

CHAPTER 98

BANK AND TRUST COMPANIES. INVESTMENT IN FUNDS OF
NATIONAL HOUSING ACT

S. F. 118

AN ACT to amend section ninety-one hundred eighty-three (9183), code, 1931, as amended by the acts of the Forty-fifth General Assembly in the extraordinary session, and section ninety-two hundred twenty-three (9223), code, 1931, pertaining to investment of funds and limitations of liabilities of state banks, savings banks and trust companies and authorizing state banks, savings banks and trust companies to make loans pursuant to titles I and II of the national housing act, or amendments to said act, and to invest in mortgages insured, and in debentures issued, by the federal housing administrator and to invest in capital stock and securities of national mortgage associations, or similar credit institutions; allowing equal privileges to national banks authorized by federal law to make such loans; providing rules of construction; and providing for this act to take effect from and after publication.

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

1 SECTION 1. That section ninety-one hundred eighty-three (9183),
2 code, 1931, be amended by adding thereto as subsection seven (7) the
3 following:

4 "Federal housing securities. In bonds and notes secured by mort-
5 gage or trust deed insured by the federal housing administrator, and in
6 debentures issued by the federal housing administrator pursuant to
7 title II of the national housing act, or amendments to said act, and in
8 securities issued by national mortgage associations or similar credit
9 institutions now or hereafter organized under title III of the national
10 housing act, or amendments to said act; but not exceeding twenty-five
11 (25) per cent of the assets of the bank or trust company shall consist
12 of such investments."

1 SEC. 2. That section ninety-two hundred twenty-three (9223), code,
2 1931, be amended by inserting therein after line 19, the following:

3 "Provided, further, that irrespective of the provisions of this or any
4 other section of the code, 1931, state banks, savings banks and trust
5 companies may make such loans and advances of credit and purchases
6 of obligations representing loans and advances of credit as are eligible
7 for insurance pursuant to title I, section 2 of the national housing act,
8 or amendments to said act, and may obtain such insurance; and may
9 make such loans secured by real property or leasehold as the federal
10 housing administrator insures or makes a commitment to insure pur-
11 suant to title II of the national housing act, or amendments to said act,
12 and may obtain such insurance; but such loans, advances of credits,
13 purchases of obligations representing loans and advances of credit shall
14 in no event, exceed in the aggregate, twenty-five (25) per cent of the
15 assets of the bank or trust company."

1 SEC. 3. That section ninety-one hundred eighty-three (9183) of the
2 code, 1931, as amended by the acts of the Forty-fifth General Assembly,
3 extraordinary session, be and the same is hereby amended by adding
4 after the word "organization" in line 10 of subdivision six (6) thereof
5 the following:

6 " , and an amount not in excess of fifteen (15) per cent of their capital
7 stock and surplus in capital stock of any national mortgage association

8 authorized under title III of the national housing act approved June 27,
9 1934, or any amendments thereto."

1 SEC. 4. No law of this state requiring security upon which loans or
2 investments may be made, or prescribing the nature, amount or form
3 of such security, or prescribing or limiting interest rates upon loans or
4 investments, or prescribing or limiting the period for which loans or
5 investments may be made, shall be deemed to apply to loans or invest-
6 ments pursuant to the foregoing paragraphs.

1 SEC. 5. Should any section of this act or part thereof be held uncon-
2 stitutional or invalid, such decisions shall only affect the specific pro-
3 visions which may be held invalid or unconstitutional and shall not
4 affect the validity of the remaining portions of this act, provided that
5 nothing in this act shall deny equal privileges to national banks located
6 in this state insofar as such banks now or later may be authorized by
7 federal law to carry on federal housing administration loan work.

1 SEC. 6. This act being deemed of immediate importance shall be
2 in full force and effect from and after its publication in the Red Oak
3 Express, a newspaper published at Red Oak, Iowa, and in the Center-
4 ville Daily Iowegian, a newspaper published at Centerville, Iowa.

Senate File 118. Approved April 17, 1935.

I hereby certify that the foregoing act was published in the Centerville Daily Iowegian, April 20, 1935, and the Red Oak Express, April 22, 1935.

MRS. ALEX MILLER, *Secretary of State.*

CHAPTER 99

STATE AND SAVINGS BANKS, LOAN AND TRUST COMPANIES, SURPLUS FUND

H. F. 232

AN ACT to repeal sections ninety-one hundred eighty-nine (9189), ninety-two hundred fourteen (9214), ninety-two hundred fifteen (9215), ninety-two hundred seventeen (9217), ninety-three hundred one (9301), and ninety-three hundred two (9302), of the code, 1931, relating to state banks, savings banks, and loan and trust companies.

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

1 SECTION 1. Sections ninety-one hundred eighty-nine (9189), ninety-
2 two hundred fourteen (9214), ninety-two hundred fifteen (9215),
3 ninety-two hundred seventeen (9217), ninety-three hundred one
4 (9301), and ninety-three hundred two (9302), code, 1931, are hereby
5 repealed.

House File 232. Approved April 10, 1935.