

## CHAPTER 174

## BANKS AND BANKING

H. F. 393

AN ACT to amend the law as it appears in house file No. 129 of the acts of the forty-first general assembly of Iowa as the same appears on file in the office of the secretary of state of Iowa, relating to public funds and the insurance and security thereof.

*Be it enacted by the General Assembly of the State of Iowa:*

That the law as it appears in house file No. 129 of the acts of the forty-first general assembly of Iowa as the same appears on file in the office of the secretary of state of Iowa be amended as follows:

1     **SECTION 1. Sinking fund surplus invested.** Strike from section  
2 one (1) thereof the last two (2) sentences and insert in lieu thereof  
3 the following: "There shall be paid into said sinking fund by the  
4 treasurer of state all collections either from assessments or diversions  
5 of interest as well as receipts received from the collection of claims  
6 assigned or paid whether from security, bonds or other sources. Any  
7 sums in the sinking fund shall be available for the payment of claims.  
8 All above a necessary working balance shall be kept invested in United  
9 States government bonds under the direction of the executive council."

1     **SEC. 2. Limitation.** Also amend section two (2) by adding to said  
2 section the following sentence: "No interest shall be diverted until  
3 the necessity therefor shall arise."

1     **SEC. 3. When applicable.** Also amend section four (4) by striking  
2 from the first two lines thereof the following: "Whenever a depository  
3 bank is placed in the hands of a receiver for liquidation" and insert  
4 in lieu thereof the following: "Whenever any such depository bank  
5 is hereafter closed and placed in the hands of a receiver or a trustee  
6 in bankruptcy".

1     **SEC. 4. Liability of banks and individuals.** Also amend section  
2 four (4) by striking the period (.) after the word "state" in line nine-  
3 teen (19) thereof and inserting in lieu thereof the following: ", and  
4 the failure on the part of any depository bank to pay to the county  
5 treasurer or the state treasurer any such interest on or before the  
6 fifth day of the month same becomes due, shall render such bank  
7 liable for double the amount of interest due and the same may be  
8 recovered by the state treasurer or the county treasurer. The fiscal  
9 governing officers of every county, township, school district, city or  
10 town, shall be personally liable to the sinking fund for any misappro-  
11 priation of such interest on public balances or for withholding the  
12 same when proper call has been made by the state treasurer as herein  
13 provided."

1    **SEC. 5. Publication clause.** This act being deemed of immediate  
 2 importance shall be in full force and effect from and after its publica-  
 3 tion in the Plain Talk, a newspaper published in the city of Des Moines,  
 4 Iowa, and the Palo Alto Reporter, a newspaper published at Emmets-  
 5 burg, Iowa.

Approved April 3, A. D. 1925.

I hereby certify that the foregoing act was published in the Des Moines Plain Talk  
 April 9, 1925, and the Palo Alto Reporter April 9, 1925.

W. C. RAMSAY, *Secretary of State.*

See chapter 173.

## CHAPTER 175

### INVESTMENT OF TRUST FUNDS

H. F. 224

AN ACT to authorize guardians, administrators, trustees, receivers, state and savings  
 banks, trust companies and insurance companies to invest in bonds issued under and  
 by virtue of the federal farm loan act, approved by the president of the United States  
 July 17, 1916.

*Be it enacted by the General Assembly of the State of Iowa:*

1    **SECTION 1.** Section ninety-one hundred eighty-three (9183), code,  
 2 1924, is amended by adding to paragraph one (1) the following:  
 3    “or in farm loan bonds issued under the act of congress approved  
 4 July seventeenth (17), nineteen hundred sixteen (1916), as amended,  
 5 where the corporation issuing such bonds is loaning in Iowa”.

1    **SEC. 2.** Section eighty-seven hundred thirty-seven (8737), code,  
 2 1924, is amended by adding to paragraph one (1) the following:  
 3    “or farm loan bonds issued under the act of congress approved  
 4 July seventeenth (17), nineteen hundred sixteen (1916), as amended,  
 5 where the corporation issuing such bonds is loaning in Iowa”.

1    **SEC. 3.** Section eighty-eight hundred twenty-nine (8829), code,  
 2 1924, is amended by adding to paragraph one (1) the following:  
 3    “or farm loan bonds issued under the act of congress approved July  
 4 seventeenth (17), nineteen hundred sixteen (1916), as amended, where  
 5 the corporation issuing such bonds is loaning in Iowa”.

Approved March 31, A. D. 1925.