

Small Business and Commerce: Gronstal, Chair: Chiodo and Schroeder.

Amend pass 35774 Do Pass 4/7/83

MAR 21 1983

SENATE FILE 513

BY COMMITTEE ON COMMERCE
Approved 3/21/83 (p. 878)
(FORMERLY SSB 201)

Passed Senate, Date 3-28-83 (p. 928) Passed House, Date 4-14-83 (p. 1245)

Vote: Ayes 42 Nays 7 Vote: Ayes 80 Nays 4

Approved May 4, 1984

A BILL FOR

1 An Act relating to the name of a state bank.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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Conference Committee appointed
Representatives Chiodo (chair), Gronstal, Parker, Schroeder,
Parker 4/9 (p. 1822)
Senators Palmer (chair), Bruner, Jensen, Kinley, & Tiedens 4/11 (p. 1455)

Passed per Conference Committee Report
 Senate 4-20-84 (p. 1751) House 4-20-84 (p. 2464)
38-2 94-2

S.F. 513

1 Section 1. Section 524.310, subsection 1, Code 1983, is
2 amended to read as follows:

3 1. The name of a state bank originally incorporated after
4 the effective date of this chapter shall include the word
5 "bank" and may include the word "state" or "trust" in its
6 name. If a state bank uses the word "trust" in its name,
7 it must be authorized under this chapter to act in a fiduciary
8 capacity.

9 EXPLANATION

10 This bill eliminates the requirement that a state bank
11 must include either the word "state" or the word "trust" in
12 its name.

13 This bill becomes effective July 1 following its enactment.

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H-3577

1 Amend Senate File 513 as passed by the Senate,
 2 as follows:
 3 1. Page 1, by inserting after line 8 the following:
 4 "Sec. ____ Section 524.1202, subsection 2,
 5 paragraph a, subparagraphs (1), (2), (3), and (4),
 6 Code 1983, are amended to read as follows:
 7 ~~(1) -- If the municipal corporation has a population~~
 8 ~~of fifty thousand or less according to the most recent~~
 9 ~~federal census, the state bank shall not establish~~
 10 ~~more than three bank offices.~~
 11 (2) 1) If the municipal corporation or urban complex
 12 has a population of ~~more than fifty thousand but not~~
 13 ~~more than~~ one hundred thousand or less according to
 14 the most recent federal census, the state bank shall
 15 not establish more than three bank offices.
 16 (3) 2) If the municipal corporation or urban complex
 17 has a population of more than one hundred thousand
 18 but not more than two hundred thousand according to
 19 the most recent federal census, the state bank shall
 20 not establish more than four bank offices.
 21 (4) 3) If the municipal corporation or urban complex
 22 has a population of more than two hundred thousand
 23 according to the most recent federal census, the state
 24 bank shall not establish more than five bank offices."
 25 2. Title page, line 1, by inserting after the
 26 word "name" the words "and location".
 27 3. Renumber as necessary.

H-3577 FILED APRIL 8, 1983
Adopted 4/14/83 (p. 1295)

BY COMMITTEE ON SMALL BUSINESS
 AND COMMERCE

HOUSE AMENDMENT TO SENATE FILE 513

S-3586

1 Amend Senate File 513 as passed by the Senate,
2 as follows:

3 1. Page 1, by inserting after line 8 the following:

4 "Sec. ____ . Section 524.1202, subsection 2,
5 paragraph a, subparagraphs (1), (2), (3), and (4),
6 Code 1983, are amended to read as follows:

7 ~~{1}--if-the-municipal-corporation-has-a-population~~
8 ~~of-fifty-thousand-or-less-according-to-the-most-recent~~
9 ~~federal-census-the-state-bank-shall-not-establish~~
10 ~~more-than-three-bank-offices-~~

11 (2 1) If the municipal corporation or urban complex
12 has a population of ~~more-than-fifty-thousand-but-not~~
13 ~~more-than~~ one hundred thousand or less according to
14 the most recent federal census, the state bank shall
15 not establish more than three bank offices.

16 (3 2) If the municipal corporation or urban complex
17 has a population of more than one hundred thousand
18 but not more than two hundred thousand according to
19 the most recent federal census, the state bank shall
20 not establish more than four bank offices.

21 (4 3) If the municipal corporation or urban complex
22 has a population of more than two hundred thousand
23 according to the most recent federal census, the state
24 bank shall not establish more than five bank offices."

25 2. Title page, line 1, by inserting after the
26 word "name" the words "and location".

27 3. Renumber as necessary.

S-3586 FILED
APRIL 18, 1983

RECEIVED FROM THE HOUSE

Senate refused to concur 4/24/83 (p. 1465)

Motion to reconsider 5/2/83

" Lost 5/9/83 (p. 1587)

House insisted 4/9/84 (p. 1221)

SENATE FILE 513

S-3694

1 Amend the House amendment, S-3586 to Senate File
2 513, as follows:

3 1. Page 1, by inserting after line 24 the
4 following:

5 "____. Page 1, by inserting after line 8 the
6 following:

7 "Sec. ____ Section 524.1802, Code 1983, is amended
8 to read as follows:

9 524.1802 LIMITATION. ~~No~~ A bank holding company
10 shall not directly or indirectly acquire ownership
11 or control of more than twenty-five percent of the
12 voting shares of any a bank, or the power to control
13 in any manner the election of a majority of the
14 directors of any a bank, if upon ~~such~~ the acquisition
15 the banks so owned or controlled by the bank holding
16 company would have, in the aggregate, more than eight
17 percent of the total of savings, time, and demand
18 ~~deposits, both time and demand,~~ of all banks and
19 savings and loan associations in this state, as
20 determined by the superintendent on the basis of the
21 most recent reports of the banks and savings and loan
22 associations in the state to their supervisory
23 authorities which are available at the time of the
24 acquisition.

25 ~~No~~ A bank holding company shall not directly or
26 indirectly acquire ownership or control of more than
27 twenty-five percent of the voting shares of any a
28 savings and loan association, or the power to control
29 in any manner the election of a majority of the
30 directors of any a savings and loan association, if
31 upon ~~such~~ the acquisition the associations so owned
32 or controlled by the bank holding company would have,
33 in the aggregate, more than eight percent of the total
34 of savings, time, and demand deposits, both time and
35 demand, of all banks and associations in this state,
36 as determined by the superintendent on the basis of
37 the most recent reports of the banks and associations
38 in the state to their supervisory authorities which
39 are available at the time of the acquisition."

40 2. Page 1, by inserting after line 24 the
41 following:

42 "____. Page 1, by inserting after line 8 the
43 following:

44 "Sec. ____ Section 524.1805, Code 1983, is amended
45 to read as follows:

46 524.1805 OUT-OF-STATE HOLDING COMPANIES. ~~Nothing~~
47 ~~in this~~

48 1. ~~This division shall be construed to~~ does not
49 authorize a bank holding company which is with respect
50 to the state of Iowa an "out-of-state bank holding

S-3694
PAGE 2

B
1 company", as defined or referred to in 12 U.S.C. sec.
2 1842(d), as amended to January 1, 1971, to acquire
3 any of the voting shares of, any interest in, all
4 or substantially all of the assets of, or power to
5 control in any manner the election of any of the
6 directors of any a bank in this state, unless such
7 the bank holding company was on January 1, 1971
8 registered with the federal reserve board as a bank
9 holding company, and on that date owned at least two
10 banks in this state.

11 2. However, an out-of-state bank holding company
12 located in a state which is in the north central
13 region of the United States may acquire, directly
14 or indirectly, voting shares, an interest in, or
15 control of banks located in Iowa if the state in which
16 it is located permits bank holding companies located
17 in Iowa to acquire voting shares, an interest in,
18 or control of banks located within that state.

19 3. If it is ultimately determined that the
20 limitation in subsection 2 restricting reciprocity
21 to states in the north central region of the United
22 States is invalid, then all of subsection 2 is void
23 and no reciprocity is allowed. However, if subsection
24 2 becomes void an out-of-state bank holding company
25 owning, directly or indirectly, voting shares, an
26 interest in, or control of a bank located in Iowa
27 may maintain the interest and may expand holdings
28 not to exceed the limitations contained in section
29 524.1802.

30 4. For the purposes of this section, a bank holding
31 company is deemed to be located in the state in which
32 the operations of its banking subsidiaries are
33 "principally conducted" as defined in 12 U.S.C. sec.
34 1842(d), as amended to January 1, 1981. For the
35 purposes of this section, "north central region of
36 the United States" includes the states of Iowa,
37 Missouri, Nebraska, South Dakota, North Dakota,
38 Minnesota, and Wisconsin."

C
39 3. Page 1, by striking lines 25 and 26 and
40 inserting in lieu thereof the words "An Act relating
41 to the name, location, and deposit base of state banks
42 and bank holding companies."

43 4. Renumber as necessary.

S-3694 FILED & LOST

BY EDGAR H. HOLDEN
GEORGE KINLEY

APRIL 28, 1983 (p. 1428)

Motion to reconsider (p. 1447)

Reconsidered, divided A + B ruled not
german, C. w/d 4/29/83 (p. 1464)

REPORT OF THE CONFERENCE COMMITTEE
ON SENATE FILE 513

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to resolve the differences between the Senate and the House of Representatives on Senate File 513, a bill for an Act relating to the name of a state bank, respectfully make the following report:

1. The House recedes from the House amendment S-3586 to Senate File 513 as passed by the Senate.

2. Senate File 513 as passed by the Senate is amended as follows:

1. Page 1, by inserting after line 8 the following:

"Sec. 2. Section 524.1202, subsection 2, paragraph a, subparagraphs (1), (2), (3), and (4), Code 1983, are amended to read as follows:

~~(1)--If the municipal corporation has a population of fifty thousand or less according to the most recent federal census, the state bank shall not establish more than three bank offices.~~

(2 1) If the municipal corporation or urban complex has a population of ~~more than fifty thousand but not more than~~ one hundred thousand or less according to the most recent federal census, the state bank shall not establish more than three bank offices.

(3 2) If the municipal corporation or urban complex has a population of more than one hundred thousand but not more than two hundred thousand according to the most recent federal census, the state bank shall not establish more than four

bank offices.

(4 3) If the municipal corporation or urban complex has a population of more than two hundred thousand according to the most recent federal census, the state bank shall not establish more than five bank offices.

Sec. 3. Section 524.1507, Code 1983, is amended to read as follows:

524.1507 CHANGE OF LOCATION OF PRINCIPAL PLACE OF BUSINESS.

1. If a change in the location of the principal place of business of a state bank is proposed and involves a change other than a change within the municipal corporation, urban complex or unincorporated area in which the state bank has its principal place of business, pursuant to section 524.312 application for the required approval of the superintendent shall be made in the manner required by the superintendent and subject to ~~the provisions of~~ this section. Any A change in location of the principal place of business of a state bank subject to this section, including a change from one municipal corporation to another corporation within an urban complex, shall require amendment to the articles of incorporation in accordance with ~~the provisions of~~ sections 524.1502, 524.1504 and 524.1506. A state bank seeking approval of a change of location pursuant to this subsection shall publish a notice of the proposed change of location in a newspaper of general circulation published in the municipal corporation or unincorporated area in which the state bank has its principal place of business, or if there is none, in a newspaper of general circulation published in the county, or in a county adjoining the county, in which the state bank has its principal place of business, and in the municipal corporation in which it seeks to establish its principal place of business, or if there is none, in a newspaper of general circulation published in the county, or in a county adjoining the county, in which ~~such~~ the municipal corporation is located.

The notice shall be published within thirty days after making application to the superintendent for approval of the change in location. The notice shall set forth the name of the state bank, the present location of its principal place of business, the location to which it wishes to move its principal place of business and the date upon which the state bank made application to the superintendent for approval of the change.

2. Upon receipt of an application for approval of a change of location of the principal place of business of a state bank pursuant to subsection 1 of this section, the superintendent shall conduct such investigation as ~~he~~ deems deemed necessary giving due consideration to factors substantially similar to those set forth in section 524.305, ~~subsections 2 to 6~~ subsection 1, paragraphs "c" through "f". Within one hundred eighty days after receipt of the application, the superintendent shall make a determination whether to approve or disapprove the application on the basis of ~~his~~ the investigation. ~~Prior to making a determination on the pending application the superintendent shall, upon adequate notice, afford all interested persons an opportunity for a stenographically reported hearing during which such persons shall be allowed to present evidence in support of, or in opposition to, the pending application.~~ Thereafter the superintendent shall give written notice of ~~his~~ the decision to the state bank and, in the event of disapproval, a statement of the reasons for ~~his~~ the decision. If the superintendent shall approve the change in location ~~he~~ the superintendent shall deliver the articles of amendment to the secretary of state. ~~The decision of the superintendent shall be subject to judicial review in accordance with the terms of the Iowa Administrative Procedure Act.~~ Before receiving the decision of the superintendent with respect to the pending application, the state bank shall upon notice reimburse the superintendent to the extent of the expenses incurred by ~~him~~ the

SENATE 89
APRIL 20, 1984

CONFERENCE COMMITTEE REPORT, S.F. 513, - PAGE 4

superintendent in connection with the application."

2. Title page, by striking line 1 and inserting in lieu thereof the following: "An Act relating to state banks by providing for the name and the location of the principal place of business and offices of a state bank."

ON THE PART OF THE SENATE:

William Palmer, Chair
Charles Bruner
John Jensen
George Kinley
Dale Tieden

ON THE PART OF THE HOUSE:

Ned Chiodo, Chair
Michael Gronstal
Edward Parker
Laverne Schroeder
Bob Renken

FILED:
APRIL 19, 1984

Senate adopted 4/20 (p. 1750)

House adopted 4/20 (p. 2484)

SENATE FILE 513

AN ACT

RELATING TO STATE BANKS BY PROVIDING FOR THE NAME AND THE LOCATION OF THE PRINCIPAL PLACE OF BUSINESS AND OFFICES OF A STATE BANK.

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

Section 1. Section 524.310, subsection 1, Code 1983, is amended to read as follows:

1. The name of a state bank originally incorporated after the effective date of this chapter shall include the word "bank" and may include the word "state" or "trust" in its name. If a state bank uses the word "trust" in its name, it must be authorized under this chapter to act in a fiduciary capacity.

Sec. 2. Section 524.1202, subsection 2, paragraph a, subparagraphs (1), (2), (3), and (4), Code 1983, are amended to read as follows:

~~(1) -- if the municipal corporation has a population of fifty thousand or less according to the most recent federal census, the state bank shall not establish more than three bank offices --~~

(2) 1) If the municipal corporation or urban complex has a population of ~~more than fifty thousand but not more than~~ one hundred thousand or less according to the most recent

federal census, the state bank shall not establish more than three bank offices.

(3) 2) If the municipal corporation or urban complex has a population of more than one hundred thousand but not more than two hundred thousand according to the most recent federal census, the state bank shall not establish more than four bank offices.

(4) 3) If the municipal corporation or urban complex has a population of more than two hundred thousand according to the most recent federal census, the state bank shall not establish more than five bank offices.

Sec. 3. Section 524.1507, Code 1983, is amended to read as follows:

524.1507 CHANGE OF LOCATION OF PRINCIPAL PLACE OF BUSINESS.

1. If a change in the location of the principal place of business of a state bank is proposed and involves a change other than a change within the municipal corporation, urban complex or unincorporated area in which the state bank has its principal place of business, pursuant to section 524.312 application for the required approval of the superintendent shall be made in the manner required by the superintendent and subject to ~~the provisions of~~ this section. Any A change in location of the principal place of business of a state bank subject to this section, including a change from one municipal corporation to another corporation within an urban complex, shall require amendment to the articles of incorporation in accordance with ~~the provisions of~~ sections 524.1502, 524.1504 and 524.1506. A state bank seeking approval of a change of location pursuant to this subsection shall publish a notice of the proposed change of location in a newspaper of general circulation published in the municipal corporation or unincorporated area in which the state bank has its principal place of business, or if there is none, in a newspaper of general circulation published in the county, or in a county adjoining the county, in which the state bank

has its principal place of business, and in the municipal corporation in which it seeks to establish its principal place of business, or if there is none, in a newspaper of general circulation published in the county, or in a county adjoining the county, in which such the municipal corporation is located. The notice shall be published within thirty days after making application to the superintendent for approval of the change in location. The notice shall set forth the name of the state bank, the present location of its principal place of business, the location to which it wishes to move its principal place of business and the date upon which the state bank made application to the superintendent for approval of the change.

2. Upon receipt of an application for approval of a change of location of the principal place of business of a state bank pursuant to subsection 1 of this section, the superintendent shall conduct such investigation as he deems deemed necessary giving due consideration to factors substantially similar to those set forth in section 524.305, ~~subsections 2 to 6~~ subsection 1, paragraphs "c" through "f". Within one hundred eighty days after receipt of the application, the superintendent shall make a determination whether to approve or disapprove the application on the basis of his the investigation. ~~Prior to making a determination on the pending application the superintendent shall, upon adequate notice, afford all interested persons an opportunity for a stenographically reported hearing during which such persons shall be allowed to present evidence in support of or in opposition to the pending application.~~ Thereafter the superintendent shall give written notice of his the decision to the state bank and, in the event of disapproval, a statement of the reasons for his the decision. If the superintendent shall approve the change in location as the superintendent shall deliver the articles of amendment to the secretary of state. ~~The decision of the superintendent shall be subject to judicial review in accordance with the~~

~~terms of the Iowa Administrative Procedure Act~~ Before receiving the decision of the superintendent with respect to the pending application, the state bank shall upon notice reimburse the superintendent to the extent of the expenses incurred by ~~him~~ the superintendent in connection with the application.

.....
CHARLES P. MILLER
President Pro Tempore of the
Senate

.....
DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the senate and is known as Senate File 513, Seventieth General Assembly.

.....
K. MARIE CHAYER
Secretary of the Senate

Approved *May 4* 1984

.....
TERRY E. BRANSTAD
Governor