

February 13, 1953.
Social Security.

House File 294
By BECK.

Passed House, Date ~~4-15-53~~.....
Vote: Ayes.....~~21~~..... Nays.....~~64~~.....
Passed Senate, Date.....
Vote: Ayes..... Nays.....
Approved

A BILL FOR

An Act to amend section two hundred forty-nine point twenty (249.20), Code 1950, relating to the selling of property of persons receiving old age assistance.

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

1 Section 1. Amend section two hundred forty-nine point
2 twenty (249.20), Code 1950, by striking from line fifteen
3 (15) paragraph six (6) the following: "two years", and
4 inserting in lieu thereof the following: "ninety days".

1 Sec. 2. Further amend section two hundred forty-nine
2 point twenty (249.20), paragraph six (6), Code 1950, by
3 inserting a period (.) following the words "if any" in line
4 seventeen (17), and striking the remainder of the sentence.

EXPLANATION OF H. F. 294

The present law allows the heirs a period of two years to redeem following the death of the survivor. This means that the State Board of Social Welfare cannot sell the property and deliver good title for two years after the death. Therefore, the Board, except in unusual cases, refrains from taking title from the recipient. Many times it would be advantageous to the board, to the recipient and to the general public if the Board of Social Welfare would accept the title from the recipient. This is not being done under the present law because the property cannot be disposed of for two years and during that period it deteriorates and might become a liability rather than an asset.

The present law does not benefit the recipient or the heirs because during the history of the program an heir has never taken advantage of his rights to redeem during the two year period. If the heirs redeem, it is before death when they realize the property value exceeds the amount of the lien. Usually the lien far exceeds the value of the property and the heirs do not redeem.

Under the proposed revision the heirs will have sufficient time to redeem or make known their intentions. The revised law will give the State Board more freedom in accepting titles when necessary and the property could be sold ninety days following the death of the grantor or the grantor's surviving spouse.

It is suggested that the interest charge be removed because of the short period of redemption.

