

CHAPTER 138

PUBLIC FUNDS IN CLOSED BANKS

S. F. 487

AN ACT to provide for the release of public funds in closed banks, to authorize the executive council to obtain funds from the reconstruction finance corporation therefor, and to levy a tax for the purpose of securing repayment thereof.

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

1 SECTION 1. That, for the purpose of securing funds to replace the
2 moneys of the state of Iowa and all taxing subdivisions thereof which
3 are now unavailable because of having been deposited in banks now
4 closed or operating under senate file number 111 or deposits in banks
5 unavailable because of the execution of waiver or other agreements
6 with respect thereto, the executive council is hereby authorized to
7 negotiate with the reconstruction finance corporation or any other
8 governmental agency subsequently provided or authorized, or any
9 other agency, for the purpose of obtaining from it funds for the pur-
10 pose aforesaid and to perform any and all conditions imposed by the
11 said reconstruction finance corporation or any other governmental
12 agency subsequently provided or authorized, or any other agency, in
13 consideration of the advancement by it of an amount equal to the
14 amount of public money now on deposit in banks which are either in
15 the process of liquidation or operating under senate file number 111;
16 also such public money deposited in any bank, but unavailable because
17 of the execution of waiver or any agreement with respect thereto, or
18 such lesser amount as in the judgment of the executive council shall
19 be sufficient to relieve the present emergency resulting from the in-
20 ability to use such funds.

1 SEC. 2. To carry out the provisions of any agreement or under-
2 taking entered into between the executive council and the reconstruc-
3 tion finance corporation or other governmental agency, or any other
4 agency, for the restoration or replenishment of the state sinking fund
5 for public deposits, the treasurer of state is authorized to sell, assign,
6 pledge, transfer, and convey any or all of the assets held by him in
7 trust for the said state sinking fund, including claims against defunct
8 banks and trust companies, and anticipated income.

1 SEC. 3. Section seven thousand four hundred twenty-b three
2 (7420-b3) of chapter 352-A1 of the code, 1931, is hereby amended by
3 striking the comma (,) after the word "claims", in line nine (9), and
4 inserting a period (.) in lieu thereof, and by striking out the remainder
5 of said section.

1 SEC. 4. Section seven thousand four hundred twenty-b six (7420-
2 b6) of chapter 352-A1 of the code, 1931, is hereby amended by insert-
3 ing a period (.) after the word "fit" in line twelve (12), and by
4 striking the remainder of said section.

1 SEC. 5. The executive council is hereby authorized to annually
2 levy a tax of not to exceed one mill on all taxable property within
3 the state to pay interest on such funds as may be obtained from the
4 reconstruction finance corporation, or such other governmental agency,

5 or any other agency or source, and to provide a fund to retire such
6 installments of the principal sum as may be required by the said
7 finance corporation or agency. In computing the amount of mills to
8 be levied as aforesaid, the executive council shall take into considera-
9 tion such an amount of the state sinking fund provided by chapter
10 352-A1 of the code of 1931, as in its judgment may be available for
11 application upon the interest and/or principal required in any year
12 to be paid to the reconstruction finance corporation or governmental
13 agency, or any other agency.

1 SEC. 6. The money received from the reconstruction finance cor-
2 poration or such other governmental agency, or any other agency or
3 source, shall be distributed by the treasurer of state in accordance
4 with the certificates from the superintendent of banking as provided
5 in section 7420-a9 of the code of 1931, and the county treasurers shall
6 distribute the funds received from the state treasurer to the respec-
7 tive funds or taxing subdivisions in the same manner and amount as
8 if the same had been distributed at the time of the collection of the
9 taxes.

1 SEC. 7. Upon the remittance by the treasurer of state to the vari-
2 ous county treasurers or treasurers of other subdivisions of the funds
3 received from the reconstruction finance corporation, or such other
4 governmental agency, or any other agency or source, he shall be
5 subrogated to all the title, interest and rights of the respective treas-
6 urers or taxing subdivisions and shall share in the distribution of the
7 assets of the respective banks ratably with the other depositors as
8 provided in section 7420-a18, code of 1931.

1 SEC. 8. All laws or parts of laws in conflict herewith are hereby
2 repealed.

1 SEC. 9. This act being deemed of immediate importance shall be
2 in full force and effect from and after its publication in the Centerville
3 Daily Iowegian, a newspaper published at Centerville, Iowa, and in
4 the West Liberty Index, a newspaper published at West Liberty, Iowa.

Senate File No. 487. Approved April 24, 1933.

I hereby certify that the foregoing act was published in the Centerville Daily
Iowegian, April 27, 1933, and the West Liberty Index, May 4, 1933.

MRS. ALEX MILLER, *Secretary of State.*