124, for the filing and recording of the
8 articles of incorporation.

9 Sec. 2. Section five hundred twenty-four point three
10 hundred five (524.305), unnumbered paragraph four (4), Code
11 1975, is amended to read as follows:

12 Before receiving the decision of the superintendent with
13 respect to the pending application the incorporators shall,
14 upon notice, reimburse the superintendent ~~to the extent of~~
15 ~~the expenses incurred by him in connection with~~ for all direct
16 expenses of the department of banking incurred in connection
17 with the processing of the application, plus a charge to be
18 determined by the superintendent in each case sufficient to
19 recover those portions of salaries of his staff directly
20 allocable to the investigation and processing of the
21 application.

22 Sec. 3. Chapter five hundred twenty-four (524), Code 1975,
23 is amended by adding to division twelve (XII) the following
24 new section:

25 NEW SECTION. Every application for approval by the
26 superintendent of the location of any new bank office shall
27 be accompanied by a fee of three hundred dollars, payable
28 to the superintendent, except that no fee shall be required
29 if the location of the new bank office is to be within the
30 same municipal corporation or within the same unincorporated
31 area of a county as the location of the principal place of
32 business of the bank. Every application for approval by the
33 superintendent of any change of location of a previously
34 established bank office shall be accompanied by a fee of three
35 hundred dollars, payable to the superintendent, except that

1 no fee shall be required if the proposed location of the
2 office is within the same municipal corporation or within
3 the same unincorporated area of a county as the previous
4 location of the office.

5 Sec. 4. Section five hundred twenty-four point one thousand
6 three hundred three (524.1303), subsection two (2), Code 1975,
7 is amended to read as follows:

8 2. Upon adoption of a plan of dissolution of a state bank
9 by the shareholders, the plan shall be submitted to the
10 superintendent for approval. If the plan of dissolution
11 involves a provision for acquisition of its assets and
12 assumption of its liabilities by another state bank or national
13 bank, the application for approval shall be accompanied by
14 a fee, payable to the superintendent of one thousand five
15 hundred dollars. Upon receipt of an application for approval
16 of a plan of dissolution the superintendent shall conduct
17 such investigation as he may deem necessary to determine
18 whether the plan adequately protects the interests of
19 depositors, other creditors and shareholders and, if the plan
20 involves an acquisition of assets and assumption of liabilities
21 by another state bank, whether such acquisition and assumption
22 would be consistent with adequate and sound banking and in
23 the public interest, on the basis of factors substantially
24 similar to those set forth in section 524.1403, subsection
25 1, paragraph "d". Within ninety days after receipt of the
26 application, the superintendent shall approve or disapprove
27 the application on the basis of his investigation. Before
28 receiving the decision of the superintendent with respect
29 to the pending application, the applying state bank shall,
30 upon notice, reimburse the superintendent ~~to the extent of~~
31 ~~the expenses incurred by him in connection with~~ for all direct
32 expenses of the department of banking incurred in connection
33 with the processing of the application, plus a charge to be
34 determined by the superintendent in each case as will enable
35 him to recover those portions of salaries of his staff directly

1 allocable to the investigation and processing of the
2 application. Thereafter the superintendent shall give to
3 the applying state bank written notice of his decision, and
4 in the event of disapproval, a statement of the reasons for
5 his decision. The decision of the superintendent shall be
6 subject to judicial review in accordance with the terms of
7 the Iowa administrative procedure Act.

8 Sec. 5. Section five hundred twenty-four point one thousand
9 four hundred two (524.1402), subsection three (3), paragraph
10 b, Code 1975, is amended to read as follows:

11 b. Applicable An initial fee of one thousand five hundred
12 dollars payable to the superintendent, together with the
13 applicable fees payable to the secretary of state as specified
14 in section 496A.124, for the filing and recording of the
15 articles of merger or consolidation.

16 Sec. 6. Section five hundred twenty-four point one thousand
17 four hundred three (524.1403), subsection two (2), Code 1975,
18 is amended to read as follows:

19 2. Within one hundred eighty days after receipt of the
20 application, or within an additional period of not more than
21 sixty days after receipt of an amendment of the application,
22 the superintendent shall make a determination whether to
23 approve or disapprove the application on the basis of his
24 investigation. The plan shall not be modified at any time
25 after approval of the application by the superintendent.
26 Prior to making a determination on the pending application
27 the superintendent shall, upon adequate notice, afford all
28 interested persons an opportunity for a stenographically
29 reported hearing during which such persons shall be allowed
30 to present evidence in support of, or in opposition to, the
31 pending application. If the superintendent finds that he
32 must act immediately on the pending application in order to
33 protect the interests of depositors or the assets of any party
34 to the plan, he may proceed without requiring publication
35 of the notice and without providing for the hearing referred

1 to in this subsection. Before receiving the decision of the
2 superintendent with respect to the pending application, the
3 parties to the plan shall, upon notice, reimburse the super-
4 intendent ~~to the extent of the expenses incurred by him in~~
5 connection with for all direct expenses of the department
6 of banking incurred in connection with the processing of the
7 application, plus a charge to be determined by the
8 superintendent in each case as will enable him to recover
9 those portions of salaries of his staff directly allocable
10 to the investigation and processing of the application.
11 Thereafter the superintendent shall give to the parties to
12 the plan written notice of his decision and, in the event
13 of disapproval, a statement of the reasons for his decision.
14 The decision of the superintendent shall be subject to judicial
15 review in accordance with the terms of the Iowa administrative
16 procedure Act.

17 Sec. 7. Section five hundred twenty-four point one thousand
18 five hundred seven (524.1507), Code 1975, is amended to read
19 as follows:

20 524.1507 CHANGE OF LOCATION OF PRINCIPAL PLACE OF BUSINESS.

21 1. If a change in the location of the principal place
22 of business of a state bank is proposed and involves a change
23 other than a change within the municipal corporation or
24 unincorporated area in which the state bank has its principal
25 place of business, application for the required approval of
26 the superintendent shall be made in the manner required by
27 the superintendent and subject to the provisions of this
28 section. The request shall be accompanied by an initial fee
29 of one thousand five hundred dollars, payable to the
30 superintendent. Any change in location of the principal place
31 of business of a state bank subject to this section shall
32 require amendment to the articles of incorporation in
33 accordance with the provisions of sections 524.1502, 524.1504
34 and 524.1506. A state bank seeking approval of a change of
35 location pursuant to this subsection shall publish a notice

1 of the proposed change of location in a newspaper of general
2 circulation published in the municipal corporation or
3 unincorporated area in which the state bank has its principal
4 place of business, or if there is none, in a newspaper of
5 general circulation published in the county, or in a county
6 adjoining the county, in which the state bank has its principal
7 place of business, and in the municipal corporation in which
8 it seeks to establish its principal place of business, or
9 if there is none, in a newspaper of general circulation
10 published in the county, or in a county adjoining the county,
11 in which such municipal corporation is located. The notice
12 shall be published within thirty days after making application
13 to the superintendent for approval of the change in location.
14 The notice shall set forth the name of the state bank, the
15 present location of its principal place of business, the
16 location to which it wishes to move its principal place of
17 business and the date upon which the state bank made
18 application to the superintendent for approval of the change.
19 2. Upon receipt of an application for approval of a change
20 of location of the principal place of business of a state
21 bank pursuant to subsection 1 of this section, the
22 superintendent shall conduct such investigation as he deems
23 necessary giving due consideration to factors substantially
24 similar to those set forth in section 524.305, subsections
25 2 to 6. Within one hundred eighty days after receipt of the
26 application, the superintendent shall make a determination
27 whether to approve or disapprove the application on the basis
28 of his investigation. Prior to making a determination on
29 the pending application the superintendent shall, upon adequate
30 notice, afford all interested persons an opportunity for a
31 stenographically reported hearing during which such persons
32 shall be allowed to present evidence in support of, or in
33 opposition to, the pending application. Thereafter the
34 superintendent shall give written notice of his decision to
35 the state bank and, in the event of disapproval, a statement

1 of the reasons for his decision. If the superintendent shall
2 approve the change in location he shall deliver the articles
3 of amendment to the secretary of state. The decision of the
4 superintendent shall be subject to judicial review in
5 accordance with the terms of the Iowa administrative procedure
6 Act. Before receiving the decision of the superintendent
7 with respect to the pending application, the state bank shall
8 upon notice reimburse the superintendent ~~to the extent of~~
9 the expenses incurred by him in connection with for all direct
10 expenses of the department of banking incurred in connection
11 with the processing of the application, plus a charge to be
12 determined by the superintendent in each case as will enable
13 him to recover those portions of salaries of his staff directly
14 allocable to the investigation and processing of the

SENATE FILE 445
FISCAL NOTE

Date Prepared: April 8, 1975
Requested by: Senator Clifton Lamborn
Prepared in regard to Senate File 445, An Act
relating to the establishment of fees for certain
applications filed with the department of
banking. Following is the fiscal effect in
dollars of the legislative proposal as required
by Joint Rule 16.

The following information is based on the number
of applications processed in 1973 and 1974.

	1974	1973	Proposed Application Fee
New bank applications	1	0	\$1,500
New Out-of-town bank office applications	10	9	300
Purchase and assumption proposals	3	0	1,500
Bank relocations to other cities & towns	1	3	1,500
Merger or consolidation proposals	2	0	1,500

Source: Banking Department

FILED
APRIL 10, 1975

GERRY D. RANKIN
LEGISLATIVE FISCAL DIRECTOR