

## CHAPTER 120

## INVESTMENT OF FUNDS. SECURITIES UNDER NATIONAL HOUSING ACT

## H. F. 438

AN ACT to promote the objects of the national housing act by authorizing insurance companies and building and loan associations, to make loans pursuant to titles I and II of the national housing act, and by authorizing insurance companies, building and loan associations, trustees, guardians, executors, administrators, and other fiduciaries, the state of Iowa and its political subdivisions, and institutions and agencies thereof, and all other persons, associations and corporations, subject to the laws of this state, to invest in mortgages insured, and in debentures issued by the federal housing administrator, and to invest in securities of national mortgage associations.

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

1 SECTION 1. Insurance companies and building and loan associations—  
2 a. May make such loans and advances of credit and purchases of  
3 obligations representing loans and advances of credit as are eligible for  
4 insurance pursuant to title I, section 2, of the national housing act, and  
5 may obtain such insurance.

6 b. May make such loans, secured by real property or leasehold, as  
7 the federal housing administrator insures or makes a commitment to  
8 insure pursuant to title II of the national housing act, and may obtain  
9 such insurance.

1 SEC. 2. It shall be lawful for insurance companies, building and loan  
2 associations, trustees, guardians, executors, administrators, and other  
3 fiduciaries, the state of Iowa and its political subdivisions, and insti-  
4 tutions and agencies thereof, and all other persons, associations and  
5 corporations, subject to the laws of this state, to invest their funds,  
6 and the moneys in their custody or possession, eligible for investment,  
7 in bonds and notes secured by mortgage or trust deed insured by the  
8 federal housing administrator, and in the debentures issued by the  
9 federal housing administrator pursuant to title II of the national hous-  
10 ing act, and in securities issued by national mortgage associations or  
11 similar credit institutions now or hereafter organized under title III of  
12 the national housing act.

1 SEC. 3. No law of this state requiring security upon which loans  
2 or 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 may be made, shall be deemed to apply to loans or invest-  
5 ments pursuant to the foregoing paragraphs.

1 SEC. 4. This act being deemed of immediate importance shall be in  
2 force and effect after its passage and publication in the Sioux City  
3 Tribune, published in Sioux City, Iowa, and Dallas County News, pub-  
4 lished in Adel, Iowa.

House File 438. Approved May 4, 1935.

I hereby certify that the foregoing act was published in the Sioux City Tribune, May 11, 1935, and the Dallas County News, May 15, 1935.

MRS. ALEX MILLER, *Secretary of State.*