

# Iowa's Constitution

When the U.S. Constitution was ratified by the 13 original states, Iowa was not a state. It became a part of the United States through the Louisiana Purchase in the early nineteenth century. The Territory of Iowa was created in 1838. People who lived in the area voted down the proposition to become a state in 1840 and in 1842. They eagerly sought statehood, but opposed boundaries fixed by the U.S. Congress.

After people approved new boundaries, the first Iowa Constitution (the Constitution of 1846) was written so that Iowa could become a state. On December 3, 1846, in the Stone Capitol at Iowa City, Ansel Briggs was inaugurated as first Governor of the State of Iowa. A copy of the Constitution of Iowa was sent to Washington, D.C. It was approved by Congress, and President James Polk gave his approval on December 28, 1846.

As the new state grew, the needs of its people changed. These new needs could not be met by the first constitution so a constitutional convention was called to write a new one.

## No Money in Iowa

The main drawback of the first Iowa constitution was that it did not allow banks that could print and issue money (these were called 'banks of issue'). Money in the 1840s was not like the money we use today. The United States government did not print paper money at all. Instead, it made gold and silver coins. Banks and businesses avoided this problem by printing notes (a kind of paper money) to use in place of gold or silver.

In the 1840s and '50s, there were over 700 banks in the U. S. Many of these printed their own notes. The value of the notes varied from bank to bank. It was impossible to know the current value of the notes of all banks. In Iowa, the Constitution of 1846 prohibited banks of issue. They had no official currency. At one time, over 300 kinds of money circulated in Iowa.

When the new Constitution of 1857 was adopted, a new bank with many branches was begun. This was called the State Bank because the state made the rules. The State Bank gave Iowans money they could trust.

