

Senate Study Bill 3017

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY
CHAIRPERSON BEHN)

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

A BILL FOR

1 An Act relating to collateral required to be pledged by banks to
2 the treasurer of state in order to secure the deposit of
3 public moneys.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 5626SC 80
6 da/sh/8

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1 1 Section 1. Section 12C.22, subsection 5, paragraph d, Code
1 2 2003, is amended to read as follows:
1 3 d. Establish procedures for adding collateral, releasing
1 4 collateral, and substituting different collateral for
1 5 collateral pledged under this section.

1 6

EXPLANATION

1 7 This bill amends Code section 12C.22, which was enacted
1 8 pursuant to House File 681 during the 2002 legislative session
1 9 (2002 Acts, chapter 1096). The section principally requires
1 10 that financial institutions, and in particular banks, pledge
1 11 certain types and amounts of collateral with the treasurer of
1 12 state in order to secure the deposit of public moneys.
1 13 The Code section requires the treasurer of state to adopt
1 14 rules necessary to administer the section's provisions. As
1 15 part of its rulemaking duties, the treasurer of state must
1 16 establish procedures which allow a bank to substitute
1 17 different collateral for the collateral which was originally
1 18 pledged. The bill provides that the treasurer of state must
1 19 also adopt rules that establish procedures to allow a bank to
1 20 add or release pledged collateral.

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