

6 and girls 4-H clubs of the county in which the board is situated under
 7 such procedure as may be approved by the secretary of agriculture.
 8 "Funds turned over to the secretary of agriculture as trustee shall
 9 be distributed to the county organization of 4-H clubs of the counties
 10 from which such funds were received. The funds due each county
 11 shall be distributed to the boys and girls 4-H clubs equally."

Approved April 7, 1953.

CHAPTER 239

LICENSING AUCTION SALES

H. F. 27

AN ACT to require a license for the sale by auction of new merchandise at places outside of cities and towns, or within any city or town that has not by ordinance provided for the licensing of auction sales under the provisions of section three hundred sixty-eight point six (368.6), Code 1950, and providing for the filing of application for such license, the filing of a bond and submission of inventory, fixing the amount of license fee and providing for the payment thereof, and the issuing of license by the board of supervisors, and requiring a report of sale and providing penalties for violation thereof.

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

1 SECTION 1. It shall be unlawful for any person, firm or corpora-
 2 tion to sell, dispose of, or offer for sale at public auction at any place
 3 outside the limits of any city or town in the state of Iowa, or within
 4 the limits of any city or town in the state of Iowa that has not by
 5 ordinance enacted pursuant to the provisions of section three hun-
 6 dred sixty-eight point six (368.6), Code 1950, provided for the licens-
 7 ing of sales by auction, any new merchandise, unless such person,
 8 firm or corporation and the owners of such merchandise, if it is not
 9 owned by the vendors, shall have first secured a license as herein pro-
 10 vided and shall have complied with the regulations hereinafter set
 11 forth.

1 SEC. 2. Any person, firm or corporation desiring such license shall,
 2 at least ten (10) days prior to such proposed auction sale, file with
 3 the board of supervisors of the county wherein it is proposed to hold
 4 such auction sale, an application in writing duly verified by the per-
 5 son, firm or corporation proposing to sell, dispose of or offer for sale
 6 any new merchandise at public auction, which application shall state
 7 the following facts:

8 1. The name, residence and post office address of the person, firm
 9 or corporation making the application, and if a firm or corporation,
 10 the name and address of the members of the firm or officers of the
 11 corporation, as the case may be.

12 2. The name, residence and post office address of the auctioneer
 13 who will conduct such auction sale.

14 3. A detailed inventory and description of all such new merchan-
 15 dise to be offered for sale at such auction which inventory shall set
 16 forth the cost to the applicant of the several items contained in such
 17 inventory.

18 4. Whether or not the sale at public auction shall be with or with-
19 out reservation.

1 SEC. 3. At the time of filing said application, and as a part there-
2 of, the applicant shall file and deposit with the board of supervisors
3 a bond, with sureties to be approved by the board of supervisors, in
4 the penal sum of two (2) times the value of the merchandise pro-
5 posed to be offered for sale at such auction as shown by the inventory
6 filed, running to the state of Iowa, and for the use and benefit of any
7 purchaser of any merchandise at such auction who might have a
8 cause of action of any nature arising from or out of such auction sale
9 against the auctioneer or applicant; the bond to be further condi-
10 tioned on the payment by the applicant of all taxes that may be pay-
11 able by, or due from, the applicant to the state of Iowa or any depart-
12 ment or subdivision thereof, the payment of any fines that may be
13 assessed by any court against the applicant or auctioneer for viola-
14 tion of the provisions of this Act, and the satisfaction of all causes
15 of actions commenced within one (1) year from date of such auction
16 sale and arising therefrom, provided, however, that the aggregate lia-
17 bility of the surety for all said taxes, fines and causes of action shall
18 in no event exceed the sum of such bond.

19 In such bond the applicant and the surety shall appoint the chair-
20 man of the board of supervisors of the county in which such bond is
21 filed, the agent of the applicant and the surety for the service of proc-
22 ess. In the event of such service, the agent on whom such service is
23 made shall, within five (5) days after the service, mail by ordinary
24 mail a true copy of the process served upon him to each party for
25 whom he is served, addressed to the last known address of such party.
26 Failure to so mail said copy shall not, however, affect the court's juris-
27 diction.

28 Such bond shall contain the consent of the applicant and surety that
29 the district court of the county wherein the application and bond is
30 filed shall have jurisdiction of all actions arising against the applicant
31 or surety, or both, arising out of said sale.

32 The state of Iowa or any subdivision thereof, or any person having
33 a cause of action against the applicant arising out of the sale of such
34 new merchandise may join the applicant and the surety on such bond
35 in the same action, or may in such action sue either such applicant
36 or the surety alone.

1 SEC. 4. At the time of filing said application and bond the appli-
2 cant shall pay to the county treasurer a license fee in the sum of
3 twenty-five dollars (\$25.00) for each day it is proposed to hold such
4 auction sale as shown by the application for such license.

1 SEC. 5. Upon the filing of such application and after the applicant
2 has fully complied with all the provisions of this Act, the board of
3 supervisors, by its chairman, shall issue to the applicant a license
4 authorizing the holding of such auction sale as proposed in said appli-
5 cation. Such license shall not be transferable, and shall be valid
6 only in the county where issued, and shall not be valid in any town
7 or city in such county which has enacted an ordinance pursuant to
8 section three hundred sixty-eight point six (368.6), Code 1950.

1 SEC. 6. Within ten (10) days after the last day of said auction
2 the applicant shall file in duplicate with the board of supervisors an
3 inventory of all merchandise sold at such auction and the price re-
4 ceived therefor which said inventory shall be verified. The chairman
5 of the board of supervisors shall, immediately after receiving such
6 report and inventory, forward a copy thereof to the state tax com-
7 mission.

1 SEC. 7. "New merchandise" as used in this Act shall mean all
2 merchandise not previously sold at retail. "Auction sale" as used
3 in this Act shall mean the offering for sale or selling of personal prop-
4 erty to the highest bidder or offering for sale or selling of personal
5 property at a high price and then offering the same at successive
6 lower prices until a buyer is secured.

1 SEC. 8. The provisions of this Act shall not extend to the sale
2 at public auction of livestock, farm machinery or farm produce or
3 other items commonly sold at farm sales, or to auction sales by indi-
4 viduals of new merchandise, which was assessed personal property
5 tax or is replacement stock of merchandise inventory which was as-
6 sessed personal property tax in the county in which the sale is to be
7 had, and to auction sales under the direction of any court or court
8 officers of such sales as may be required by law.

1 SEC. 9. Any person who shall offer new merchandise for sale at
2 public auction without first securing a license as herein provided,
3 or who shall offer for sale new merchandise different from that shown
4 by, or in excess of the amount and value of, the inventories filed with
5 the application for license, shall be guilty of a misdemeanor and may
6 be punished by a fine not to exceed three hundred dollars (\$300.00)
7 or by imprisonment in the county jail not to exceed ninety (90) days.

1 SEC. 10. If any section, subsection, paragraph, sentence, clause or
2 phrase of this Act is for any reason held to be unconstitutional or
3 invalid, such unconstitutionality or invalidity shall not affect the con-
4 stitutionality or validity of the remaining portion of this Act.

1 SEC. 11. This Act being deemed of immediate importance shall be
2 in full force and effect upon its publication in The Sioux Rapids Bul-
3 letin-Press, a newspaper published at Sioux Rapids, Iowa, and The
4 Guttenberg Press, a newspaper published at Guttenberg, Iowa.

Approved April 3, 1953.

I hereby certify that the foregoing Act, House File 27, was published in The Sioux Rapids Bulletin-Press, Sioux Rapids, Iowa, April 9, 1953, and in The Guttenberg Press, Guttenberg, Iowa, April 9, 1953.

MELVIN D. SYNHORST, *Secretary of State.*