

(P.842) 3/28/94 Refused back to Commerce

FILED MAR 4 1994

SENATE FILE 2274  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 43)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to limitations on the acquisition of banks,  
2 savings and loan associations, and savings banks by bank  
3 holding companies.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2274

1 Section 1. Section 524.1802, Code 1993, is amended to read  
2 as follows:

3 524.1802 LIMITATION.

4 1. A bank holding company shall not directly or indirectly  
5 acquire ownership or control of more than twenty-five percent  
6 of the voting shares of a bank, savings and loan association,  
7 or savings bank, or the power to control in any manner the  
8 election of a majority of the directors of a bank, savings and  
9 loan association, or savings bank if upon the acquisition the  
10 banks, savings and loan associations, and savings banks so  
11 owned or controlled by the bank holding company would have, in  
12 the aggregate, more than ~~ten~~ fourteen percent of the total  
13 time and demand deposits of all banks, savings and loan  
14 associations, and savings banks in this state, as determined  
15 by the superintendent on the basis of the most recent reports  
16 of the banks, savings and loan associations, and savings banks  
17 in the state to their supervisory authorities which are  
18 available at the time of the acquisition.

19 2. Notwithstanding subsection 1, a bank holding company  
20 shall not directly or indirectly acquire ownership or control  
21 of more than twenty-five percent of the voting shares of a  
22 bank, savings and loan association, or savings bank, or the  
23 power to control in any manner the election of a majority of  
24 the directors of a bank, savings and loan association, or  
25 savings bank if upon the acquisition the banks, savings and  
26 loan associations, and savings banks so owned or controlled by  
27 the bank holding company would have, in the aggregate, more  
28 than ten percent of the total time and demand deposits of all  
29 banks, savings and loan associations, and savings banks in  
30 this state, as determined by the superintendent on the basis  
31 of the most recent reports of the banks, savings and loan  
32 associations, and savings banks in the state to their  
33 supervisory authorities which are available at the time of the  
34 acquisition unless such bank holding company provides proof to  
35 the superintendent, at the time the bank holding company makes



1 provides proof to the superintendent, at the time the bank  
2 holding company makes application to the superintendent to  
3 acquire a bank located in this state, that the bank holding  
4 company has paid during the holding company's immediately  
5 preceding tax year the franchise tax imposed pursuant to  
6 section 422.63 on all investment income related to all banks  
7 in this state owned by the holding company.

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DELUHERY, CH.  
STURGEON  
KERSTEN

SSB 43  
Commerce

*NWD*  
2274

SENATE FILE  
BY (PROPOSED COMMITTEE ON  
COMMERCE BILL BY  
CHAIRPERSON DELUHERY)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to limitations on the acquisition of banks,  
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1 Section 1. Section 524.1802, subsection 1, Code 1993, is  
2 amended by striking the subsection.

3 EXPLANATION

4 This bill strikes the deposit limitation on bank holding  
5 companies acquiring more than 25 percent of the voting shares  
6 of a bank, savings and loan association, or savings bank.  
7 Currently, a bank holding company is prohibited from acquiring  
8 such shares if, upon acquisition, the bank holding company  
9 would have, in the aggregate, more than 20 percent of the  
10 total time and demand deposits of all such institutions in  
11 this state.

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