

Reported Recommending .....  
Ind. Postponed .....  
Passed House .....  
Failed to Pass House .....  
Passed Senate .....  
Failed to Pass Senate .....

**House File 21**

January 14, 1947.  
Passed on File.

By GENERAL LEGISLATIVE COMMITTEE.

## **A BILL FOR**

An Act to amend five hundred fifty-six point twenty-four (556.24), five hundred fifty-six point twenty-five (556.25), and five hundred fifty-six point twenty-six (556.26), Code 1946, relating to conditional sale contracts or lease of utility equipment, the filing thereof and the release and satisfaction thereof.

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

1 Section 1. Subsection two (2) of section five hundred  
2 fifty-six point twenty-four (556.24), Code 1946, is amended  
3 by inserting in line one (1) after the word "instrument" the  
4 words "or a true copy thereof".

1 Sec. 2. Section five hundred fifty-six point twenty-five  
2 (556.25), Code 1946, is amended by inserting in line one (1)  
3 after the word "contracts" the words "or true copies thereof".

1 Sec. 3. Section five hundred fifty-six point twenty-six  
2 (556.26), Code 1946, is amended by striking all of said section  
3 following the word "assignee" in line six (6) and by inserting  
4 in lieu thereof the following: "by separate instrument to be  
5 executed and acknowledged by the vendor, lessor, or bailor, or  
6 his or its assignee, which said instrument or a true copy  
7 thereof shall be filed with the secretary of state, who shall

8 number and index all such declarations as provided in section  
9 five hundred fifty-six point twenty-five (556.25).”

EXPLANATION OF H. F. 21

The general statute on chattel mortgages and conditional sale contracts provides that the mortgagor or vendor can protect his lien against subsequent liens by filing the original or a true copy of the instrument with the county recorder.

The statute relating to mortgages and conditional sales covering railroad and utility equipment which is rolling stock, or equipment located in several counties provides for the filing of the mortgage or conditional sale contract with the secretary of state. This statute, however, through some apparent oversight does not permit the filing of a true copy instead of the original instrument. The only purpose for filing, which is optional on the part of the mortgagor or vendor, is to give notice of the mortgagor's or vendor's lien and the filing of a true copy will serve the same purpose as the filing of the original instrument. Frequently these instruments or copies thereof must be filed in several states to protect the mortgagor's or vendor's lien and the requirement that the original be filed causes a hardship because frequently there is only one original.

The foregoing bill would permit the filing of true copies with the secretary of state giving the mortgagor or vendor the same protection as if the original instrument were filed.