

January 25, 1951.

House File 217

Passed on File.

By COMMITTEE ON BANKS AND BANKING.

Passed House, Date

Vote: Ayes..... Nays.....

Passed Senate, Date.....

Vote: Ayes..... Nays.....

Approved

A BILL FOR

An Act to amend section five hundred twenty-four point sixteen (524.16), Code 1950, relating to the expenses of the banking department.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. That section five hundred twenty-four point
2 sixteen (524.16), Code, 1950, be and the same is hereby
3 amended by striking from lines fifteen (15) and sixteen (16)
4 the words, "the federal reserve bank of Chicago", and
5 inserting in lieu thereof the words, "any federal bank
6 supervisory agency"; and by striking from lines twenty-one
7 (21), twenty-two (22) and twenty-three (23), the words,
8 "not to exceed five hundred dollars in any one year, as
9 shall be approved by the state comptroller", and inserting
10 in lieu thereof the words, "or for any other meetings
11 relating to his department as may be approved by the state
12 banking board".

EXPLANATION OF H. F. 217

The 38th General Assembly by an act approved April 23, 1919, provided an annual sum not in excess of \$500.00 to pay the traveling expenses of the superintendent of banking to the district meetings and state convention of the Iowa Bankers Association, the annual convention of the American Bankers Association, and any meetings that might be called by the federal reserve bank of Chicago and any conferences or annual convention of the state banking commissioners' national organization. That act known now as section 524.16 of the Code of 1950 has never been changed in this

regard. It is apparent that it is sound for our state superintendent of banking to be able to attend all of these conferences of bankers and banking commissioners as well as those conferences called by the federal reserve bank of Chicago in this 7th federal reserve district which includes the state of Iowa. The act as originally passed did not include conferences that might be called by the federal bank supervisory agencies such as the Comptroller of the Currency who heads the national banking system or the federal reserve board of Washington or the Federal Deposit Insurance Corporation, the latter of course was not set up until 1933. It does seem that in view of the fact that these traveling expenses are paid out of the examination fees that the state banks pay in the state banking department, and in view of the fact that they want their superintendent of banking to be available to meet with them and available to meet with the other bank supervisory agencies, that this section of the Code (524.16) should be made more current. It is well known that traveling expenses have greatly increased since the time when this section was first enacted in 1919 by the Legislature 32 years ago. Section 524.16 was enacted even before our state banking board was established. Therefore, it does seem reasonable to strike out the maximum sum of \$500.00 per year for such traveling expenses and leave the amount of such traveling expenses to the discretion of the state banking board. This bill is recommended by the IOWA BANKERS ASSOCIATION and the STATE BANKING BOARD.