

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

**House File 364**

February 25, 1947.  
 Passed on File.

By BUILDING AND LOAN COMMITTEE.

## A BILL FOR

An Act to amend certain sections in chapter five hundred thirty-four (534), Code, 1946, relating to building and loan and incorporated associations.

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

1 Section 1. Amend section five hundred thirty-four point  
 2 thirty-two (534.32), Code, 1946, by striking the period (.) after  
 3 the word "thereof" in line thirty-six (36) and inserting in  
 4 lieu thereof a comma (,) and by adding the following: "as  
 5 originally enacted and now, or hereafter amended, and any loans  
 6 made under the original statute or the statute as amended are  
 7 hereby authorized, ratified and confirmed. Also without regard  
 8 to any other provision of law, savings and loan associations of  
 9 this state are authorized to buy and sell any loan secured or  
 10 unsecured, which is insured or guaranteed in any manner in part  
 11 or in full by the United States or any instrumentality thereof,  
 12 or by this state or instrumentality thereof, or for which there  
 13 is a commitment to so insure or guarantee or for which a condition-  
 14 al guarantee has been issued."

1 Sec. 2. Amend section five hundred thirty-four point  
 2 thirty-eight (534.38), Code, 1946, by striking the period (.)

3 after the word "form" in line three (3) and inserting in lieu  
 4 thereof a comma (,) and the following: "except that notes made  
 5 for loans which are insured or guaranteed in any manner in part  
 6 or in full by the United States or any instrumentality thereof may  
 7 be made in negotiable form."

1 Section 3. Amend section five hundred thirty-four point  
 2 fifty-one, (534.51), Code, 1946, by striking out the following  
 3 words, "at book value," in line five of said section.

1 Section 4. Amend section five hundred thirty-four point  
 2 fifty-three (534.53), Code, 1946, by striking the comma (,)   
 3 after the word "governor" in line fifteen (15) and inserting  
 4 in lieu thereof a period (.) and by striking the balance of  
 5 line fifteen (15), all of line sixteen (16), and "dollars per  
 6 annum" in line seventeen (17).

1 Section 5. Amend section five hundred thirty-four point  
 2 ninety-seven (534.97), Code, 1946, by striking out the word  
 3 "ten", (10), in line seven (7) and inserting in lieu thereof  
 4 the word "eleven".

1 Section 6. This act being deemed of immediate importance  
 2 shall be in full force and effect from and after its publication  
 3 in the Farm Bureau News a newspaper published at Bettendorf, Iowa,  
 4 and the Davenport Times a newspaper published at Davenport,  
 5 Iowa.

#### EXPLANATION OF H. F. 364

##### Section 1. 534.32

The Fifty-first General Assembly enacted a law permitting Savings and Loan Associations to make loans "in compliance with the Service Men's Readjustment Act of 1944 and pursuant to all the provisions thereof." This Act was amended by the Congress of the United States. The Savings and Loan Department has been advised

by the Office of the Attorney General that our present law should be amended so that it would take in the amendment made by The Congress. Also, a provision is included permitting Savings and Loan Associations to buy and sell loans secured or unsecured, which are insured or guaranteed by the Government of the United States. This is very important in that it will permit Savings and Loan Associations to serve all Veterans who may want loans under the Service Men's Readjustment Act of 1944. These loans can now be sold to the Reconstruction Corporation or the Federal Home Loan Bank.

Section 2. 534.38

This section is amended so that notes secured by mortgage loans, insured or guaranteed by the Government of the United States, can be made in negotiable form. In order to take care of the Veterans' loans under the Service Men's Readjustment Act, many of the Associations will be compelled to sell some of the loans, or will not be in a position to make very many. In order that these loans can be sold a negotiable form must be used.

Section 3. 534.51

It is asked that the following words be struck out of the section, "at book value," in line five. Section five hundred thirty-four point fifty, (534.50) explains the value of stock to be withdrawn. The words, "at book value," in Section five hundred thirty-four point fifty-one (534.51) makes said section very confusing and should be taken out.

Section 4. 534.53

It is asked that the following words should be struck out of the section: "providing that such salary shall not exceed thirty-one hundred fifty dollars per annum."

There are four Supervisors in the Auditor's office. Only the salary of the Supervisor of Savings and Loan is limited. It is the desire of the Auditor that he may fix the salary of the Supervisor of Savings and Loan the same as he fixes the salary of the other three Supervisors.

Section 5. 534.97

The salary of the Savings and Loan examiner has been fixed at \$10.00 per day. This rate has been in force for a good many years. On account of existing conditions it would seem that a ten percent increase would be within reason.

C. B. AKERS, Auditor of State.

By Gerald G. Graff, s,

Savings and Loan Supervisor.