

Substituted for S. F. 241 - 3/21/61 - S. J. 9-567

February 13, 1961.
Passed on File.

House File 332
By COMMITTEE ON BANKS,
BUILDING AND LOAN.

Passed House, Date 3-15-61 Passed Senate, Date 3-21-61
Vote: Ayes 104 Nays 6 Vote: Ayes 44 Nays 3
Approved 3-24-61

A BILL FOR

An Act to amend chapter three hundred thirty-eight (338), Acts of the Fifty-eighth General Assembly, relating to savings and loan associations.

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

1 Section 1. Section nineteen (19) of chapter three hundred
2 thirty-eight (338), Acts of the Fifty-eighth General Assembly,
3 is amended by striking from line fifty-six (56) the figures
4 "23" and inserting in lieu thereof the figures "21".

5 Said section is further amended by adding at the end of
6 subsection six (6) the following new sentence: "Such loans
7 may also be based on a discount charge of not to exceed five
8 dollars (\$5.00) per one hundred dollars (\$100.00) face amount
9 per year in lieu of straight interest otherwise provided by
10 law."

1 Sec. 2. Section forty-two (42) of chapter three hundred
2 thirty-eight (338), Acts of the Fifty-eighth General Assembly,
3 is amended by striking therefrom the last sentence and inserting
4 in lieu thereof the following: "Dividends for a particular
5 month shall be paid on sums invested by a member by the tenth
6 day of that month. If, however, the tenth day of said month
7 falls on a Sunday, holiday, or another business day on which the
8 particular association is normally closed, then money received
9 by the next business day shall earn dividends from the first

10 of that month."

1 Sec. 3. Section fifty-four (54) of chapter three hundred
2 thirty-eight (338), Acts of the Fifty-eighth General Assembly,
3 is amended by striking from line three (3) the figures "56"
4 and inserting in lieu thereof the figures "53".

1 Sec. 4. Section fifty-seven (57) of chapter three hundred
2 thirty-eight (338), Acts of the Fifty-eighth General Assembly,
3 is amended by striking from line four (4) the figures "51"
4 and inserting in lieu thereof the figures "50".

1 Sec. 5. Section sixty (60) of chapter three hundred thirty-
2 eight (338), Acts of the Fifty-eighth General Assembly, is
3 amended by striking from line two (2) the figures "59" and
4 "60" and inserting in lieu thereof the figures "58" and "59".

1 Sec. 6. Section sixty-six (66) of chapter three hundred
2 thirty-eight (338), Acts of the Fifty-eighth General Assembly,
3 is amended by striking from line one hundred forty-one (141)
4 the figures "47" and inserting in lieu thereof the figures
5 "46".

1 Sec. 7. Section twelve (12) of chapter three hundred
2 thirty-eighth (338), Acts of the Fifty-eighth General Assembly,
3 is amended by adding at the end of subsection one (1) the
4 following new sentence: "Each member as defined by section
5 two (2), subsection eight (8), shall, regardless of shares,
6 be entitled to at least one vote at any members' meeting."

1 Sec. 8. Section thirty-one (31) of chapter three hundred
2 thirty-eight (338), Acts of the Fifty-eighth General Assembly,
3 is amended by adding at the end of said section the following:
4 "Every association organized under the provisions of this
5 chapter shall have and exercise all the rights, powers and

6 privileges dealing with a bonus plan not in conflict with the
 7 laws of this state which are conferred upon federal savings
 8 and loan associations by the provisions of the Home Owners'
 9 Loan Act of 1933 or amendments thereto and by regulations
 10 adopted by the federal home loan bank board."

EXPLANATION OF HOUSE FILE 332

The 58th General Assembly approved a recodification of the savings and loan laws to enable state-chartered associations to have equal status with the federally chartered associations. Federal associations derive their powers from the Federal Home Loan Bank Board in Washington and can change rules by administrative order. State chartered associations must wait until the next session of the legislature for any needed changes or improvements. There are 41 federally-chartered associations and 51 state-chartered associations in Iowa.

This bill will give state-chartered associations some improvements needed in the Code which have come to light since passage of the recodification in 1959. Some section references also need correction.

A bonus or incentive account is being used by the federally-chartered associations under their powers, but the state-chartered associations do not have this power and are unable to compete with federally-chartered associations. A bonus or incentive account is used in many states as an incentive for long-term saving, such as for college education funds for families and also for investment purposes.

HOUSE FILE 332

1 Amend House File 332, section one (1), by striking all of
 2 lines five (5) through ten (10).

Filed

March 9, 1961.

Winneshiek
5-15-61

SERSLAND of Winneshiek.

HOUSE FILE 332

1 Amend House File 332 by striking from line 10 of section
 2 1 the first period, quotation marks, and second period ("")
 3 and adding the following: "on the first two thousand five
 4 hundred dollars (\$2,500.00) of such loan or four dollars (\$4.00)
 5 per one hundred dollars (\$100.00) face amount on the balance of
 6 such loan above two thousand five hundred dollars (\$2,500.00)."

Filed

March 20, 1961.

Lox 3/21/61

By HILL

