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FILED MAR 3 1983

SENATE FILE <u>228</u>9 BY COMMITTEE ON COMMERCE (formerly 5582211)

Passed Senate, Date $\frac{3/15/87}{16}$ (8.809) Passed House, Date $\frac{4/14/88}{16}$ (7.1927) Vote: Ayes 30 Nays 16 Vote: Ayes 95 Nays 0 Approved ______ 3, 1988 ____

A BILL FOR

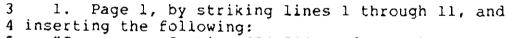
An Act relating to the sale of certificates of deposit, issued by
 foreign associations, within the state.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SENATE FILE 2289

H-5864

1 Amend Senate File 2289 as passed by the Senate as 2 follows:



5 "Sec. Section 534.702, Code Supplement 1987, 6 is amended by adding the following new subsection: 7 NEW SUBSECTION. 10. LIMITED EXEMPTION FOR SOLVENT 8 FOREIGN ASSOCIATIONS. A foreign savings and loan 9 association is exempt from the requirements of this 10 section if the association's business in this state is 11 limited to the sale of certificates of deposit through 12 independent broker-dealers registered under section 13 502.302, unless the superintendent of savings and 14 loans by order determines the association is 15 insolvent."

> By COMMITTEE ON SMALL BUSINESS AND COMMERCE SWARTZ of Marshall, Chairperson

H-5864 FILED MARCH 24, 1988 adopted 4/14 (p. 1921)

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S.F. 2289 H.F.

Section 1. Section 534.702, subsection 1, unnumbered
 paragraph 2, Code Supplement 1987, is amended to read as
 follows:
 As used in this section, to transact business means to have
 an office, agency, or agent in this state. For the purposes
 of this section, a foreign association whose deposits are

7 insured by a federal insurer is not transacting business 8 within this state, and does not have an office, agency, or 9 agent in this state, by virtue of its certificates of deposit 10 being made available in the state through a broker-dealer

11 registered in accordance with section 502.302.

Sec. 2. Section 534.704, Code 1987, is amended by adding 13 the following new unnumbered paragraph:

14 <u>NEW UNNUMBERED PARAGRAPH</u>. This section does not make 15 unlawful the activities of a broker-dealer registered under 16 section 502.302 when the broker-dealer makes available in this 17 state certificates of deposit issued by a foreign association 18 whose deposits are insured by a federal insurer.

EXPLANATION

This bill modifies the definition of "transacting business" in this state as applicable to foreign savings and loan associations, and specifically permits the sale of a foreign association's certificates of deposit in Iowa by a registered securities broker-dealer. The broker-dealer is not an agent of the association within the meaning of the section as modified by the bill.

27 SUCCESSOR TO SSB 2211 (LSB 8298SC)
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HOUSE AMENDMENT TO SENATE FILE 2289

S-6018

1 Amend Senate File 2289 as passed by the Senate as 2 follows:

3 1. Page 1, by striking lines 1 through 11, and 4 inserting the following:

5 "Sec. Section 534.702, Code Supplement 1987, 6 is amended by adding the following new subsection: 7 NEW SUBSECTION. 10. LIMITED EXEMPTION FOR SOLVENT 8 FOREIGN ASSOCIATIONS. A foreign savings and loan 9 association is exempt from the requirements of this 10 section if the association's business in this state is 11 limited to the sale of certificates of deposit through 12 independent broker-dealers registered under section 13 502.302, unless the superintendent of savings and 14 loans by order determines the association is 15 insolvent."

S-6018 Filed April 14, 1988 ADOPTED Jennet concentration of 19 (gr. 1604)

RECEIVED FROM THE HOUSE

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ungern, CH. SSB 2211

3 y an COMMERCE: Sturgeon, Chair: Rife and Deluhery

COMMERCE Thend

ILIFE DELUHERY

SENATE FILE 2289 BY (PROPOSED COMMITTEE ON COMMERCE BILL)

Passed	Senate,	Date	Passed	House,	Date	
Vote:	Ayes	Nays	Vote:	Ayes	Nays	
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A BILL FOR

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S.F. H.F.

Section 1. Section 534.702, subsection 1, unnumbered
 paragraph 2, Code Supplement 1987, is amended to read as
 follows:
 As used in this section, to transact business means to have

5 an office, agency, or agent in this state. For the purposes 6 of this section, a foreign association whose deposits are 7 insured by a federal insurer is not transacting business 8 within this state, and does not have an office, agency, or 9 agent in this state, by virtue of its certificates of deposit 10 being made available in the state through a broker-dealer 11 registered in accordance with section 502.302. 12 Sec. 2. Section 534.704, Code 1987, is amended by adding 13 the following new unnumbered paragraph:

14 <u>NEW UNNUMBERED PARAGRAPH</u>. This section does not make 15 unlawful the activities of a broker-dealer registered under 16 section 502.302 when the broker-dealer makes available in this 17 state certificates of deposit issued by a foreign association 18 whose deposits are insured by a federal insurer.

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EXPLANATION

This bill modifies the definition of "transacting business" in this state as applicable to foreign savings and loan associations, and specifically permits the sale of a foreign association's certificates of deposit in Iowa by a registered securities broker-dealer. The broker-dealer is not an agent of the association within the meaning of the section as modified by the bill.

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Senate File 2269, p. 2

state certificates of deposit issued by a foreign association. whose deposits are insured by a federal insurer.

> _____ JO ANN ZIMMERMAN President of the Senate

DONALD D. AVENSON Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2289, Seventy-second General Assembly.

Approved May 3, 1988 Secretary of the Senate

JOHN F. DWYER

TERRY E. BRANSTAD Governor

SF 2289

SENATE FILE 2289

AN ACT

RELATING TO THE SALE OF CERTIFICATES OF DEPOSIT, ISSUED BY FOREIGN ASSOCIATIONS, WITHIN THE STATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 534.702, Code Supplement 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 10. LIMITED EXEMPTION FOR SOLVENT FOREIGN ASSOCIATIONS. A foreign savings and loan association is exempt from the requirements of this section if the association's business in this state is limited to the sale of certificates of deposit through independent broker-dealers registered under section 502.302, unless the superintendent of savings and loans by order determines the association is insolvent.

Sec. 2. Section 534.704, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. This section does not make unlawful the activities of a broker-dealer registered under section 502.302 when the broker-dealer makes available in this