

*Senate File 2289 - 515
House File 55B2211 - 515 (p. 1921)*

FILED MAR 3 1988

SENATE FILE 2289
BY COMMITTEE ON COMMERCE

Approved (p. 1921)
(formerly 55B2211)

Passed Senate, Date 3/15/88 (p. 809) Passed House, Date 4/14/88 (p. 1921)
Vote: Ayes 30 Nays 16 Vote: Ayes 95 Nays 0

Approved May 3, 1988

A BILL FOR

1 An Act relating to the sale of certificates of deposit, issued by
2 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:
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."

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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1 Section 1. Section 534.702, subsection 1, unnumbered
2 paragraph 2, Code Supplement 1987, is amended to read as
3 follows:

4 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 NEW UNNUMBERED PARAGRAPH. 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.

19 EXPLANATION

20 This bill modifies the definition of "transacting business"
21 in this state as applicable to foreign savings and loan
22 associations, and specifically permits the sale of a foreign
23 association's certificates of deposit in Iowa by a registered
24 securities broker-dealer. The broker-dealer is not an agent
25 of the association within the meaning of the section as
26 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

RECEIVED FROM THE HOUSE

Senate concurred 4/14 (p. 1604)

Y on

SSB 2211

URGENT CH.

SSB 2211

COMMERCE: Sturgeon, Chair: Rife and Deluhery

RIFE
DELUHERY

COMMERCE
New

SENATE FILE 2289

BY (PROPOSED COMMITTEE ON
COMMERCE BILL)

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

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

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

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2 paragraph 2, Code Supplement 1987, is amended to read as
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7 insured by a federal insurer is not transacting business
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9 agent in this state, by virtue of its certificates of deposit
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15 unlawful the activities of a broker-dealer registered under
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19 EXPLANATION

20 This bill modifies the definition of "transacting business"
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state certificates of deposit issued by a foreign association whose deposits are insured by a federal insurer.

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

.....
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.

.....
JOHN F. DWYER
Secretary of the Senate

Approved May 3, 1988

.....
TERRY E. BRANSTAD
Governor

SF 2289