

February 21, 1963.

Passed on File.

Senate File 241 *Substitute*
By COMMITTEE ON BANKS, *H-7 318 3/25*
BUILDING AND LOAN.

Passed Senate, Date *2-28-63*

Passed House, Date *3-25-63*

Vote: Ayes *46* Nays *0*

Vote: Ayes *95* Nays *0*

Approved *3-29-63*

compensation of public officers 2-28
Pass 3/14

A BILL FOR

An Act to amend section five hundred twenty-four point seven (524.7), Code 1962, relating to salaries of the deputy superintendent of banking and bank examiners and enabling the state banking board to compensate said employees on a basis comparable to the compensation provided to those in positions of similar responsibility by federal bank supervisory departments.

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

- 1 Section 1. Section five hundred twenty-four point seven
- 2 (524.7), Code 1962, is hereby amended by striking all after the
- 3 period (.) in line twenty (20) and inserting in lieu thereof the
- 4 following:
- 5 "Provided, however, that in no event shall the salary of the
- 6 deputy superintendent of banking or of any examiner be greater
- 7 than that fixed by any such federal bank supervisory agency for
- 8 its examining staff members holding like positions of similar
- 9 duties and responsibility; provided, further, that the aggregate
- 10 of all such salaries of the Iowa banking department shall not
- 11 exceed the sum total of examination fees and charges collected
- 12 by the state banking department from the banks subject to its
- 13 jurisdiction."

EXPLANATION OF SENATE FILE 241

Our state banking department is experiencing real difficulty in holding its bank examiners. In 1961 and 1962, ten (10) examiners left for better positions. The Iowa department should not be a training ground for the federal government and other bank supervisory authorities in other states. We need career men for the important work of examining five hundred sixty-seven (567) state banks with nearly two and one-half billion dollars in deposits.

In 1949, the Fifty-third General Assembly authorized the state banking board to fix salary schedules according to experience, qualifications and seniority in the same manner as the federal banking supervisory agencies can do for their examiners. This

bill really completes that job by permitting the Iowa banking department to establish not only job classifications, but to establish salary ranges within each classification along the line that the federal bank supervising agencies are permitted to do. There are two (2) ceilings: (1) salaries cannot exceed those paid by a federal bank supervising agency for examiners of like experience and (2) aggregate salaries may not exceed the total of examination fees and charges collected from Iowa banks by the state banking department. It may be said that this bill does not raise examination fees and does not contemplate doing so.

This bill is endorsed by the state banking department and the Iowa Bankers Association.

- 1 Amend Senate File 241 by adding at the end thereof a new
- 2 section as follows:
- 3 Sec. 2. The provisions of this Act shall not be applicable
- 4 to the present incumbent deputy superintendent of banking.

Filed
February 27, 1963.

By COLEMAN.

- 1 Amend Senate File 241, section 1, line 12 by inserting
- 2 after the word "department" a period (.) and quotation (")
- 3 and striking the remainder of the section.

Filed
February 27, 1963.

By FROMMELT.