

[CHAPTER 189.]

AN ACT

May 17, 1932.

[S. 3584.]

[Public, No. 137.]

To require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes.

District of Columbia
Code amendment.
Vol. 31, pp. 1289,
1310, amended.

Insurance corpora-
tions formed under Dis-
trict of Columbia laws.

Headquarters and
records of, to be main-
tained within said Dis-
trict.

Provisos.
Branch-office records
exempt.

Corporations created
by special Act of Con-
gress.

Reincorporation,
elsewhere.
Post, p. 1778.

Conditions imposed.

Revocation of charter
for violation.

Prosecution of officer
or agent.

Jurisdiction of police
court.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Chapter XVIII of the Code of Law for the District of Columbia be, and the same hereby is, amended by adding thereto a new section, which shall provide—

“That any corporation now or hereafter formed or organized under any provision of law in force and effect in the District of Columbia to engage in an insurance business shall maintain its principal office within said District and shall keep its books, records, and files therein, and shall not remove from said District either its principal office or its books, records, or files without the permission of the Commissioners of the District of Columbia first had and obtained: *Provided, however,* That nothing herein contained shall be construed to apply to the books, records, and files of any such corporation kept in a branch-office agency of such corporation, which books, records, and files relate solely to the business transacted by the said branch office agency: *And provided further,* That any insurance corporation created by special Act of Congress is hereby authorized upon resolution of its board of directors or trustees to reincorporate under the laws of any State of the United States, a certified copy of such resolution of such board of directors or trustees having first been filed in the office of the Superintendent of Insurance of the District of Columbia and recorded in the office of the Recorder of Deeds of the District of Columbia. Upon compliance with the above conditions, the assets of the said corporation shall thereby become vested in the new corporation. Said new corporation shall faithfully carry out any and every right, obligation, and liability of said original corporation.

“Any corporation violating any of the provisions hereof shall forthwith forfeit its charter, which forfeiture shall operate as a revocation of its license to do business within said District.

“Any officer, agent, or employee of any such corporation who shall violate any of the provisions hereof shall be guilty of a misdemeanor and upon conviction shall pay a fine of not less than \$300 or be imprisoned for not more than ninety days, or by both such fine and imprisonment. All prosecutions hereunder shall be upon information filed in the police court of the District of Columbia in the name of the District of Columbia by the corporation counsel thereof or any of his assistants.”

Approved, May 17, 1932.

[CHAPTER 190.]

JOINT RESOLUTION

To change the name of the island of “Porto Rico” to “Puerto Rico.”

May 17, 1932.

[S. J. Res. 36.]

[Pub. Res., No. 20.]

Island of “Porto
Rico.”
Vol. 39, p. 951.
To be hereafter desig-
nated as “Puerto
Rico.”

Force and effect on
existing laws, etc.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after the passage of this resolution the island designated “Porto Rico” in the Act entitled “An Act to provide a civil government for Porto Rico, and for other purposes,” approved March 2, 1917, as amended, shall be known and designated as “Puerto Rico.” All laws, regulations, and public documents and records of the United States in which such island is designated or referred to under the

name of "Porto Rico" shall be held to refer to such island under and by the name of "Puerto Rico."

Approved, May 17, 1932.

[CHAPTER 191.]

AN ACT

To amend Title II of the Federal Farm Loan Act in regard to Federal intermediate credit banks, and for other purposes.

May 19, 1932.
[S. 2409.]

[Public, No. 138.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 (a) of Title II of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 8, sec. 1031), is hereby amended by substituting a semicolon for the period at the end of clause (3) and adding thereto the following new matter: "and to accept drafts or bills of exchange issued or drawn by any such association when secured by warehouse receipts and/or shipping documents covering staple agricultural products as herein provided."

Federal intermediate credit banks.

Vol. 42, p. 1455; Vol. 43, p. 1264; Vol. 46, p. 816.

U. S. C., p. 316; Supp. V, p. 133.

Acceptance of secured drafts, etc., of cooperative agricultural associations.

SEC. 2. Section 205 of Title II of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 8, sec. 1061), is hereby amended by adding at the end thereof the following new matter: "In the event that there shall be an impairment of the paid-in capital of any Federal intermediate credit bank, the Farm Loan Board, at such time or times as it deems advisable, may determine and assess the amount thereof against the other Federal intermediate credit banks on such equitable basis of apportionment as it shall prescribe. Each bank against which such an assessment is made shall, out of its surplus and/or to an extent up to 50 per centum of its net earnings, in accordance with the terms of such assessment, pay the amount thereof as soon as possible to the bank having the impairment. In such event payments into the surplus fund and payments of the franchise tax prescribed by this chapter shall be determined on the basis of the net earnings remaining after providing for the payment of any such assessment."

Impairment of capital of any credit bank.

Vol. 42, p. 1457.

U. S. C., p. 317.

Proportionate assessment of amount thereof against member banks, authorized.

Payment.

Utilization of surplus, or net earnings.

SEC. 3. Section 206 (b) of Title II of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 8, sec. 1072), is hereby amended (effective January 1, 1932) by striking out the first two sentences of said section and substituting therefor the following new matter: "After all necessary expenses of a Federal intermediate credit bank have been paid or provided for, the net earnings shall be paid into a surplus fund until it shall amount to 100 per centum of the subscribed capital stock of such bank, and thereafter 50 per centum of such earnings shall be paid into the surplus. Whenever the surplus thus paid in shall have been impaired it shall be fully restored before payment of the franchise tax herein prescribed. After the aforesaid requirements of this section have been fully met and, except as otherwise provided in this Act, 50 per centum of the net earnings shall be paid to the United States as a franchise tax."

Special reserve and surplus funds.

Vol. 42, p. 1457; U. S. C., p. 317, amended.

Net earnings to be applied to.

Restoration of surplus.

Payment of franchise tax.

Liability on debentures.

Vol. 42, p. 1458; U. S. C., p. 317, amended.

Proviso.

Mutual arrangements for transfer of funds to meet contingencies.

SEC. 4. Section 207 of Title II of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 8, sec. 1081), is hereby amended by striking out the period at the end thereof and substituting a colon together with a proviso as follows: "Provided, That in view of the liability of all Federal intermediate credit banks for the debentures and other such obligations of each bank under this Act, the banks shall, in accordance with rules, regulations, and orders of the Federal Farm Loan Board, enter into adequate agreements and arrangements among themselves by which funds shall be transferred and/or made available from time to time for the payment of all such debentures and other such obligations and the interest thereon when due in accordance with the terms thereof."