

Senate File 413 - Introduced

SENATE FILE 413
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 1070)

(COMPANION TO HF 311 BY COMMITTEE
ON COMMERCE)

A BILL FOR

1 An Act relating to requirements for, and regular meetings of, the
2 board of directors of a state bank.

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

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1 Section 1. Section 524.601, subsection 1, Code 2025, is
2 amended to read as follows:

3 1. The business and affairs of a state bank shall be managed
4 by a board of five or more directors eighteen years of age or
5 older, a majority of whom shall be ~~residents of the state of Iowa~~
6 and citizens of the United States, and at least three of whom
7 shall be residents of the state of Iowa.

8 Sec. 2. Section 524.607, subsection 1, Code 2025, is amended
9 to read as follows:

10 1. The board of directors shall hold at least nine regular
11 meetings each calendar year. ~~No more than one regular meeting~~
12 ~~shall be held in any one calendar month~~ At a minimum, one regular
13 meeting shall be held in each quarter of a calendar year. Unless
14 the articles of incorporation or bylaws provide otherwise, any
15 director may participate in any meeting of the board of directors
16 through the use of any means of communication by which all
17 directors participating may simultaneously hear each other during
18 the meeting. A director participating in a meeting by this means
19 is deemed to be present at the meeting.

20 EXPLANATION

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

23 This bill relates to the requirements to serve on the board of
24 directors (board) of a state bank, and the regular meetings of a
25 board.

26 Under current law, a board consists of five or more directors
27 18 years of age or older, a majority of whom are residents of the
28 state of Iowa and citizens of the United States. Under the bill,
29 a board consists of five or more directors 18 years of age or
30 older, a majority of whom are citizens of the United States and
31 at least three of whom are residents of the state of Iowa.

32 Under current law, a board shall hold at least nine regular
33 meetings each calendar year, and no more than one regular meeting
34 shall be held in any one calendar month. Under the bill, a board
35 shall hold at least nine regular meetings each calendar year, and

1 at least one regular meeting shall occur in each quarter of a
2 calendar year.

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