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*Substituted for
HF 2401 3/23/98
(p. 855)*

SENATE FILE 2189
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 2099)

Passed Senate, Date 2/18/98 (p. 339) Passed House, Date 3/23/98 (p. 856)
Vote: Ayes 48 Nays 0 Vote: Ayes 97 Nays 0
Approved April 1, 1998

A BILL FOR

1 An Act relating to the number of bank offices which may be
2 established by a bank within a municipal corporation or urban
3 complex.

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

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SP. 2189

1 Section 1. Section 524.1202, subsections 2 and 3, Code
2 1997, are amended to read as follows:

3 2. a. A state bank may establish any number of bank
4 offices within the municipal corporation or urban complex in
5 which the principal place of business of the bank is located,
6 ~~subject to the following conditions and limitations:~~

7 (1) ~~--If the municipal corporation or urban complex has a~~
8 ~~population of one hundred thousand or less according to the~~
9 ~~most recent federal census, the state bank shall not establish~~
10 ~~more than four bank offices.~~

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

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

20 b. For purposes of this subsection, "urban complex" means
21 the geographic area bounded by the corporate limits of two or
22 more municipal corporations, each of which being contiguous to
23 or cornering upon at least one of the other municipal
24 corporations within the complex. A state bank located in a
25 municipal corporation or urban complex which is located on a
26 boundary of this state and contiguous to a municipal
27 corporation in another state may have one bank office in
28 addition to the number of bank offices permitted by paragraph
29 "a"; provided that nothing contained in this paragraph
30 authorizes a state bank to establish a bank office outside of
31 the boundaries of this state.

32 c. One such facility located in the proximity of a state
33 bank's principal place of business may be found by the
34 superintendent to be an integral part of the principal place
35 of business, and not a bank office within the meaning of this

1 section. ~~This paragraph does not authorize more than one~~
2 ~~facility to be found to be an integral part of a bank's~~
3 ~~principal place of business.~~

4 d. One such facility located in the proximity of a state
5 bank's office may be found by the superintendent to be an
6 integral part of the bank office and not a bank office within
7 the meaning of this section. ~~This paragraph does not~~
8 ~~authorize more than one facility to be found to be an integral~~
9 ~~part of a bank office.~~

10 3. Notwithstanding subsection 1, if the assets of a state
11 or national bank in existence on January 1, 1985, are
12 transferred to a different state or national bank in the state
13 which is located in the same county or a county contiguous to
14 or cornering upon the county in which the principal place of
15 business of the acquired bank is located, the resulting or
16 acquiring bank may convert to and operate as its bank office
17 any one or more of the business locations occupied as the
18 principal place of business or as a bank office of the bank
19 whose assets are so acquired. The limitations on bank office
20 locations contained in unnumbered paragraph 1 of this section,
21 ~~and the limitation on the number of bank offices within the~~
22 ~~municipality or urban complex of the resulting or acquiring~~
23 ~~bank contained in subsection 2 shall be~~ are applicable to any
24 bank office otherwise authorized by this subsection. A bank
25 office established under the authority of this subsection is
26 subject to the approval of the superintendent, and shall be
27 operated in accordance with this chapter relating to the
28 operation of bank offices, and may be augmented by an integral
29 facility when approved under subsection 2, paragraph "d".

30 Sec. 2. Section 524.1213, subsection 3, paragraph d, Code
31 Supplement 1997, is amended to read as follows:

32 d. May establish any number of additional bank offices
33 within the municipal corporation or urban complex in which a
34 united community bank office referred to in paragraph "b" is
35 located, ~~provided that the number of bank offices at the~~

1 ~~resulting bank within that municipal corporation or urban~~
2 ~~complex, including bank offices retained under paragraph "c"~~
3 ~~and bank offices established under the authority of this~~
4 ~~paragraph, but excluding the united community bank office,~~
5 ~~shall not exceed the maximum number of bank offices permitted~~
6 ~~by section 524.1202, subsection 2, paragraph "a" for a bank~~
7 ~~located within that municipal corporation or urban complex.~~

8 Sec. 3. Section 524.1213, subsection 12, Code Supplement
9 1997, is amended by striking the subsection.

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EXPLANATION

11 This bill eliminates the restriction on the number of bank
12 offices which a state or national bank can open within a
13 municipal corporation or urban complex in which the principal
14 place of business of the bank is located.

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Jensen
Lundby
Hynn

SSB 2099
Commerce

Succeeded By
SENATE FILE SE/HF 2189
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY
CHAIRPERSON JENSEN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

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1 Section 1. Section 524.1202, subsections 2 and 3, Code
2 1997, are amended to read as follows:

3 2. a. A state bank may establish any number of bank
4 offices within the municipal corporation or urban complex in
5 which the principal place of business of the bank is located,
6 ~~subject to the following conditions and limitations:~~

7 ~~(1) -- If the municipal corporation or urban complex has a~~
8 ~~population of one hundred thousand or less according to the~~
9 ~~most recent federal census, the state bank shall not establish~~
10 ~~more than four bank offices.~~

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

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

20 b. For purposes of this subsection, "urban complex" means
21 the geographic area bounded by the corporate limits of two or
22 more municipal corporations, each of which being contiguous to
23 or cornering upon at least one of the other municipal
24 corporations within the complex. A state bank located in a
25 municipal corporation or urban complex which is located on a
26 boundary of this state and contiguous to a municipal
27 corporation in another state may have one bank office in
28 addition to the number of bank offices permitted by paragraph
29 "a"; provided that nothing contained in this paragraph
30 authorizes a state bank to establish a bank office outside of
31 the boundaries of this state.

32 c. One such facility located in the proximity of a state
33 bank's principal place of business may be found by the
34 superintendent to be an integral part of the principal place
35 of business, and not a bank office within the meaning of this

1 section. ~~This paragraph does not authorize more than one~~
2 ~~facility to be found to be an integral part of a bank's~~
3 ~~principal place of business.~~

4 d. One such facility located in the proximity of a state
5 bank's office may be found by the superintendent to be an
6 integral part of the bank office and not a bank office within
7 the meaning of this section. ~~This paragraph does not~~
8 ~~authorize more than one facility to be found to be an integral~~
9 ~~part of a bank office.~~

10 3. Notwithstanding subsection 1, if the assets of a state
11 or national bank in existence on January 1, 1989, are
12 transferred to a different state or national bank in the state
13 which is located in the same county or a county contiguous to
14 or cornering upon the county in which the principal place of
15 business of the acquired bank is located, the resulting or
16 acquiring bank may convert to and operate as its bank office
17 any one or more of the business locations occupied as the
18 principal place of business or as a bank office of the bank
19 whose assets are so acquired. The limitations on bank office
20 locations contained in unnumbered paragraph 1 of this section,
21 ~~and the limitation on the number of bank offices within the~~
22 ~~municipality or urban complex of the resulting or acquiring~~
23 ~~bank contained in subsection 2 shall be~~ are applicable to any
24 bank office otherwise authorized by this subsection. A bank
25 office established under the authority of this subsection is
26 subject to the approval of the superintendent, and shall be
27 operated in accordance with this chapter relating to the
28 operation of bank offices, and may be augmented by an integral
29 facility when approved under subsection 2, paragraph "d".

30 Sec. 2. Section 524.1213, subsection 3, paragraph d, Code
31 Supplement 1997, is amended to read as follows:

32 d. May establish any number of additional bank offices
33 within the municipal corporation or urban complex in which a
34 united community bank office referred to in paragraph "b" is
35 located, ~~provided that the number of bank offices of the~~

1 resulting bank within that municipal corporation or urban
2 complex, including bank offices retained under paragraph "c"
3 and bank offices established under the authority of this
4 paragraph, but excluding the united community bank office,
5 shall not exceed the maximum number of bank offices permitted
6 by section 524.1202, subsection 2, paragraph "a", for a bank
7 located within that municipal corporation or urban complex.

8 Sec. 3. Section 524.1213, subsection 12, Code Supplement
9 1997, is amended by striking the subsection.

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EXPLANATION

11 This bill eliminates the restriction on the number of bank
12 offices which a state or national bank can open within a
13 municipal corporation or urban complex in which the principal
14 place of business of the bank is located.

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SENATE FILE 2189

AN ACT

RELATING TO THE NUMBER OF BANK OFFICES WHICH MAY BE ESTABLISHED
BY A BANK WITHIN A MUNICIPAL CORPORATION OR URBAN COMPLEX.

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

Section 1. Section 524.1202, subsections 2 and 3, Code 1997, are amended to read as follows:

2. a. A state bank may establish any number of bank offices within the municipal corporation or urban complex in which the principal place of business of the bank is located, ~~subject to the following conditions and limitations:~~

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

~~(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 five bank offices.~~

~~(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 six bank offices.~~

b. For purposes of this subsection, "urban complex" means the geographic area bounded by the corporate limits of two or more municipal corporations, each of which being contiguous to or cornering upon at least one of the other municipal corporations within the complex. A state bank located in a municipal corporation or urban complex which is located on a boundary of this state and contiguous to a municipal corporation in another state may have one bank office in addition to the number of bank offices permitted by paragraph "a"; provided that nothing contained in this paragraph

authorizes a state bank to establish a bank office outside of the boundaries of this state.

c. One such facility located in the proximity of a state bank's principal place of business may be found by the superintendent to be an integral part of the principal place of business, and not a bank office within the meaning of this section. ~~This paragraph does not authorize more than one facility to be found to be an integral part of a bank's principal place of business.~~

d. One such facility located in the proximity of a state bank's office may be found by the superintendent to be an integral part of the bank office and not a bank office within the meaning of this section. ~~This paragraph does not authorize more than one facility to be found to be an integral part of a bank office.~~

3. Notwithstanding subsection 1, if the assets of a state or national bank in existence on January 1, 1989, are transferred to a different state or national bank in the state which is located in the same county or a county contiguous to or cornering upon the county in which the principal place of business of the acquired bank is located, the resulting or acquiring bank may convert to and operate as its bank office any one or more of the business locations occupied as the principal place of business or as a bank office of the bank whose assets are so acquired. The limitations on bank office locations contained in unnumbered paragraph 1 of this section, ~~and the limitation on the number of bank offices within the municipality or urban complex of the resulting or acquiring bank contained in subsection 2 shall be~~ are applicable to any bank office otherwise authorized by this subsection. A bank office established under the authority of this subsection is subject to the approval of the superintendent, and shall be operated in accordance with this chapter relating to the operation of bank offices, and may be augmented by an integral facility when approved under subsection 2, paragraph "d".

Sec. 2. Section 524.1213, subsection 3, paragraph d, Code Supplement 1997, is amended to read as follows:

d. May establish any number of additional bank offices within the municipal corporation or urban complex in which a united community bank office referred to in paragraph "b" is located, ~~provided that the number of bank offices of the resulting bank within that municipal corporation or urban complex, including bank offices retained under paragraph "c" and bank offices established under the authority of this paragraph, but excluding the united community bank office, shall not exceed the maximum number of bank offices permitted by section 524.1202, subsection 2, paragraph "a", for a bank located within that municipal corporation or urban complex.~~

Sec. 3. Section 524.1213, subsection 12, Code Supplement 1997, is amended by striking the subsection.

MARY E. KRAMER
President of the Senate

RON J. CORBETT
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2189, Seventy-seventh General Assembly.

MARY PAT GUNDERSON
Secretary of the Senate

Approved April 1, 1998

TERRY E. BRANSTAD
Governor