



CHESTER J. CULVER
GOVERNOR

OFFICE OF THE GOVERNOR

PATTY JUDGE
LT. GOVERNOR

May 24, 2007

The Honorable Michael Mauro
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

Senate File 360, an Act relating to the regulatory duties of the division of banking of the department of commerce regarding banking, debt management, mortgage banking, industrial loan companies, and professional licensing.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Chester J. Culver".

Chester J. Culver
Governor

CJC:bdj

cc: Secretary of the Senate
Chief Clerk of the House





SENATE FILE 360

AN ACT

RELATING TO THE REGULATORY DUTIES OF THE DIVISION OF BANKING OF THE DEPARTMENT OF COMMERCE REGARDING BANKING, DEBT MANAGEMENT, MORTGAGE BANKING, INDUSTRIAL LOAN COMPANIES, AND PROFESSIONAL LICENSING.

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

Section 1. NEW SECTION. 524.215A PRESERVATION OF DIVISION OF BANKING RECORDS.

1. The division of banking may preserve records, papers, or documents kept by the division or in the possession or custody of the division by any of the following means:

- a. Photographing or microphotographing, or otherwise reproducing upon film.
- b. Preserving in any electronic medium or format capable of being read or scanned by computer and capable of being reproduced by printing or by any other form of reproduction of electronically stored data.

2. Photographs, microphotographs, or photographic films or copies thereof, or reproductions of electronically stored data, created pursuant to subsection 1 shall be deemed to be an original record for all purposes, including introduction in evidence in all state and federal courts or administrative hearings, and shall be admissible to prove any act, transaction, occurrence, or event therein recorded.

3. Photographs, microphotographs, or photographic films or copies thereof, or reproductions of electronically stored data, created pursuant to subsection 1 shall be preserved in such manner as the division prescribes, and the original photographs, microphotographs, photographic films, copies, and

reproductions may be destroyed or otherwise disposed of as the division directs.

Sec. 2. Section 524.217, subsection 2, Code 2007, is amended to read as follows:

2. The superintendent may furnish to the federal deposit insurance corporation, the federal reserve system, ~~the office of the comptroller of the currency, the office of thrift supervision,~~ the United States department of the treasury, the national credit union administration, the federal home loan bank, ~~the financial crimes enforcement network of the federal department of the treasury, the United States internal revenue service,~~ and financial institution regulatory authorities of other states, or to any official or supervising examiner of such regulatory authorities, a copy of the report of any or all examinations made of any state bank and of any affiliate of a state bank.

Sec. 3. Section 524.217, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 6. The superintendent may enter into contractual agreements with other state regulators of financial institutions to share examiners or to assist in each state's respective examinations. The division of banking shall be reimbursed for any costs incurred when providing services to other states pursuant to this subsection. Any division of banking personnel assisting another state with its examination shall be covered by the provisions of the other state's tort claims act, to the extent permitted by the laws of the other state. If the law of the other state does not extend coverage to the division of banking personnel working on the other state's examination, the provisions of chapter 669 shall apply.

Sec. 4. Section 533A.10, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Except as otherwise provided by this chapter, all papers, documents, examination reports and other writings relating to the supervision of licensees are not public records and are not subject to disclosure under chapter 22. The superintendent may disclose information to representatives of other state or federal regulatory authorities. The superintendent may release summary complaint

information as long as the information does not specifically identify the complainant. The superintendent may prepare and circulate reports reflecting financial information examination results for all licensees on an aggregate basis, including other information considered pertinent to the purpose of each report for general statistical information. The superintendent may prepare and circulate reports provided by law. The superintendent may release the reports and correspondence in the course of an enforcement proceeding or a hearing held by the superintendent and may provide this information to the attorney general for purposes of enforcing this chapter or the consumer fraud Act, section 714.16.

Sec. 5. Section 535B.14, Code 2007, is amended to read as follows:

535B.14 RULEMAKING AUTHORITY.

The administrator may adopt, amend, or repeal rules to aid in the administration and enforcement of this chapter, including rules providing the grounds for denial of an individual registration based on information received as a result of a background check, character and fitness grounds, and any other grounds for which an individual registrant or licensee may be disciplined.

Sec. 6. Section 536A.22, unnumbered paragraph 1, Code 2007, is amended to read as follows:

Licensed industrial loan companies ~~may~~ shall not sell senior debt to the general public in the form of thrift certificates, installment thrift certificates, certificates of indebtedness, promissory notes, or similar evidences of indebtedness ~~if-such-debt-instruments-are-insured-by-a-federal-deposit-insurance-agency~~. Licensees selling debt instruments on January 1, 1996, may continue to do so ~~without-obtaining-federal-deposit-insurance~~ until there is a change of control of the licensee which occurs on or after January 1, 1996. If there is a change of control of a licensee on or after January 1, 1996, and the licensee has sold senior debt instruments that ~~are-not-insured-by-a-federal-deposit-insurance-agency~~ remain outstanding at the time of the change of control, such outstanding senior debt instruments that do not have a stated maturity date shall be redeemed within six months of the date of the change of control. Such outstanding senior debt

instruments with stated maturity dates shall be redeemed on their stated maturity dates.

Sec. 7. Section 546.10, Code 2007, is amended by adding the following new subsections:

NEW SUBSECTION. 6. The licensing boards included in the bureau pursuant to subsection 1 may refuse to issue or renew a license to practice a profession to any person otherwise qualified upon any of the grounds for which a license may be revoked or suspended or a licensee may otherwise be disciplined, or upon any other grounds set out in the chapter governing the respective board.

NEW SUBSECTION. 7. The licensing boards included in the bureau pursuant to subsection 1 may suspend, revoke, or refuse to issue or renew a license, or may discipline a licensee based upon a suspension, revocation, or other disciplinary action taken by a licensing authority in this or another state, territory, or country. For purposes of this subsection, "disciplinary action" includes the voluntary surrender of a license to resolve a pending disciplinary investigation or proceeding. A certified copy of the record or order of suspension, revocation, voluntary surrender, or other disciplinary action is prima facie evidence of such fact.

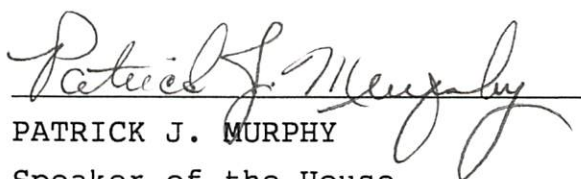
NEW SUBSECTION. 8. Notwithstanding any other provision of law to the contrary, the licensing boards included within the bureau pursuant to subsection 1 may by rule establish the conditions under which an individual licensed in a different jurisdiction may be issued a reciprocal or comity license, if, in the board's discretion, the applicant's qualifications for licensure are substantially equivalent to those required of applicants for initial licensure in this state.

NEW SUBSECTION. 9. Notwithstanding section 272C.6, the licensing boards included within the bureau pursuant to subsection 1 may by rule establish the conditions under which the board may supply to a licensee who is the subject of a disciplinary complaint or investigation, prior to the initiation of a disciplinary proceeding, all or such parts of a disciplinary complaint, disciplinary or investigatory file, report, or other information, as the board in its sole discretion believes would aid the investigation or resolution of the matter.

Sec. 8. Sections 536A.32, 536A.33, and 536A.34, Code 2007, are repealed.



JOHN P. KIBBIE
President of the Senate



PATRICK J. MURPHY
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 360, Eighty-second General Assembly.



MICHAEL E. MARSHALL
Secretary of the Senate

Approved May 24th, 2007



CHESTER J. CULVER
Governor