

Senate Study Bill 218

Bill Text

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1 1 Section 1. Section [524.1213](#), Code 1997, is amended by
1 2 adding the following new subsection:
1 3 NEW SUBSECTION. 4A. For purposes of subsection 3, a bank
1 4 that has been chartered solely for the purpose of, and does
1 5 not open for business prior to, acquiring control of, or
1 6 acquiring all or substantially all of the assets of, one or
1 7 more branches owned and operated on January 1, 1997, by a
1 8 savings association, as defined in 12 U.S.C. } 1813, which
1 9 association is an affiliate of the bank, is deemed to have
1 10 been in continuous existence and operation as a bank for the
1 11 combined periods of continuous existence and operation of the
1 12 bank and the savings association from which the branch or
1 13 branches were acquired.

1 14 Sec. 2. Section [524.1805](#), Code 1997, is amended by adding
1 15 the following new subsection:

1 16 NEW SUBSECTION. 3A. For purposes of subsection 1, a bank
1 17 that has been chartered solely for the purpose of, and does
1 18 not open for business prior to, acquiring control of, or
1 19 acquiring all or substantially all of the assets of, one or
1 20 more branches owned and operated on January 1, 1997, by a
1 21 savings association, as defined in 12 U.S.C. } 1813, which
1 22 association is an affiliate of the bank, is deemed to have
1 23 been in continuous existence and operation as a bank for the
1 24 combined periods of continuous existence and operation of the
1 25 bank and the savings association from which the branch or
1 26 branches were acquired.

1 27 Sec. 3. EFFECTIVE DATE. This Act, being deemed of
1 28 immediate importance, takes effect upon enactment.

1 29 EXPLANATION

1 30 This bill amends provisions in chapter 524 relating to the
1 31 regulation and operation of state banks and to the acquisition
1 32 of certain savings associations.

1 33 Code section 524.1213, relating to united community bank
1 34 offices, is amended to provide that a bank which is chartered
1 35 solely for the purpose of acquiring the assets of one or more
2 1 branches that are located in this state and owned and operated
2 2 on January 1, 1997, by a savings association, and which
2 3 association is an affiliate of the bank, is deemed to have
2 4 been in existence and operation as a bank for the combined
2 5 periods of existence and operation of the bank and the
2 6 association from which the branch or branches were acquired.

2 7 Code section 524.1805, which provides that an out-of-state
2 8 bank or out-of-state bank holding company may not acquire a
2 9 bank located in this state unless the bank has been in
2 10 continuous existence and operation for at least five years, is
2 11 amended to provide that a bank which is chartered solely for
2 12 the purpose of acquiring the assets of one or more branches
2 13 that are located in this state and owned and operated on
2 14 January 1, 1997, by a savings association, and which
2 15 association is an affiliate of the bank, is deemed to have
2 16 been in existence and operation as a bank for the combined
2 17 periods of existence and operation of the bank and the
2 18 association from which the branch or branches were acquired.

2 19 The bill takes effect upon enactment.

2 20 LSB 2673SC 77

2 21 mj/jj/8

