

Senate File No. 4.  
BY BYINGTON.

Judiciary No. 2.  
January 16, 1919.

## A BILL FOR AN ACT

To amend section sixteen hundred forty-one-b (1641-b) of the supplement to the code, 1913, providing for the appraisement of property for which it is proposed to issue stock of a corporation for pecuniary profit.

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

1 Section 1. That section sixteen hundred forty-one-b (1641-b)  
2 of the supplement to the code of 1913 be amended by adding at the  
3 end of said section the following: "Provided further that where any  
4 public utilities corporation, foreign or domestic, except telephone  
5 companies without an exchange, makes application under this  
6 to issue stock for a consideration other than money, the executive <sup>section</sup>  
7 council shall fix a time for hearing such application and shall  
8 cause notice of such hearing by personal service to be made upon  
9 the mayor of the city or town in which is located any public  
10 utility corporation for which stock is to be issued and also upon  
11 the mayor of any city or town in which is located the principal  
12 place of business of such corporation of fifteen days prior to such  
13 hearing, and shall cause such notice of hearing to be twice pub-  
14 lished in a newspaper published in said city or town, the last  
15 publication to be made not less than ten days before the date of  
16 hearing, and proof of publication to be filed with the executive  
17 council.

18 "Upon the filing of such application by any such public  
19 utilities corporation, the executive council shall employ an  
20 expert to make a thorough investigation of the property of such  
21 corporation, both tangible and intangible, and covering such  
22 subjects as will enable said expert to intelligently report as to  
23 the actual value of the property for which it is proposed to issue  
24 stock of such corporation, provided however that no franchise value  
25 shall be considered in fixing such value. Such report shall be filed  
26 with the executive council and no final action for the issuance of  
27 such stock shall be taken until the filing of such report. The  
28 costs of such expert investigation and report shall be paid by such  
29 corporation.

30 "Where an applicant corporation wishes to include in the  
31 property for which stock is proposed to be issued, the stock and  
32 property of an existing corporation, the executive council shall  
33 require a complete investigation of the value of the stock and  
34 the property of such corporation and may require an examination  
35 by an expert if necessary to determine the actual value thereof.  
36 and shall authorize the issuance of stock only in such amount  
37 that shall be worth par when issued."

1 Sec. 2. This act being deemed of immediate importance  
2 shall take effect and be in force from and after its passage and  
3 publication in the Des Moines Register and Des Moines Capital,  
4 newspapers published in Des Moines, Iowa.