

Senate File 2115 - Introduced

SENATE FILE 2115
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3086)

A BILL FOR

1 An Act relating to matters under the purview of the banking
2 division of the department of commerce.

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

1 Section 1. Section 490.1301, subsection 4, paragraph b,
2 Code 2014, is amended by striking the paragraph.

3 Sec. 2. Section 490.1330, subsection 6, Code 2014, is
4 amended by striking the subsection.

5 Sec. 3. Section 524.107, subsections 1 and 2, Code 2014, are
6 amended to read as follows:

7 1. A person, other than a state bank which is subject to
8 the provisions of this chapter and a national bank authorized
9 by the laws of the United States to engage in the business
10 of receiving money for deposit, and except as provided in
11 subsection 2, shall not engage in this state in the business
12 of receiving money for deposit, transact the business of
13 banking, or establish in this state a place of business for
14 such purpose.

15 2. A person doing business in this state shall not use
16 the words "bank" or "trust" or use any derivative, plural,
17 or compound of the words "bank", "banking", "bankers", or
18 "trust" in any manner which would tend to create the impression
19 that the person is authorized to engage in the business of
20 banking or to act in a fiduciary capacity, except a state bank
21 authorized to do so by this chapter or a bank authorized to
22 do so by the laws of another state, a national bank to the
23 extent permitted by the laws of the United States, a bank
24 holding company as defined in section 524.1801, a savings and
25 loan holding company as defined in 12 U.S.C. § 1467a, or a
26 federal association to the extent permitted by the laws of the
27 United States, or, insofar as the word "trust" is concerned, an
28 individual permissibly serving as a fiduciary in this state,
29 pursuant to section 633.63, or, insofar as the words "trust"
30 and "bank" are concerned, a nonresident corporate fiduciary
31 permissibly serving as a fiduciary in this state pursuant to
32 section 633.64.

33 Sec. 4. Section 524.1406, subsection 3, Code 2014, is
34 amended by striking the subsection.

35 Sec. 5. Section 544A.13, subsection 1, paragraph h, Code

1 2014, is amended to read as follows:

2 *h.* Willful or repeated violations of the provisions of this
3 ~~Act~~ chapter.

4 Sec. 6. REPEAL. Section 544A.21, Code 2014, is repealed.

5 EXPLANATION

6 The inclusion of this explanation does not constitute agreement with
7 the explanation's substance by the members of the general assembly.

8 This bill concerns matters under the purview of the banking
9 division of the department of commerce.

10 The bill modifies provisions in Code section 524.107
11 relating to when a person doing business in Iowa may be
12 permitted to use the words "bank" or "trust", or any
13 derivative, plural, or compound of "bank" or "trust", in
14 a manner which creates the impression that the person is
15 authorized to engage in the business of banking or act in a
16 fiduciary capacity. Currently, the specified list of persons
17 so authorized includes, among others, a bank authorized
18 pursuant to Code chapter 524. The bill adds the provision
19 that a bank authorized by the laws of another state to utilize
20 "bank" or "trust" in a manner tending to create the impression
21 that the person is authorized to engage in the business of
22 banking or act in a fiduciary capacity shall also be authorized
23 to do so in this state. The bill also makes a conforming change
24 to promote consistency between section 524.107, subsections 1
25 and 2.

26 The bill also makes a technical correction to Code section
27 544A.13, subsection 1, changing a reference to "provisions of
28 this Act" to "provisions of this chapter".

29 Additionally, the bill repeals Code section 544A.21. That
30 section permits specified business entities to engage in the
31 practice of architecture in Iowa if certain requirements are
32 met.

33 Further, the bill repeals Code provisions that permit the
34 use of discounts for minority status and lack of marketability
35 in determining the fair value of shares of banks and bank

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1 holding companies in transactions that provide appraisal rights
2 for dissenting shareholders.