

State of Iowa
1965

ACTS AND JOINT RESOLUTIONS

PASSED AT THE

REGULAR SESSION

OF THE

Sixty-first General Assembly

OF THE

STATE OF IOWA



CHARLES W. BARLOW
CODE EDITOR

WAYNE A. FAUPEL
DEPUTY CODE EDITOR

Published by the
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Des Moines

CERTIFICATE

STATE OF IOWA
Office of Code Editor

I, Charles W. Barlow, Editor of the Code of Iowa, do hereby certify that the Acts, laws and joint resolutions and the certificates by the Secretary of State of the publication or filing thereof contained in this volume have been prepared from the original enrolled Acts on file in the office of the Secretary of State and are correct copies of said Acts and are published under the authority of the statutes of this state and constitute the Acts, laws and joint resolutions of the Sixty-first General Assembly of the State of Iowa.



July, 1965.

Section 622.59 of the 1962 Code of Iowa is as follows:

“Printed copies of the statute laws of this or any other of the United States, or of congress, or of any foreign government, purporting or proved to have been published under the authority thereof, or proved to be commonly admitted as evidence of the existing laws in the courts of such state or government, shall be admitted in the courts of this state as presumptive evidence of such laws.”

EDITOR'S NOTE

The Acts and Resolutions of the Sixty-first General Assembly have been printed in this book exactly as they appear on file in the office of the Secretary of State. No attempt has been made to correct misspelled words or errors in punctuation, if any.

The user may be assured that the laws as reproduced herein are exact copies of the enrolled Acts.

Proper editorial changes in spelling and arrangement of subjects, without altering the meaning, will appear in the final embodiment of these Acts in the Code of Iowa.

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v
STATE OFFICERS

STATE ROSTER

List of elective state officers, judges of the supreme, district, superior and municipal courts, members of the General Assembly, and other state officers, commissions, boards and appointive officers of the State of Iowa, prepared and furnished by the Honorable Gary L. Cameron, Secretary of State, for insertion in the published volume of Session Laws for the Sixty-first General Assembly in accordance with the requirements of Code section 14.10 (3), 1962 Code of Iowa.

OFFICERS, COMMISSIONS AND BOARDS

ELECTIVE OFFICERS

Name and Office	County from which originally chosen
GOVERNOR	
Harold E. Hughes	Ida
LIEUTENANT GOVERNOR	
Robert D. Fulton	Black Hawk
SECRETARY OF STATE	
Gary L. Cameron	Jefferson
AUDITOR OF STATE	
Lorne R. Worthington	Decatur
TREASURER OF STATE	
Paul Franzenburg	Grundy
SECRETARY OF AGRICULTURE	
Kenneth E. Owen	Appanoose
ATTORNEY GENERAL	
Lawrence F. Scalise	Warren
Oscar Strauss, First Assistant	Polk
Timothy McCarthy, Solicitor General	Lynn
Don R. Bennett, Assistant	Page
Harold W. Bracewell, Assistant	Polk
Joseph S. Brick, Assistant	Polk
Nolden I. Gentry, Assistant	Johnson
Dan L. Johnston, Assistant	Tama
Robert Martin, Assistant	Polk
Michael McCauley, Assistant	Dubuque
L. Michael McGrane, Assistant	Polk
Robert B. Scism, Assistant	Polk
Jerome R. Smith, Assistant	Woodbury
Joseph W. Zeller, Assistant	Madison
Thomas W. McKay, Special Assistant	Dubuque
Raymond T. Walton, Special Assistant	Scott

STATE OFFICERS—Continued

APPOINTIVE OFFICERS

Name and Office	City or town from which originally chosen	Term Ending
ACCOUNTANCY BOARD		
Waldo E. Brooks	Dubuque	June 30, 1966
Elleroy C. Nichols	Sioux City	June 30, 1967
Roger R. Cloutier	Des Moines	June 30, 1968
ADJUTANT GENERAL		
Major General Junior F. Miller	Des Moines	June 30, 1967
Colonel Joseph G. May	Des Moines	
ADVISORY INVESTMENT BOARD (Iowa Public Employees Retirement System)		
Dale K. DeKoster	Melbourne	June 30, 1967
George Foerstner	Amama	June 30, 1969
William F. Poorman	Des Moines	June 30, 1971
Senator Jacob B. Mincks	Ottumwa	
Representative Cleve L. Carnahan	Ottumwa	
AERONAUTICS COMMISSION		
Ray Nyemaster	Des Moines	June 30, 1967
Robert K. Belt	Red Oak	June 30, 1967
Norbert Baltus	Charles City	June 30, 1969
George O. Bryant	Emmetsburg	June 30, 1969
Forrest McDonald	Jefferson	June 30, 1971
Frank Berlin, Director		
APPEAL BOARD (Public Contracts and Bonds)		
Lorne R. Worthington	Auditor of State	
Paul Franzenburg	Treasurer of State	
Marvin R. Selden, Jr.	Comptroller	
APPEAL BOARD (Education, Control and Fair Board Contracts)		
Marvin R. Selden, Jr.	Comptroller, Chairman	
Albert A. Augustine	Des Moines	June 30, 1967
Vacancy		
ARCHITECTURAL EXAMINERS		
Charles V. Richardson	Davenport	June 30, 1966
Harold F. Bianco	Mason City	June 30, 1966
Gerald I. Griffith	Des Moines	June 30, 1967
Oswald H. Thorson	Waterloo	June 30, 1967
Eugene O'Neil	Des Moines	June 30, 1967
ARMORY BOARD (Appointed by the Armory Advisory Council)		
Lieutenant General Ray C. Fountain	Des Moines	Pleasure of the Governor
Mr. Lumund Wilcox	Jefferson	All indefinite
Mr. Robert L. Brice	Waterloo	
Major General Walter L. Anderson	Boone	
Brigadier General Roger W. Gilbert	Des Moines	
Colonel Fred W. Tinker	Sioux City	
Lieutenant Colonel Roger J. Harrison	Clinton	
Brigadier General Harry E. Stedman	Des Moines	
Major General Frank P. Williams	Cedar Falls	
Major General Junior F. Miller	Des Moines	
Chairman of the Board		

STATE OFFICERS—Continued

Name and Office	City or town from which originally chosen	Term Ending
STATE BANKING BOARD		
John Chrystal	Coon Rapids	June 30, 1969
Donald J. Bell	New London	June 30, 1969
W. M. Goodyear	Lake City	June 30, 1969
A. E. Peters	Newton	June 30, 1969
William P. Ronan	Decorah	June 30, 1969
BASIC SCIENCE		
Dr. Leland P. Johnson	Des Moines	June 30, 1967
Dr. W. Bernard King	Ames	June 30, 1967
Elmer W. Hertel	Waverly	June 30, 1969
John P. Hummel	Iowa City	June 30, 1969
Rev. Warren E. Nye, Ph.D.	Dubuque	June 30, 1971
Irving Y. Fishman, Ph.D.	Grinnell	June 30, 1971
IOWA BONUS BOARD		
Lorne R. Worthington	State Auditor	
Paul Franzenburg	State Treasurer	
Major General Junior Miller	Adjutant General	
Vacancy		
CAR DISPATCHER		
Robert J. Hassett, Sr.	Des Moines	At the pleasure of the Governor
CIVIL DEFENSE ADMINISTRATION		
J. Russell Steil	Mallard	June 30, 1967
Clifford Welch	Sioux City	June 30, 1967
Major General Frank P. Williams	Cedar Falls	June 30, 1967
Nicholas A. Scholtus	Cedar Rapids	June 30, 1967
Mrs. Paul E. Lefton	Des Moines	June 30, 1967
Ivan H. Goddard	Muscatine	June 30, 1967
Jack G. Silverman	Fairfield	June 30, 1967
Kenneth Thatcher	Des Moines	June 30, 1967
Vacancy		
CLERK OF THE SUPREME COURT		
Helen Lyman	Des Moines	Dec. 31, 1966
CODE EDITOR		
Charles W. Barlow	Mason City	Dec. 31, 1966
Wayne A. Faupel, Deputy	Clear Lake	
COMMERCE COMMISSION		
Dick A. Witt	Des Moines	June 30, 1967
Bernard J. Martin	Des Moines	June 30, 1969
Frank B. Means	Manilla	June 30, 1971
COMMISSION FOR THE BLIND		
Mrs. Alvin H. Kirsner	Des Moines	June 30, 1969
William S. Wimer	Des Moines	June 30, 1968
W. C. Hahle	Sumner	June 30, 1967
Kenneth Jernigan, Director	Des Moines	
COMPROLLER		
Marvin R. Selden, Jr.	Des Moines	At the pleasure of the Governor

STATE OFFICERS—Continued

Name and Office	City or town from which originally chosen	Term Ending
CONSERVATION COMMISSION		
Robert E. Beebe	Sioux City	June 30, 1967
Ed Weinheimer	Greenfield	June 30, 1967
Mike F. Zack	Mason City	June 30, 1969
Rev. Laurence N. Nelson	Bellevue	June 30, 1969
Dr. N. K. Kinney	Ida Grove	June 30, 1969
Earl E. Jarvis	Wilton Junction	June 30, 1971
Keith A. McNurlen, D.D.S.	Ames	June 30, 1971
Everett E. Speaker, Director	Des Moines	
BOARD OF CONTROL		
Carroll Price	Knoxville	June 30, 1967
James W. Harrington	Gilbertville	June 30, 1971
Vacancy		
Vacancy		
EMPLOYMENT AGENCY COMMISSION		
Gary L. Cameron	Secretary of State	
Harry W. Dahl	Industrial Commissioner	
Burton Dale Perkins	Labor Commissioner	
EMPLOYMENT SECURITY COMMISSION		
Ross M. Carrell	Des Moines	June 30, 1967
John Wayne Janssen	Hubbard	June 30, 1971
Vacancy		
Paul Franzenburg, Treasurer of State	Ex-officio	
ENGINEERING EXAMINERS		
Ralph H. Wallace	Mason City	June 30, 1967
Marvin O. Kruse	Spencer	June 30, 1967
L. M. Clauson	Ames	June 30, 1967
Harold W. Johnson	Des Moines	June 30, 1969
Henry M. Black	Ames	June 30, 1969
W. C. Wellman, Secretary		
EXECUTIVE COUNCIL		
Harold E. Hughes, Governor	Ida Grove	January, 1967
Gary L. Cameron, Secretary of State	Fairfield	Jan. 2, 1967
Lorne R. Worthington, Auditor of State	Lamoni	Jan. 2, 1967
Paul Franzenburg, Treasurer of State	Conrad	Jan. 2, 1967
Kenneth E. Owen, Secretary of Agriculture	Centerville	Jan. 2, 1967
Lloyd G. Jackson, Secretary		
FAIR BOARD		
Lyle R. Higgins, President	Harlan	
H. M. Duncan, Vice President	Columbus Junction	
Kenneth R. Fulk, Secretary	Des Moines	
William J. Hitz, Treasurer	Polk City	
Howard Waters	Danville	
C. J. Matthiessen	Monticello	
George E. Janssen	Eldora	
C. C. Wagler	Bloomfield	
W. L. Yount	Altoona	
Jean M. Kleve	Humboldt	
G. W. Prince	Guthrie Center	
Harold E. Hughes, Governor of Iowa	Des Moines	
W. Robert Parks, President, Iowa State University	Ames	
Kenneth E. Owen, Secretary of Agriculture	Des Moines	
FIRE MARSHAL		
Wilbur R. Johnson	Ottumwa	

STATE OFFICERS—Continued

Name and Office	City or town from which originally chosen	Term Ending
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GEOLOGICAL BOARD

Harold E. Hughes, Governor
 Lorne R. Worthington, Auditor of State
 Howard R. Bowen, President, University of Iowa
 W. Robert Parks, President, Iowa State University
 James W. Kercheval, President, Iowa Academy of Science, State College of Iowa

GEOLOGIST

Dr. H. Garland Hershey.....	Iowa City	At the pleasure of the Geological Board
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BOARD OF HEALTH**Ex-officio Members:**

Harold E. Hughes, Governor
 Gary L. Cameron, Secretary of State
 Lorne R. Worthington, Auditor of State
 Paul Franzenburg, Treasurer of State
 Kenneth E. Owen, Secretary of Agriculture

Members:

John D. Caulfield, M.D.	New Hampton	Jan. 10, 1967
Franklin H. Top, M.D.	Iowa City	Jan. 10, 1967
W. M. Krigsten, M.D.	Sioux City	June 30, 1966
P. J. Laube, M.D.	Dubuque	Jan. 10, 1967
E. E. Gamet, M.D.	Lamoni	June 30, 1967
Virginia Galbreath, R.N.	Des Moines	June 30, 1966

COMMISSIONER OF HEALTH

Arthur P. Long, M.D.

HEALTH DEPARTMENT**PRACTICE ACTS EXAMINING BOARDS***Barber Examiners*

Clarence E. Wright	Sioux City	June 30, 1966
Merlyn V. Boyken	Waterloo	June 30, 1968
Vacancy		

Chiropractic Examiners

Jack Droz	Wellman	June 30, 1966
M. O. Hoogestraat, D.C.	Parkersburg	June 30, 1968
Vacancy		

Cosmetology Examiners

Lucille A. Rasmussen	Sioux City	June 30, 1966
Salvador Salgado	Des Moines	June 30, 1968
Vacancy		

Dental Examiners

Dr. LeRoy Larson	Fort Dodge	June 30, 1966
Dr. Carl Ostrem	Des Moines	June 30, 1967
Dr. A. J. Halb	Dubuque	June 30, 1968
Dr. Morris B. Katzoff	Cedar Rapids	June 30, 1970
Vacancy		

Embalmer Examiners

John A. Christensen	Ida Grove	June 30, 1966
Joseph M. Conley	Des Moines	June 30, 1968
Vacancy		

STATE OFFICERS—Continued

Name and Office	City or town from which originally chosen	Term Ending
<i>Medical Examiners</i>		
Frank R. Peterson, M.D.	Cedar Rapids	June 30, 1966
F. C. Coleman, M.D.	Des Moines	June 30, 1967
Otto Glesne, M.D.	Fort Dodge	June 30, 1969
John K. MacGregor, M.D.	Mason City	June 30, 1967
George H. Scanlon, M.D.	Iowa City	June 30, 1970
Ronald K. Woods, D.O.	Des Moines	June 30, 1968
Roger S. Anderson	Sioux City	June 30, 1966
John W. Billingsley	Newton	June 30, 1966
I. L. Coffey	Emmetsburg	June 30, 1966
<i>Nurse Examiners</i>		
Sister Mary Brigid		June 30, 1966
Virginia Turner		June 30, 1968
E. Frances Stoney, R.M.	Burlington	June 30, 1968
Sister Mary Suzanne, D.H.M.	Ottumwa	June 30, 1970
Sara Fishel		June 30, 1969
<i>Optometry Examiners</i>		
Dr. Paul R. Sears	Fort Dodge	June 30, 1966
Paul W. Thielking	Des Moines	June 30, 1968
Alfred L. Klein	Spirit Lake	June 30, 1966
<i>Podiatry Examiners</i>		
Dr. Gerald L. Smith	Waterloo	June 30, 1966
Robert R. Carnes, D.S.C.	Cedar Rapids	June 30, 1968
E. S. Thompson	Davenport	June 30, 1966
<i>Physical Therapy Examiners</i>		
Frank I. Hazelton	Cedar Rapids	June 30, 1967
Ann McColley	Des Moines	June 30, 1968
Philip G. Abaad	Marshalltown	June 30, 1966
Michael Bonfiglio, M.D.	Coralville	June 30, 1968

IOWA HOSPITAL AND OTHER HEALTH FACILITIES

Advisory Council

Wendell Downing	LeMars	June 30, 1966
Elmer Den Herder	Sioux Center	June 30, 1966
Marie E. Tener	Iowa City	June 30, 1966
Louis B. Blair	Cedar Rapids	June 30, 1967
Dr. H. B. Willard	Davenport	June 30, 1967
Dr. Richard J. Lynch	Des Moines	June 30, 1967
Dr. Jack B. Fickel	Red Oak	June 30, 1967
Mrs. Marjory O. Field	Waterloo	June 30, 1967
Leon Bohdi	Davenport	June 30, 1966

HIGHWAY COMMISSION

John Falb, Jr.	Postville	June 30, 1967
Derby D. Thompson	Burlington	June 30, 1967
Everett L. Shockey	Council Bluffs	June 30, 1969
Harry J. Bradley, Jr.	Des Moines	June 30, 1969
Robert C. Barry	Danbury	June 30, 1967
L. M. Clauson, Chief Engineer		

HISTORY AND ARCHIVES DEPARTMENT

Jack W. Musgrove, Curator	Des Moines
Suzanne Beisel, Editor of Annals	Des Moines

HISTORICAL SOCIETY

8 Vacancies

STATE OFFICERS—Continued

Name and Office	City or town from which originally chosen	Term Ending
INDUSTRIAL COMMISSIONER		
Harry W. Dahl	Des Moines	June 30, 1967
INSURANCE COMMISSIONER		
William E. Timmons	Dubuque	June 30, 1967
IOWA DEVELOPMENT COMMISSION		
E. A. Hayes	Mount Pleasant	June 30, 1966
Marvin Schmidt	Des Moines	June 30, 1966
T. Joe Smith	Council Bluffs	June 30, 1967
Arthur Sanford	Sioux City	June 30, 1967
John J. Murray	Fort Dodge	June 30, 1967
William S. Farnar	Carroll	June 30, 1969
Hugh R. Hannah	Davenport	June 30, 1968
Dean Naven	Shenandoah	June 30, 1968
(Two members of each house of the 61st General Assembly to hold office until the convening of the next Legislative Session)		
Andrew G. Frommelt (Senator)	Dubuque	
Jack Schroeder (Senator)	Bettendorf	
Al Meacham (Representative)	Grinnell	
Vincent Steffen (Representative)	New Hampton	
JUDICIAL STATISTICIAN		
Clarence A. Kading	Knoxville	At the pleasure of the Supreme Court
LABOR COMMISSIONER		
B. Dale Parkins	Des Moines	June 30, 1967
LAW EXAMINERS		
Lawrence Scalise, Attorney General, Chairman		
5 Vacancies		
LIBRARY BOARD OF TRUSTEES		
Harold E. Hughes, Governor		
T. G. Garfield, Supreme Court Justice		
Paul F. Johnston, Superintendent of Public Instruction		
Librarian, Law:		
Geraldine Dunham (Acting)	Des Moines	
Librarian, Traveling:		
Ernestine Grafton	Des Moines	
Librarian, Medical:		
Dr. Jeannette Dean-Throckmorton		
LIBRARY		
(Board of Trustees of State Traveling)		
Mrs. J. H. Jones	Ainsworth	June 30, 1966
Mary Garvey	Boone	June 30, 1967
F. James Bradley	Cedar Rapids	June 30, 1968
Arie M. Verrips	Sioux Center	June 30, 1970
Heanne A. Gee	Shenandoah	June 30, 1969
Nate Levinson	Mason City	June 30, 1968
LIQUOR COMMISSION		
Jay C. Colburn	Harlan	June 30, 1967
Walter E. Edelen	Garner	June 30, 1969
Homer Adcock	Des Moines	June 30, 1971

STATE OFFICERS—Continued

Name and Office	City or town from which originally chosen	Term Ending
MERIT SYSTEM COUNCIL		
Ben A. Henry	Des Moines	Dec. 31, 1967
James D. Brand	Des Moines	Dec. 31, 1966
MINE INSPECTOR		
W. Dean Aubrey	Ottumwa	June 30, 1967
STATE MINING BOARD		
A. Everette Erskine	Ottumwa	June 30, 1966
Nels G. Grandquist	Des Moines	June 30, 1966
J. R. Hamm	Centerville	June 30, 1966
Dr. John Lemish	Ames	June 30, 1966
Harold L. Zelms	Fort Dodge	June 30, 1966
MISSISSIPPI RIVER PARKWAY PLANNING COMMISSION		
George C. Aschom	Lansing	June 30, 1969
James F. O'Brien	Keokuk	June 30, 1969
William D. McElwell	Muscatine	June 30, 1969
Lynne A. Chamberlin	Bettendorf	June 30, 1969
2 Vacancies		
NATURAL RESOURCES COUNCIL		
Clifford N. Naser	Fort Dodge	June 30, 1967
Dr. H. Garland Hershey	Iowa City	June 30, 1967
Joseph W. Howe	Iowa City	June 30, 1967
J. R. Downing	Indianola	June 30, 1969
Louis P. Culver	Dunlap	June 30, 1969
J. Justin Rogers	Spirit Lake	June 30, 1969
L. Guy Young	Bedford	June 30, 1971
Stanley L. Haynes	Mason City	June 30, 1971
William G. Murray	Ames	June 30, 1971
PAROLE BOARD		
William W. Parker	Waterloo	June 30, 1967
Fred H. Moore	Spencer	June 30, 1969
Harold L. Martin	Hamburg	June 30, 1971
R. W. Bobzin, Secretary	Des Moines	
(Appointed Administrator, Interstate Parole and Probation Compact—January 12, 1961)		
PERMIT BOARD		
Gary L. Cameron, Secretary of State		
Lorne R. Worthington, Auditor of State		
X. T. Prentis, State Tax Commission		
PERSONNEL DIRECTOR		
Ray Pratt	Des Moines	Indefinite
PHARMACY EXAMINERS		
Clarence B. Caldwell	Pella	June 30, 1966
Charles A. Hughes	Emmetsburg	June 30, 1968
Thomas Kenefick	Eagle Grove	June 30, 1967
PRINTING BOARD		
Gary L. Cameron, Secretary of State		
Lorne R. Worthington, Auditor of State		
Lawrence Scalise, Attorney General		
LeRoy E. Vanderwicker		
Victor Gallo		
S. E. Tennant, Superintendent		
Carl Ball, Assistant Superintendent		

STATE OFFICERS—Continued

Name and Office	City or town from which originally chosen	Term Ending
PUBLIC INSTRUCTION		
Sherman W. Hirschler, 1st District	Fairfield	Jan. 2, 1968
C. W. Antes, 2nd District	West Union	Jan. 2, 1968
Mrs. Shepard, 3rd District	Allison	Jan. 2, 1970
John D. Baldrige, 4th District	Chariton	Jan. 3, 1966
Mrs. James Shannahan, 5th District	Des Moines	Jan. 2, 1966
C. D. Judd, 6th District	Thompson	Jan. 2, 1968
Delmar Busse, 7th District	Oakland	Jan. 2, 1966
SUPERINTENDENT OF PUBLIC INSTRUCTION		
Paul F. Johnston	Des Moines	
Walter T. Edgren, Assistant Superintendent		
COMMISSIONER OF PUBLIC SAFETY		
William F. Sueppel	Iowa City	June 30, 1967
REAL ESTATE COMMISSION		
Gary L. Cameron, Secretary of State, Chairman		
Stephen G. Darling	Iowa City	June 30, 1967
Gery M. Martin	Sioux City	June 30, 1967
Max E. Guernsey	Waterloo	June 30, 1969
William C. Knapp	Des Moines	June 30, 1969
Robert Eckman, Director		
BOARD OF REGENTS		
Wilbur C. Molison	Grinnell	June 30, 1967
Stanley F. Redeker	Boone	June 30, 1967
Ned E. Perrin	Mapleton	June 30, 1967
Mrs. Joseph Rosenfield	Des Moines	June 30, 1969
John Chrystal	Coon Rapids	June 30, 1969
Melvin H. Wolf	Waterloo	June 30, 1969
Jonathan B. Richards	Red Oak	June 30, 1969
Thomas A. Loudon	Fairfield	June 30, 1971
William B. Quarton	Cedar Rapids	June 30, 1971
Finance Committee:		
Casey Loss	Algona	June 30, 1971
Vacancy		
REPORTER OF SUPREME COURT		
Charles W. Barlow, Reporter	Mason City	Dec. 31, 1966
Alice Foarde, Deputy	Des Moines	Dec. 31, 1966
SOCIAL WELFARE BOARD		
Lawrence Putney	Gladbrook	June 30, 1967
Mrs. Irene Mae Smith	Ottumwa	June 30, 1969
Arthur Downing	Des Moines	June 30, 1971
R. H. Whitlatch, Secretary		
Jacob B. Mincks, Advisory Member		
Ottumwa		
SOIL CONSERVATION BOARD		
Wendell C. Pellett	Atlantic	June 30, 1967
Fred Cherry	Rowley	June 30, 1967
Bryan Weberg	Kiron	June 30, 1969
M. Wayne Casey	Peterson	June 30, 1971
Donald L. Johnson	Fairfield	June 30, 1971
William H. Greiner, Executive Secretary		
Dean Floyd Andre, Iowa State University, Ames		

STATE OFFICERS—Continued

Name and Office	City or town from which originally chosen	Term Ending
SUPERINTENDENT OF BUILDINGS AND GROUNDS		
Harvey Montgomery		At the pleasure of the Executive Council

TAX COMMISSION

X. T. Prentis	Mount Ayr	June 30, 1967
Lynn Potter	Cresco	June 30, 1969
Earl A. Burrows, Jr.	Burlington	June 30, 1971

UNIFORM STATE LAWS

Geo. Lindeman	Waterloo	June 30, 1968
Allan Vestal	Iowa City	June 30, 1968

VOTING MACHINE COMMISSION

Marvin Gould	Ames	Oct. 15, 1967
E. S. McMillin	Ottumwa	Feb. 3, 1969
Dolores A. Rogers	Iowa City	Feb. 3, 1969

WATCHMAKING EXAMINERS

Kenneth Waldruff	Griswold	June 30, 1966
Gerald Dougan	Waterloo	June 30, 1966
Leo E. Langley	Williamsburg	June 30, 1968
Lloyd A. Hambleton	Fort Dodge	June 30, 1968
James R. Williams	Storm Lake	June 30, 1967

EMPLOYMENT SAFETY COMMISSION

J. Peter Olesen(employers).....	Waterloo	June 30, 1967
Clinton Ruby(employees).....	Fort Dodge	June 30, 1967
H. C. VonSeggern(employers).....	Newton	June 30, 1969
William R. Simpson(employers).....	Indianola	June 30, 1969
Melvin J. Smith(employees).....	Iowa City	June 30, 1969
Carl G. Dahl(employees).....	Waterloo	June 30, 1971
Wayne W. Eccles(employees).....	Burlington	June 30, 1971
Allan A. Swanson(employers).....	Stanton	June 30, 1971

CIVIL RIGHTS COMMISSION

Harry D. Harper, M.D.	Fort Madison	June 30, 1967
Mrs. Elizabeth S. Kruidenier	Des Moines	June 30, 1967
Lawrence S. Slotsky	Sioux City	June 30, 1967
Donald E. Boles, Ph.D.	Ames	June 30, 1969
Mrs. Merle E. Full	Iowa City	June 30, 1969
Rev. Philip A. Hamilton, S.T.L., Ph.D.	Dubuque	June 30, 1969
Mrs. June Parker Goldman	Forest City	June 30, 1969

STATE OFFICE OF ECONOMIC OPPORTUNITY

C. Edwin Gilmour	Grinnell.....	Pleasure of Governor
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BOARD OF HEALTH

George C. Christensen, D.V.M.	Ames	June 30, 1968
Paul J. Laube, M.D.	Dubuque	June 30, 1968
Charles D. Mullinax	Cedar Rapids	June 30, 1967
Albert J. Soucek, D.D.S., M.P.H.	Iowa City	June 30, 1966
Franklin H. Top, M.D.	Iowa City	June 30, 1968
Gerald A. Whetstone, D.O.	Wilton Junction	June 30, 1967

HIGHER EDUCATION FACILITIES COMMISSION

Charles J. Hearst	Cedar Falls	June 30, 1969
Mrs. Georgia C. Nye	Cedar Rapids	June 30, 1969

LEGISLATIVE INTERIM COMMITTEES

Name and Office	City or town from which originally chosen	Term Ending
COMMISSION ON ALCOHOLISM		
Honorable Ray Harrison	Des Moines	June 30, 1969
Robert C. Hickle	Waverly	June 30, 1969
Leo B. Sedlaur, M.D.	Cedar Rapids	June 30, 1969
Rev. Carl G. Sinning	Manning	June 30, 1969

IOWA COMMISSION ON INTERSTATE COOPERATION		
Russell L. Wilson	Des Moines	April 30, 1967
Melvin H. Wolf	Waterloo	April 30, 1967
Marvin R. Selden, Jr., Comptroller	Des Moines	April 30, 1967

LEGISLATIVE INTERIM STUDY COMMITTEES
SIXTY-FIRST GENERAL ASSEMBLY

ADVISORY INVESTMENT COMMITTEE

IOWA EMPLOYMENT SECURITY COMMISSION

<i>House Member</i>		
Carroll L. Wright, Davenport (D)		2-year term
<i>Senate Member</i>		
Jake B. Mincks, Ottumwa (D)		2-year term

IOWA STATE FAIR AND WORLD FOOD EXPOSITION
STUDY COMMITTEE

<i>House Members</i>		
A. Rae Melrose, Charles City (D)		2-year term
Leroy S. Miller, Shenandoah (R)		2-year term
<i>Senate Members</i>		
R. W. Hagie, Clarion (R)		2-year term
Franklin S. Main, Lamoni (D)		2-year term

HIGHER EDUCATION FACILITIES COMMISSION

<i>House Members</i>		
James H. Jackson, Waterloo (D)		2-year term
<i>Senate Members</i>		
Daryl H. Nims, Ames, (D)		2-year term

CAPITOL PLANNING COMMISSION

<i>House Members</i>		
Milton Distelhorst, Burlington (D)		4-year term
Charles E. Grassley, New Hartford (R) (holdover)		2-year term
<i>Senate Members</i>		
Vincent S. Burke, Sioux City (D)		2-year term
Stanley M. Heaberlin, Pleasantville (D)		4-year term

LEGISLATIVE RESEARCH

<i>House Members</i>		
James V. Gallagher, Waterloo (D)		2-year term
Charles P. Miller, Burlington (D)		2-year term
Al Meacham, Grinnell (D)		2-year term
C. Raymond Fisher, Grand Junction (R)		2-year term
Lester L. Kluever, Atlantic (R)		2-year term

LEGISLATIVE INTERIM COMMITTEES—Continued

Senate Members

Kenneth Benda, Hartwick (R)	2-year term
John M. Ely, Jr., Cedar Rapids (D)	2-year term
John P. Kibbie, Emmetsburg (D)	2-year term
Elmer F. Lange, Sac City (R)	2-year term
H. Kenneth Nurse, Hartley (D)	2-year term

INTERSTATE COOPERATION

House Members

Roy R. Gillette, Ames (D)	2-year term
Minette Frerichs Doderer, Iowa City (D)	2-year term
R. J. Clapsaddle, Mason City (D)	2-year term
Mrs. Gertrude S. Cohen, Waterloo (D)	2-year term
Henry W. Busch, Waverly (R)	2-year term

Senate Members

Merle W. Hagedorn, Royal (D)	2-year term
Peter F. Hansen, Manning (D)	2-year term
Donald W. Murray, Bancroft (D)	2-year term
Howard C. Reppert, Jr., Des Moines (D)	2-year term
David O. Shaff, Clinton (R)	2-year term

COURT SYSTEM STUDY COMMITTEE

House Members

Lee Gaudineer, Des Moines (D)	2-year term
Maurice E. Baringer, Oelwein (R)	2-year term
Vacancy exists (Duffy) (D)	2-year term

Senate Members

William F. Denman, Des Moines (D)	2-year term
Eugene M. Hill, Newton (D)	2-year term
Tom Riley, Cedar Rapids (R)	2-year term

BUDGET AND FINANCIAL CONTROL

House Members

Keith Dunton, Thornburg (D) (holdover)	2-year term
Vacancy	
William Gannon, Mingo (D)	4-year term
Conrad Ossian, Red Oak (R)	4-year term
Elmer H. Den Herder, Sioux Center (R) (filled vacancy)	2-year term

Senate Members

Joseph W. Cassidy, Walcott (D)	4-year term
George E. O'Malley, Des Moines (D)	4-year term

MEDICAL ASSISTANCE TO THE AGED ADVISORY COUNCIL

House Members

Cleve L. Carnahan, Ottumwa (D)	2-year term
James T. Caffrey, Des Moines (D) (alternate)	2-year term

Senate Members

Robert J. Burns, Oxford (D)	2-year term
Don S. McGill, Melrose (D)	2-year term

NEW STATE OFFICE BUILDING COMMITTEE

House Members

William J. Coffman, North English (R)	2-year term
Donald V. Doyle, Sioux City (D)	2-year term
William D. Palmer, Des Moines (D)	2-year term

JUDICIAL DEPARTMENT

Senate Members

Robert R. Dodds, Danville (D)	2-year term
Delbert Floy, Thornton (D)	2-year term
Vern Lisle, Clarinda (R)	2-year term

DEPARTMENTAL RULES REVIEW COMMITTEE

House Members

Ray V. Bailey, Clarion (D)	2-year term
Walter F. Maley, West Des Moines (D)	2-year term
Floyd H. Millen, Farmington (R)	2-year term

Senate Members

Donald G. Beneke, Laurens (R)	2-year term
Adolph W. Elvers, Elkader (D)	2-year term
Alan Shirley, Perry (D)	2-year term

JUDICIAL DEPARTMENT

Name and Office	City or town from which originally chosen	Term Ending
JUDGES OF THE SUPREME COURT		
T. G. Garfield, Chief Justice	Ames	June 30, 1973
Norman R. Hays	Knoxville	June 30, 1973
Robert L. Larson	Iowa City	Dec. 31, 1966
T. Eugene Thornton	Waterloo	June 30, 1973
Bruce M. Snell	Ida Grove	Dec. 31, 1966
C. Edwin Moore	Des Moines	June 30, 1973
William C. Stuart	Chariton	Dec. 31, 1972
M. L. Mason	Mason City	Dec. 31, 1966
Maurice E. Rawlings	Sioux City	Dec. 31, 1966

JUDGES OF THE DISTRICT COURT

First Judicial District

J. R. Leary	Fort Madison	June 30, 1971
W. L. Huiskamp	Keokuk	June 30, 1971

Second Judicial District

Charles N. Pettit	Bloomfield	June 30, 1971
Edward P. Powers	Centerville	Dec. 31, 1970
A. V. Hass	Chariton	Dec. 31, 1966
Arthur A. McGiverin	Ottumwa	Dec. 31, 1966

Third Judicial District

H. J. Kittleman	Creston	June 30, 1971
Thomas S. Bown	Corydon	Dec. 31, 1966
Vacancy	Dec. 31, 1966

Fourth Judicial District

Ralph W. Crary	Sioux City	June 30, 1971
Lawrence W. McCormick	Sioux City	June 30, 1971
George M. Paradise	Sioux City	June 30, 1971
Vacancy	Dec. 31, 1966

Fifth Judicial District

S. E. Prall	Indianola	June 30, 1971
Hobart E. Newton	Stuart	June 30, 1971
Maurice C. Herrick	Indianola	Dec. 31, 1966

JUDICIAL DEPARTMENT—Continued

Name and Office	City or town from which originally chosen	Term Ending
Sixth Judicial District		
R. G. Yoder	Sigourney	June 30, 1971
L. R. Carson	Oskaloosa	June 30, 1971
Harold J. Fleck	Oskaloosa	June 30, 1971
Seventh Judicial District		
M. L. Sutton	Clinton	June 30, 1971
Arthur F. Janssen	Maquoketa	June 30, 1971
Clay LeGrand	LeClaire	June 30, 1971
Nathan Grant	Davenport	June 30, 1971
Lowell D. Phelps	Davenport	Dec. 31, 1970
Robert K. Stohr	Muscatine	Dec. 31, 1966
Eighth Judicial District		
James P. Gaffney	Marengo	June 30, 1971
Clair E. Hamilton	Iowa City	June 30, 1971
Ninth Judicial District		
Ray C. Fountain	Des Moines	June 30, 1971
Don L. Tidrick	Des Moines	June 30, 1971
Wade Clarke	Des Moines	June 30, 1971
Gibson C. Holliday	Des Moines	June 30, 1971
John N. Hughes, Jr.	Des Moines	Dec. 31, 1966
Harry Perkins, Jr.	Des Moines	Dec. 31, 1966
Waldo F. Wheeler	Des Moines	Dec. 31, 1966
Dale S. Missildine	Des Moines	Dec. 31, 1966
Tenth Judicial District		
George C. Heath	Waterloo	June 30, 1971
Blair C. Wood	Waterloo	June 30, 1971
Peter Van Metre	Waterloo	June 30, 1971
Carroll E. Engelkes	Grundy Center	June 30, 1971
Eleventh Judicial District		
Harvey Uhlenhopp	Hampton	June 30, 1971
E. J. Kelley	Ames	June 30, 1971
Paul E. Hellwege	Boone	Dec. 31, 1966
Edward J. Flattery	Fort Dodge	Dec. 31, 1966
Twelfth Judicial District		
C. H. Wild	Waverly	June 30, 1971
L. E. Plummer	Northwood	June 30, 1971
John F. Stone	Mason City	Dec. 31, 1966
B. C. Sullivan	Rockford	Dec. 31, 1966
Thirteenth Judicial District		
G. B. Richter	Waukon	June 30, 1971
E. B. Shaw	Oelwein	June 30, 1971
Joseph C. Keefe	Decorah	Dec. 31, 1966
Fourteenth Judicial District		
Fred M. Hudson	Pocahontas	June 30, 1971
G. W. Stillman	Algona	June 30, 1971
Joseph P. Hand	Emmetsburg	June 30, 1971
Richard W. Cooper	Storm Lake	June 30, 1971
Fifteenth Judicial District		
Harold E. Davidson	Clarinda	June 30, 1971
R. Kent Martin	Atlantic	June 30, 1971
Bennett Cullison	Harlan	June 30, 1971
Folsom Everest	Council Bluffs	June 30, 1971
Leroy H. Johnson	Red Oak	June 30, 1971

JUDICIAL DEPARTMENT—Continued

Name and Office	City or town from which originally chosen	Term Ending
Sixteenth Judicial District		
R. K. Brannon	Denison	June 30, 1971
A. J. Braginton	Manson	June 30, 1971
David Harris	Jefferson	Dec. 31, 1970
Seventeenth Judicial District		
M. C. Farber	Marshalltown	June 30, 1971
John W. Tobin	Vinton	June 30, 1971
Eighteenth Judicial District		
B. J. Maxwell	Tipton	June 30, 1971
William R. Eads	Cedar Rapids	Dec. 31, 1970
Warren J. Rees	Anamosa	Dec. 31, 1970
Harold D. Vietor	Cedar Rapids	Dec. 31, 1966
Nineteenth Judicial District		
Thomas H. Nelson	Dubuque	Dec. 31, 1966
John C. Oberhausen	Dubuque	Dec. 31, 1966
Twentieth Judicial District		
E. O. Newell	Burlington	June 30, 1971
George O. Van Allen	Mount Pleasant	June 30, 1971
Twenty-first Judicial District		
A. R. Nelson	Cherokee	June 30, 1971
James P. Kelley	LeMars	Dec. 31, 1970
Edward F. Kennedy	Sibley	Dec. 31, 1970

JUDGES OF THE MUNICIPAL AND SUPERIOR COURTS

Municipal Courts	
Ames.....	John L. McKinney
Burlington.....	Jesse L. Thomas
Cedar Falls.....	Forest E. Eastman
Cedar Rapids.....	Loren M. Hullinger Jr. Howard McLaughlin
Clinton.....	W. A. McCullough
Council Bluffs.....	Andrew J. Nielsen Allan Ardell
Davenport.....	Bertram B. Metcalf Phillip Steffin Jr.
Des Moines.....	Howard W. Brooks Luther T. Glanton Jr. Harry B. Grund Ray Harrison
Dubuque.....	Edward D. Failor Frank D. Gilloon Jr.
Marshalltown.....	R. M. O'Bryan
Ottumwa.....	Charles C. Ayres Jr.
Sioux City.....	John M. Fachman John E. Hutchinson
Waterloo.....	Ben G. Howrey William W. Parker
Keokuk.....	Superior Court Ralph B. Smith

CONGRESSIONAL DIRECTORY

United States Senators

Bourke B. Hickenlooper Cedar Rapids Dec. 31, 1968
Jack Miller Sioux City Dec. 31, 1966

Representatives in Congress

1. John R. Schmidhouser Iowa City Dec. 31, 1966
2. John C. Culver Marion Dec. 31, 1966
3. H. R. Gross Waterloo Dec. 31, 1966
4. Bert Bandstra Pella Dec. 31, 1966
5. Neal Smith Altoona Dec. 31, 1966
6. Stanley L. Greigg Sioux City Dec. 31, 1966
7. John R. Hansen Manning Dec. 31, 1966

GENERAL ASSEMBLY
SENATORS IN GENERAL ASSEMBLY

NAME	Address	Age	Occupation	Dis.	Counties Composing District	Former Legislative Service
†Balloun, Charles F.	Toledo	60	Farmer, Warehouseman	22	Tama, Benton	59, 60, 60X
*Benda, Kenneth	Hartwick	46	Banker	23	Poweshick, Iowa	60, 60X
*Beneke, Donald G.	Laurens	48	Attorney	37	Buena Vista, Pocahontas	59, 60, 60X
Briles, James E.	Corning	38	Auctioneer	5	Adams, Montgomery, Taylor	56, 58, 59, 60, 60X
Buren, John L.	Forest City	51	Salesman	47	Hancock, Winnebago	None
Burke, Vincent S.	Sioux City	44	Social Worker	39	Woodbury	None
Burns, Robert J.	Oxford	42	Salesman	21	Johnson	None
†Burrows, R. O.	Belle Plaine	65	Newspaper Publisher	22	Tama, Benton	54, 55, 60, 60X
Cassidy, Joseph W.	Walcott	42	Area Manager	17	Scott	None
Coleman, C. Joseph	Clare	41	Farmer	36	Webster	57, 58, 59, 60, 60X
Condon, Gene F.	Waterloo	36	Labor Union Official	34	Black Hawk	None
DeKoster, Lucas J.	Hull	46	Lawyer	50	Lyon, Sioux	None
**Denman, William F.	Des Moines	39	Lawyer	27	Polk	56, 59, 60, 60X
*Dodds, Robert R.	Danville	40	Farmer	7	Des Moines	57, 58, 59, 60, 60X
*Elthon, Leo	Fertile	66	Lumber Company Mgr.	45	Worth, Mitchell, Howard	45, 46, 47, 48, 49, 50, 50X, 51, 52, 52X, 53, 54, 55, 60, 60X
Elvers, Adolph W.	Elkader	53	Farmer, Ins., Real Estate	40	Allamakee, Clayton	59, 60, 60X
Ely, John M.	Cedar Rapids	45	Buyer	20	Linn	59, 60, 60X
Flatt, Joseph B.	Winterset	42	Merchant	13	Adair, Clarke, Madison	58, 59, 60, 60X
Floy, Delbert W.	Thornton	37	Farmer	46	Cerro Gordo	None
*Frommelt, Andrew G.	Dubuque	43	Insurance, Real Estate	32	Dubuque	55, 56, 57, 58, 59, 60, 60X
*Griffin, Charles F.	Mapleton	54	Pharmacist	31	Monona, Harrison	60, 60X
Hagedorn, Merle W.	Royal	53	Farmer	51	Clay, Dickinson	56, 57, 58, 59, 60, 60X
*Hagie, R. W.	Clarion	54	Farmer, Executive	43	Wright, Franklin	59, 60, 60X
*Hansen, Peter F.	Manning	69	Investments, Insurance	30	Carroll, Crawford	58, 59, 60, 60X
Heaberlin, Stanley M.	Pleasantville	56	Farmer	12	Marion, Warren	None
Heying, H. L.	West Union	50	Farmer, Businessman	41	Winneshie, Fayette	None
*Hill, Eugene M.	Newton	51	Farmer	25	Jasper	58, 59, 60, 60X
Kibbie, John P.	Emmetsburg	35	Farmer	48	Emmet, Palo Alto	59, 60, 60X
Klefstad, Gilbert E.	Council Bluffs	45	Electrician	15	Pottawattamie	None
Kruck, Warren J.	Boone	43	Contractor	28	Greene, Boone	None
Kyhl, Vernon H.	Parkersburg	56	Auto Dealer	42	Bremer, Butler, Grundy	60, 60X
**Lange, Elmer F.	Sac City	47	Dairy Products Executive	52	Sac, Ida, Calhoun	59, 60, 60X
*Lisle, Vern	Clarinda	58	Manufacturer	6	Page, Fremont, Mills	53, 54, 55, 56, 57, 58, 59, 60, 60X
*Lodwick, Seeley G.	Wever	44	Farm Manager	1	Lee	60, 60X
Lucken, J. Henry	Le Mars	68	Retired Farmer	38	Cherokee, Plymouth	52, 52X, 53, 54, 55, 56, 57, 58, 59, 60, 60X
Main, Franklin S.	Lamoni	48	Farmer	4	Union, Ringgold, Decatur	57, 58, 59, 60, 60X
McGill, Donald S.	Melrose	58	Farmer	3	Lucas, Monroe, Wayne	None
*McNally, James M.	Sioux City	30	Attorney	39	Woodbury	None
†Messerly, Francis L.	Cedar Falls	49	Building Contractor	34	Black Hawk	59, 60, 60X
Mills, Max Milo	Marshalltown	43	Lawyer	24	Marshall	None
*Mincks, Jake B.	Ottumwa	51	Assembler	9	Wapello	58, 59, 60, 60X

SENATORS IN GENERAL ASSEMBLY—Continued

NAME	Address	Age	Occupation	Dis.	Counties Composing District	Former Legislative Service
Murray, Donald W.	Baneroft	41	Farm Mgr., Supplier	53	Kossuth, Humboldt	None
**Nims, Darvl H.	Ames	41	Sporting Goods Store Opr.	26	Story	None
Nurse, H. Kenneth	Hartley	45	Ins. Supervisor, Real Estate	49	O'Brien, Osceola	None
*O'Malley, George E.	Des Moines	59	Lawyer	27	Polk	53, 54, 55, 56, 57, 58, 59, 60, 60X
Patton, John W.	Aurora	59	Farmer	33	Buchanan, Delaware	None
Reno, Max E.	Bonaparte	38	Ins., Auctioneer	2	Appanoose, Davis, Van Buren	None
Reppert, Howard C.	Des Moines	46	Businessman	27	Polk	56, 57, 58, 60, 60X
*Rigler, Robert R.	New Hampton	41	Banker	44	Chickasaw, Floyd	56, 57, 58, 59, 60, 60X
**Riley, Tom J.	Cedar Rapids	35	Lawyer	20	Linn	59, 60, 60X
*Schroeder, Jack	Bettendorf	39	Ins. Executive	17	Scott	54, 55, 56, 57, 58, 59, 60, 60X
*Shaff, David O.	Clinton	40	Lawyer	18	Clinton	55, 56, 57, 58, 59, 60, 60X
Shirley, Alan	Perry	27	Lawyer	29	Dallas, Guthrie	None
*Shoeman, John D.	Atlantic	62	Veterinarian, Farmer	14	Audubon, Cass, Shelby	56, 57, 58, 59, 60, 60X
*Stanley, David	Muscatine	36	Lawyer	16	Cedar, Muscatine	58, 59, 60, 60X
*Stephens, Richard L.	Ainsworth	60	Farmer, Livestock Prod.	10	Washington, Louisa	57, 58, 59, 60, 60X
**Tabor, Howard	Baldwin	70	Farmer	19	Jones, Jackson	58, 59, 60, 60X
*Vance, Clifford M.	Mt. Pleasant	62	Lawyer	8	Jefferson, Henry	57, 58, 59, 60, 60X
Van Gilst, Bass	Oskaloosa	53	Farmer	11	Keokuk, Mahaska	None
*Walker, John A.	Williams	52	Banker, Farmer	35	Hamilton, Hardin	52, 52X, 53, 54, 55, 56, 57, 58, 59, 60, 60X

*Holdover Senators in Sixty-first General Assembly.

**Elected for two-year term.

‡Elected to fill vacancy for holdover Senator in Sixty-first General Assembly.

†Deceased.

REPRESENTATIVES IN GENERAL ACSEMBLY

NAME	Address	Age	Occupation	Politics	County	Former Legislative Service
Anderson, Quentin V.	Beaconsfield	32	Farmer, Builder	Dem.	Ringgold, Taylor	60, 60X
Bailey, Ray V.	Clarion	50	Lawyer, Investor	Dem.	Wright	None
Baker, Donald E.	Boone	34	Electronics Tech.	Dem.	Boone	None
Baringer, Maurice E.	Oelwein	43	Executive	Rep.	Fayette	59, 60, 60X
Bogenrief, (Mrs.) Mattie B.	Des Moines	52	Housewife	Dem.	Polk	None
Boot, Armour	Pella	61	Farm Implements	Dem.	Marion	None
Breitbach, Alfred P., Sr.	Farley	67	Retired Supervisor	Dem.	Dubuque	60, 60X
Bremmer, Edward	Carter Lake	34	Teacher	Dem.	Pottawattamie	None
Brinck, Adrian B.	West Point	51	Mgr. Outdoor Adv.	Dem.	Lee	58
Burke, James W.	Sioux City	32	Real Estate Sales	Dem.	Woodbury	None
Busch, Henry W.	Waverly	44	Farmer and Realtor	Rep.	Bremer	60, 60X
Busing, Edward E.	Stanhope	35	Contractor	Dem.	Hamilton	None
Caffrey, James T.	Des Moines	55	Firestone Tire	Dem.	Polk	None

REPRESENTATIVES IN GENERAL ASSEMBLY—Continued

NAME	Address	Age	Occupation	Politics	County	Former Legislative Service
Carnahan, Cleve L.	Ottumwa	69	Retired Switchman	Dem.	Wapello	59, 60, 60X
Clapsaddle, Robert J.	Mason City	60	Investment Sales	Dem.	Cerro Gordo	None
Cochran, Dale M.	Eagle Grove	36	Farmer	Dem.	Webster	None
Coffman, William J.	North English	46	General Insurance	Rep.	Iowa	57, 58, 59, 60, 60X
Cohen, (Mrs.) Gertrude S.	Waterloo	51	Housewife	Dem.	Black Hawk	None
Conway, Walter I.	Muscatine	59	Express Agent	Dem.	Louisa, Muscatine	None
Craig, Paul E.	Marshalltown	43	Telephone Repair	Dem.	Marshall	None
Crosier, Dale T.	Cedar Rapids	61	Salesman	Dem.	Linn	None
Denato, James P.	Des Moines	39	Attorney	Dem.	Polk	None
Den Herder, Elmer H.	Sioux Center	56	Farmer	Rep.	Sioux	57, 58, 59, 60, 60X
Detje, Albert H.	Traer	62	Petroleum Dist.	Dem.	Tama	None
Distelhorst, Milton	Burlington	43	Farmer	Dem.	Des Moines	None
Doderer, (Mrs.) Minnette Frerichs	Iowa City	41	Politician	Dem.	Johnson	60X
Dougherty, Thomas M.	Albia	54	Farmer, Business	Dem.	Lucas, Monroe	60X
Doyle, Donald V.	Sioux City	39	Lawyer	Dem.	Woodbury	57, 58
Duffy, John L.	Dubuque	65	Lawyer	Dem.	Dubuque	52, 52X, 53, 56, 57, 58, 59, 60, 60X
Dunton, Keith H.	Thornburg	49	Farmer, Business	Dem.	Keokuk	58, 59, 60, 60X
Edgington, Floyd P.	Sheffield	65	Farmer	Rep.	Franklin	55, 56, 57, 58, 59, 60, 60X
Felger, Foster F.	Davenport	56	Real Estate Broker	Dem.	Scott	None
Fischer, Harold O.	Wellsburg	47	Real Estate, Ins., Farm Loans	Rep.	Grundy	58, 59, 60, 60X
Fisher, C. Raymond	Grand Junction	57	Farm Operator	Rep.	Greene	58, 59, 60, 60X
Foster, La Mar, Sr.	West Branch	66	Farmer, Trucker	Dem.	Cedar	45, 45X, 46, 46X, 47
Fullmer, Wayne J.	Newton	48	Merchant	Dem.	Jasper	None
Gallagher, James V.	Waterloo	31	NW Bell Telephone	Dem.	Black Hawk	None
Gannon, William J.	Mingo	27	Farmer	Dem.	Jasper	None
Gaudineer, Lee H., Jr.	Des Moines	32	Attorney	Dem.	Polk	None
Gillette, Roy R.	Ames	29	Real Estate Broker	Dem.	Story	None
Gillette, W. Riley	Spencer	40	Farmer	Dem.	Clay, Dickinson	None
Glanton, (Mrs.) Willie Stevenson	Des Moines	42	Lawyer	Dem.	Polk	None
Gleason, Theodore M.	Gilmore City	60	Farmer	Dem.	Humboldt, Pocahontas	None
Glenn, Gene W.	Ottumwa	36	Lawyer	Dem.	Wapello	None
Graham, J. Wesley	Ida Grove	62	Farm Manager	Rep.	Ida, Sac	59, 60, 60X
Grassley, Charles E.	New Hartford	31	Farmer	Rep.	Butler	58, 59, 60, 60X
Gregerson, (Mrs.) Mary P.	Council Bluffs	26	Teacher	Dem.	Pottawattamie	None
Hageman, Urban F.	Decorah	35	Farmer	Dem.	Winneshiek	None
Hanson, Arthur C.	Inwood	73	Retired Farmer	Rep.	Lyon, Osceola	45, 45X, 53, 54, 55, 56, 57, 58, 59, 60, 60X
Harrington, R. P.	Independence	60	Business, Farmer	Dem.	Buchanan	58
Hausheer, Maurice	Ames	34	Teacher	Dem.	Story	None
Holmes, John A.	Wyoming	52	Farmer	Dem.	Jones	None
Houston, Harold J.	Dow City	47	Trucking	Dem.	Crawford	58
Hullinger, Arlo	Leon	43	Farmer	Dem.	Decatur, Wayne	None

REPRESENTATIVES IN GENERAL ASSEMBLY—Continued

NAME	Address	Age	Occupation	Politics	County	Former Legislative Service
Hutchins, Charles E.	Belle Plaine	53	Attorney	Dem.	Benton	None
Jackson, James H.	Waterloo	25	School Teacher	Dem.	Black Hawk	None
Jackson, Lloyd G.	Clinton	38	Lawyer	Dem.	Clinton	None
Keleher, Leo D.	Sioux City	59	Real Estate	Dem.	Woodbury	None
Kempter, Paul E.	Bellevue	54	Lawyer	Dem.	Jackson	None
Kennedy, Keith K.	Center Point	45	Insurance Agent	Dem.	Linn	None
Kluever, Lester L.	Atlantic	44	Attorney	Rep.	Cass	57, 58, 59, 60, 60X
Korn, Charles A.	Logan	48	Farmer	Dem.	Harrison	None
Lawlor, Daniel F.	LeClaire	45	Pyrometric Technician	Dem.	Scott	None
Loss, Casey	Algona	60	Farmer	Dem.	Kossuth	52, 52X, 53, 54, 56, 57, 58, 59, 60, 60X
Lynch, James L.	Indianola	28	Teacher, Business	Dem.	Warren	None
Madden, Harry	Kent	54	Farmer	Dem.	Union, Clarke	None
Mahan, Bruce E.	Iowa City	74	Educator	Dem.	Johnson	60, 60X
Maley, Walter F.	West Des Moines	36	Attorney	Dem.	Polk	None
Maule, Elroy	Onawa	51	Farmer	Dem.	Monona	57, 58, 59, 60, 60X
Mayberry, D. Vincent	Fort Dodge	48	Poultry Processor	Dem.	Webster	None
McNamara, Walter L.	Cedar Rapids	31	Attorney	Dem.	Linn	None
Meacham, Al.	Grinnell	43	Farming, Farm Sup.	Dem.	Poweshiek	60X
Melrose, A. Rae	Charles City	70	Insurance Agent	Dem.	Floyd	None
Millen, Floyd H.	Farmington	46	Pres. Valley Limestone & Gravel Inc.	Rep.	Jefferson, Van Buren	60, 60X
Miller, Charles P.	Burlington	46	Chiropractor	Dem.	Des Moines	60, 60X
Miller, John S.	Storm Lake	43	Meatcutter	Dem.	Buena Vista	None
Miller, Leroy S.	Shenandoah	49	Farm Machinery Dealer	Rep.	Page	60, 60X
Morgan, Eldon M.	Oskaloosa	74	Retired	Dem.	Mahaska	None
Mueller, Harold	Manly	58	Farmer	Dem.	Winnebago, Worth	58, 59, 60, 60X
Murphy, Bernard J.	Carroll	54	REA Express Agent	Dem.	Carroll	60, 60X
Nagle, Daniel Lee	Long Grove	27	Office Manager	Dem.	Scott	None
Nelson, Harold V.	Aurelia	65	Farmer	Rep.	Cherokee	None
Nielsen, Alfred	Defiance	62	Farmer	Rep.	Shelby	60, 60X
Nielsen, Niels J.	Ringsted	68	Farmer	Dem.	Emmett, Palo Alto	57, 58, 59, 60, 60X
Oehlsen, Robert W.	Radcliffe	43	Farmer	Dem.	Hardin	None
O'Malley, Bernard J.	Des Moines	27	Attorney	Dem.	Polk	None
Ossian, Conrad	Red Oak	64	Business and Farmer	Rep.	Adams, Montgomery	57, 58, 59, 60, 60X
Oxley, Myron B.	Marion	42	Farmer	Dem.	Linn	None
Palmer, William D.	Des Moines	30	Insurance Asst. Dist. Mgr.	Dem.	Polk	None
Patton, James E.	Manchester	69	Retired	Rep.	Delaware	58, 59, 60, 60X
Quinn, James L.	Washington	51	Farmer	Dem.	Washington	None
Radt, Richard M.	Lisbon	53	Plastics Mfg.	Dem.	Linn	None
Rasmussen, Clark R.	West Des Moines	30	Claim Supervisor	Dem.	Polk	None
Redfern, Carroll I.	Donnellson	59	Real Estate, Acctg. Tax Serv.	Dem.	Lee	None
Reichardt, William	Des Moines	34	Pres. of Reichardt's	Dem.	Polk	None

REPRESENTATIVES IN GENERAL ASSEMBLY—Continued

NAME	Address	Age	Occupation	Politics	County	Former Legislative Service
Renda, Thomas A.	Des Moines.	27	Attorney.	Dem.	Polk.	None
Resnick, James D.	Davenport.	33	Teacher.	Dem.	Scott.	None
Rickert, Dale H.	Wapello.	36	Farmer.	Dem.	Louisa, Muscatine.	None
Rider, Robert E., Sr.	Marshalltown.	42	Farmer.	Dem.	Marshall.	None
Robinson, Kenneth.	Bayard.	50	Newspaper Pub.	Dem.	Audubon, Guthrie.	None
Roe, Thomas S.	Waukon.	48	Salesman.	Dem.	Allamakee.	None
Scherle, William J.	Henderson.	41	Livestock and Grain Farmer.	Rep.	Fremont, Mills.	59, 60, 60X
Scott, Buri E.	Avoca.	36	Electrical Business.	Dem.	Pottawattamie.	None
Seibert, C. D.	St. Charles.	53	Farmer.	Dem.	Adair, Madison.	None
Shannahan, John P.	Sioux City.	63	Publisher.	Dem.	Woodbury.	None
Shirley, Marvin S.	Minburn.	27	Farmer.	Dem.	Dallas.	None
Smith, Marvin W.	Paullina.	63	Retired Farmer-Teacher.	Rep.	O'Brien.	57, 58, 59, 60, 60X
Smith, William R.	Cedar Rapids.	52	Tool Grinder.	Dem.	Linn.	None
Steffen, Vincent B.	New Hampton.	36	Harvestall Ind. Pres.	Dem.	Chickasaw.	60, 60X
Stevenson, M. Ross.	Lime Springs.	58	Farmer.	Dem.	Howard, Mitchell.	59, 60, 60X
Stokes, A. Gordon.	LeMars.	66	Farmer.	Rep.	Plymouth.	59, 60, 60X
Strothman, Charles F.	New London.	63	Livestock, Farmer.	Rep.	Henry.	60, 60X
Stueland, Victor C.	Kanawha.	67	Retired.	Dem.	Hancock.	None
Tieden, Dale L.	Garnavillo.	42	Office Mgr. Feed and Live- stock Yard, Farmer.	Rep.	Clayton.	None
Uban, Charles J.	Cedar Falls.	43	Oil Distributor.	Dem.	Black Hawk.	None
Utzig, Arnold.	Dubuque.	71	Retired.	Dem.	Dubuque.	50, 50X, 51, 52, 52X, 53, 54, 55, 56, 57
Varney, Charles Gustav.	Clinton.	61	Corn Processing.	Dem.	Clinton.	None
Webster, Edward C.	Council Bluffs.	66	Union Pacific R.R. Co.	Dem.	Pottawattamie.	None
Wengert, James J.	Sioux City.	30	Swift & Co.	Dem.	Woodbury.	None
Whisier, Ross S.	Centerville.	72	Insurance.	Dem.	Appanoose, Davis.	None
Wilson, William Price.	Cedar Falls.	25	Office Manager.	Dem.	Black Hawk.	None
Winkelman, William P.	Lohrville.	31	Farming, Ponies and Horses.	Rep.	Calhoun.	60, 60X
Wolcott, (Mrs.) Olga D.	Rockwell.	60	Homemaker.	Dem.	Cerro Gordo.	None
Wright, Carroll L.	Davenport.	52	Union Official.	Dem.	Scott.	None

OFFICERS OF THE SIXTY-FIRST GENERAL ASSEMBLY

OFFICERS OF THE HOUSE

Speaker of the House—Vincent B. SteffenNew Hampton
Speaker Pro Tempore—Charles P. MillerBurlington
Majority Floor Leader—Elroy MauleOnawa
Assistant Majority Floor Leader—Casey LossAlgona
Assistant Majority Floor Leader—Riley GilletteSpencer
Minority Floor Leader—Floyd P. EdgingtonSheffield
Chief Clerk—William R. KendrickDes Moines
Assistant Chief Clerk—Thomas M. WhitmoreOnawa
Legislative Counsel—Louis A. LavoratoDes Moines
Engrossing Clerk—Jeanette K. BenoitDes Moines
Chief Journal Clerk—Herschel FlaterWilton Junction
Journal Clerk—Charlotte WestDes Moines
Assistant Journal Clerk—Mildred ShermanDes Moines
Secretary to Chief Clerk—Charlotte PrichettDes Moines
Secretary to Chief Clerk—Hannah GleasonDes Moines
Clerk to Chief Clerk—Kathryn MurphyDes Moines
Supervisor of Clerks—Joanne McGraneDes Moines
Chief Enrolling Clerk—Ada C. SillettoDes Moines
Assistant Enrolling Clerk—Pauline KephartDes Moines
Assistant Enrolling Clerk—Jane SperryDes Moines
Assistant Enrolling Clerk—Nancy Lee MaroonDes Moines
General Clerk—Esther HoffmansDes Moines
General Clerk—Paul BeierschmittFairbank
Secretary to Legislative Counsel—Shirley BeelerDes Moines
Secretary to Speaker—Kathleen RyanDes Moines
Sergeant-at-Arms—Robert A. JacksonDes Moines
Assistant Sergeant-at-Arms—
 Howard M. FredericksonDes Moines
Bill Clerk—Jerome McCannDes Moines
Assistant Bill Clerk—Phyllis J. FraizerDes Moines
File Clerk—Robert E. WilliamsDes Moines
Supply Clerk—Mary B. JohnsonDes Moines
Supply Clerk—Myrtle T. PinegarDes Moines
Chief Electrician—Alfred Elwood WiersonRadcliffe
Assistant Electrician—Elmer PenningtonDes Moines
Assistant Electrician—Norman C. GroveDes Moines
Control Board Operator—Kenneth P. DonnellyIowa City
Postmistress—Lucille CarnahanOttumwa
Postmistress—Alma E. PattonAurora

OFFICERS OF THE SENATE

President—Robert D. FultonWaterloo
President Pro Tempore—George E. O'MalleyDes Moines
Majority Floor Leader—Andrew G. FrommeltDubuque
Assistant Majority Floor Leader—C. Joseph ColemanClare
Minority Floor Leader—Robert R. RiglerNew Hampton
Secretary—Robert G. MooreDunlap
Assistant Secretary and Journal Clerk—
 Edna GillespieDes Moines
Law Clerk—Vincent M. HanrahanDes Moines
Assistant to the Law Clerk—Orval WalterLenox
Reading Clerk—Alan BowersDes Moines
Secretary's Secretary—Maxine HanesWest Des Moines
Lieutenant Governor's Secretary—Doris JohnsonDes Moines
Secretary's Clerk—Mildred GalenbeckDes Moines
Assistant Journal Clerk—Verniece ThomsenDes Moines
Engrossing Clerk—Maretta H. BlanchardDes Moines
Enrolling Clerk—Jo Ann NelsonDes Moines
Assistant Enrolling Clerk—Dorothy SamuelsonDes Moines
Payroll Clerk—Marilou MonteithDes Moines
Supply Clerk—Lois DenmanDes Moines
Assistant Enrolled Bills Clerk—Mary GarnerDes Moines
Assistant Enrolled Bills Clerk—Neil VauthrinMelbourne
Control Board Operator—John RogersHancock
Sergeant-at-Arms—Harry O. BrownDes Moines
Assistant Sergeant-at-Arms—John BurrellDavis City
Chief Doorkeeper—Julius FidlerDes Moines
Bill Clerk—Evelyn Smart LogginsDes Moines
File Clerk—John EbbesmierBurlington
Assistant File Clerk—Mary TursiDes Moines
Postmistress—Mary ReneeGarden Grove

CONDITION OF STATE TREASURY

Receipts, Disbursements and Balances in the Several Funds For Each Year of the Biennial Period Ending June 30, 1964

Fiscal Year Ending June 30, 1963

	Balance June 30, 1962	Total Receipts and Transfers	Total Available	Total Warrants Redeemed Treasurer's Checks Issued and Transfers	Balance June 30, 1963
General Revenue	\$ 55,485,391.30	\$198,616,923.62	\$255,556,697.15	\$140,963,464.59	\$ 54,239,194.88
Transfers		1,454,382.23		60,354,037.68	
Trust Funds	65,265,798.27	60,538,334.62	258,740,005.89	195,562,765.63	63,177,240.26
Transfers		132,936,873.00			
Special Funds (Comptroller Warrants) ..	165,132,024.40	252,698,127.13	422,782,181.56	228,752,815.97	181,447,530.27
Transfers		4,952,030.03		12,581,836.32	
Special Funds (Treasurer's Checks)	8,224,371.58	7,354,392.25	15,685,183.31	5,327,573.95	10,357,609.36
Transfers		106,419.48			
TOTAL	<u>\$294,107,585.55</u>	<u>\$658,656,482.36</u>	<u>\$952,764,067.91</u>	<u>\$643,542,493.14</u>	<u>\$309,221,574.77</u>
Balance July 1, 1962				\$294,107,585.55	
Receipts and Transfers				658,656,482.36	
Total				\$952,764,067.91	
Disbursements and Transfers				643,542,493.14	
Balance June 30, 1963				<u>\$309,221,574.77</u>	

Fiscal Year Ending June 30, 1964

	Balance June 30, 1963	Total Receipts and Transfers	Total Available	Total Warrants Redeemed Treasurer's Checks Issued and Transfers	Balance June 30, 1964
General Revenue	\$ 54,239,194.88	\$213,628,995.59	\$267,868,190.47	\$155,822,408.82	\$ 53,036,819.07
Transfers				59,008,962.58	
Trust Funds	63,177,240.26	133,037,129.97	266,370,919.09	201,574,152.43	64,796,766.66
Transfers		70,156,548.86			
Special Funds (Comptroller Warrants) ..	181,447,530.27	266,237,198.54	447,684,728.81	234,163,956.81	202,373,185.72
Transfers				11,147,586.28	
Special Funds (Treasurer's Checks)	10,357,609.36	7,476,266.10	17,833,875.46	6,094,670.71	11,739,204.75
Transfers					
TOTAL	<u>\$309,221,574.77</u>	<u>\$690,536,139.06</u>	<u>\$999,757,713.83</u>	<u>\$667,811,737.63</u>	<u>\$331,945,976.20</u>
Balance July 1, 1963				\$309,221,574.77	
Receipts and Transfers				690,536,139.06	
Total				\$999,757,713.83	
Disbursements and Transfers				667,811,737.63	
Balance June 30, 1964				<u>\$331,945,976.20</u>	

APPROPRIATIONS TO STATE DEPARTMENTS

The following table is inserted to facilitate reference to the state departmental appropriations in Chapter 1.

DEPARTMENT	SECTION	DEPARTMENT	SECTION
Agriculture Department	1, 32	Library, Medical	46
Alcoholism Commission	35	Library, Traveling	47
Archeologist	31	Lieutenant Governor	8
Attorney General	2	Liquor Control Commission	48
Auditor of State	3	Mines and Minerals	15
Blind, Commission for	54	Mississippi River Parkway Commission	49
Car Dispatcher	57	National Guard and State Guard	50
Civil Defense Administration	33	Natural Resources Council	16
Civil Rights Commission	34	Parole, Board of	51
Code Editor	27	Pharmacy Examiners	17
Commerce Commission	4	Pioneer Lawmakers	18
Comptroller	5	Printing Board	19
District Court Judges	38, 61	Public Buildings and Grounds, Superintendent of	20
Employment Security Commission	6	Public Instruction, Department of	55
Executive Council	7	Public Safety, Department of	53
Fair Board	39	Real Estate Commission	21
Geological Survey	40	Reciprocity Board	22
Governments Council	36	Secretary of State	23
Governor	9	Social Welfare Board	58
Health Department	10	Soil Conservation	24
Higher Education Facilities Commission	41	Soldiers' Bonus Board	56
Historical Society	42	Spanish-American War Veterans	25
History and Archives	11	Supreme Court	52, 62
Hoover Birthplace Foundation	43	Supreme Court, Clerk of	26
Industrial Commissioner	12	Supreme Court, Reporter of	27
Insurance Department	13	Tax Commission	28
Iowa Development Commission	37	Treasurer of State	29
Labor, Bureau of	14	Uniform Laws, Commission on	30
Legislative Research Bureau	44	War Orphans' Aid	56
Library, Law	45		

LAWS

OF THE

Sixty-first General Assembly

OF THE

STATE OF IOWA

PASSED AT THE REGULAR SESSION THEREOF, AT DES MOINES, THE CAPITAL OF THE STATE, BEGUN ON THE ELEVENTH DAY OF JANUARY, AND ENDED ON THE FOURTH DAY OF JUNE, A. D. 1965, IN THE ONE HUNDRED NINETEENTH YEAR OF THE STATE.

APPROPRIATIONS

For additional appropriations, see chapters 67, 77, 79, 109, 186, 204, 225, 230, 247, 249, 257, 260, 263, 267, 306, 355, 356, 375, 433, 450, 451, 482, 484, 485, 486.

CHAPTER 1

DEPARTMENTAL APPROPRIATIONS

S. F. 621

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, funds for various departments and various divisions thereof, of the state of Iowa, for the purposes provided by law, and relating to the judicial and peace officers' retirement systems and to salaries of various statutory positions.

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

ADMINISTRATIVE DEPARTMENTS

AGRICULTURE, DEPARTMENT OF

[See also sec. 32]

- 1 SECTION 1. For the department of agriculture there is hereby
- 2 appropriated from the general fund of the state for each year of the
- 3 biennium beginning July 1, 1965, and ending June 30, 1967, the sum
- 4 of one million one hundred thirteen thousand five dollars (\$1,113,-
- 5 005.00), or so much thereof as may be necessary to be used in the
- 6 following manner:
- 7 (1) GENERAL ADMINISTRATION
- 8 Main office, crop pest, egg inspection, poultry associ-

9	ation—short courses and achievement shows, vege-		
10	table growers association, weather bureau, dairy spe-		
11	cialists and bacteriologists, entomology, hatchery in-		
12	spection, restaurant and hotel inspection, disposal of		
13	dead animals, motor fuel chemists and fertilizer law:		
14	For salary of secretary of agriculture	\$	15,000.00
15	For other salaries		448,750.00
16	For support, maintenance and miscellaneous pur-		
17	poses		202,100.00
18	For barberry eradication and plant pest control.....		25,000.00
			<hr/>
19	Total for general administration	\$	690,850.00
			<hr/>
20	(2) ANIMAL HEALTH AND VETERINARY		
21	For salary of chief of animal health	\$	11,000.00
22	For other salaries		206,355.00
23	For control or eradication of contagious and infecti-		
24	ous livestock diseases, including Bang's disease, travel-		
25	ing expenses, assistant state veterinarians (per diem		
26	and expenses), indemnities, veterinary examiners, and		
27	miscellaneous purposes including a brucellosis program		79,800.00
			<hr/>
28	Total for animal health and veterinary	\$	297,155.00
			<hr/>
29	(3) AGRICULTURE MARKETING DIVISION		
30	For salaries, support, maintenance and miscellane-		
31	ous purposes	\$	125,000.00
			<hr/>
32	Total for agriculture marketing division	\$	125,000.00
			<hr/>
33	Grand total of all appropriations for all purposes for		
34	each year of the biennium for the department of agri-		
35	culture or divisions thereof by this section	\$	1,113,005.00

ATTORNEY GENERAL

1	SEC. 2. For the office of attorney general there is hereby appro-		
2	priated from the general fund of the state for each year of the bien-		
3	niennium beginning July 1, 1965, and ending June 30, 1967, the sum of		
4	two hundred sixty-seven thousand eight hundred fifteen dollars		
5	(\$267,815.00), or so much thereof as may be necessary to be used in		
6	the following manner:		
7	For salary of attorney general	\$	16,500.00
8	For other salaries		213,425.00
9	For support, maintenance and miscellaneous pur-		
10	poses		37,890.00
			<hr/>
11	Grand total of all appropriations for all purposes for		
12	each year of the biennium for the office of attorney		
13	general	\$	267,815.00

AUDITOR OF STATE

1	SEC. 3. For the office of auditor of state there is hereby appro-	
2	priated from the general fund of the state for each year of the bien-	
3	niun beginning July 1, 1965, and ending June 30, 1967, the sum of	
4	five hundred forty-three thousand eight hundred sixty-five dollars	
5	(\$543,865.00), or so much thereof as may be necessary to be used in	
6	the following manner:	
7	(1) GENERAL OFFICE	
8	For salary of state auditor	\$ 15,000.00
9	For other salaries	446,800.00
10	For support, maintenance and miscellaneous pur-	
11	poses	65,650.00
12	Total for general office	\$ 527,450.00
13	(2) BUILDING AND LOAN DIVISION	
14	For salaries	\$ 11,115.00
15	For support, maintenance and miscellaneous pur-	
16	poses	5,300.00
17	Total for building and loan division	\$ 16,415.00
18	Grand total of all appropriations for all purposes for	
19	each year of the biennium for the office of auditor of	
20	state	\$ 543,865.00

COMMERCE COMMISSION, IOWA STATE

1	SEC. 4. For the department of the commerce commission there is	
2	hereby appropriated from the general fund of the state for each year	
3	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
4	the sum of six hundred seventy-nine thousand three hundred forty	
5	dollars (\$679,340.00), or so much thereof as may be necessary to be	
6	used in the following manner:	
7	(1) GENERAL ADMINISTRATION	
8	For salaries of commissioners (3 at \$12,000.00	
9	each)	\$ 36,000.00
10	For salary of secretary	8,000.00
11	For other salaries	146,550.00
12	For support, maintenance and miscellaneous pur-	
13	poses	35,150.00
14	Total for general administration	\$ 225,700.00
15	(2) CLASS RATE CASES	
16	For salaries, support, maintenance and miscellane-	
17	ous purposes	\$ 1,000.00
18	Total for class rate cases	\$ 1,000.00
19	(3) MOTOR TRANSPORTATION DIVISION	
20	For salaries	\$ 36,925.00

21	For support, maintenance and miscellaneous pur-		
22	poses	\$	20,000.00
23	Total for motor transportation division	\$	56,925.00
24	(4) WAREHOUSE DIVISION		
25	For salaries	\$	68,215.00
26	For support, maintenance and miscellaneous pur-		
27	poses		27,500.00
28	Total for warehouse division	\$	95,715.00
29	(5) UTILITIES DIVISION		
30	For salaries, support, maintenance and miscellane-		
31	ous purposes	\$	300,000.00
32	Total for utilities division	\$	300,000.00
33	Grand total of all appropriations for all purposes for		
34	each year of the biennium for the department of the		
35	commerce commission	\$	679,340.00

COMPTROLLER, OFFICE OF STATE

1	SEC. 5. For the office of state comptroller there is hereby appro-		
2	riated from the general fund of the state for each year of the bien-		
3	niium beginning July 1, 1965, and ending June 30, 1967, the sum of		
4	eight hundred twenty-six thousand nine hundred seventy dollars		
5	(\$826,970.00), or so much thereof as may be necessary to be used in		
6	the following manner:		
7	(1) GENERAL OFFICE		
8	For salary of state comptroller	\$	18,000.00
9	For other salaries		210,180.00
10	For support, maintenance and miscellaneous pur-		
11	poses		24,720.00
12	Total for general office	\$	252,900.00
13	(2) DATA PROCESSING		
14	For salaries	\$	355,030.00
15	For support, maintenance and miscellaneous pur-		
16	poses		219,040.00
17	Total for data processing	\$	574,070.00
18	Grand total of all appropriations for all purposes for		
19	each year of the biennium for the office of state comp-		
20	troller	\$	826,970.00

EMPLOYMENT SECURITY COMMISSION

1	SEC. 6. For the Iowa employment security commission for the
2	administration of chapters ninety-seven (97) and ninety-seven C

3 (97C) and section two hundred ninety-four point fifteen (294.15),
 4 Code 1962, there is hereby appropriated from the general fund of the
 5 state of Iowa for each year of the biennium beginning July 1, 1965,
 6 and ending June 30, 1967, the sum of eighty-six thousand one hun-
 7 dred dollars (\$86,100.00), or so much thereof as may be necessary to
 8 be used in the following manner:

9	For salaries, support, maintenance and miscellane-	
10	ous purposes for the administration of chapters ninety-	
11	seven (97) and ninety-seven C (97C) and section two	
12	hundred ninety-four point fifteen (294.15), Code 1962..\$	86,100.00

13 The salary for each member of the Iowa employment
 14 security commission shall be twelve thousand dollars
 15 (\$12,000.00) for each year of the biennium beginning
 16 July 1, 1965, and ending June 30, 1967, and of this
 17 amount two thousand four hundred dollars (\$2,400.00)
 18 shall be compensation for administering chapter nine-
 19 ty-seven B (97B) of the Iowa statutes, and such sums
 20 shall be in full compensation for all services, and pro-
 21 visions made in any other Act or statutes for compen-
 22 sation of the members of the Iowa employment security
 23 commission shall be ineffective and void.

24	Grand total of all appropriations for all purposes for	
25	each year of the biennium for the Iowa employment	
26	security commission	\$ 86,100.00

EXECUTIVE COUNCIL

1 SEC. 7. For the office of the executive council there is hereby ap-
 2 propriated from the general fund of the state for each year of the
 3 biennium beginning July 1, 1965, and ending June 30, 1967, the sum
 4 of two hundred seventy-eight thousand six hundred five dollars
 5 (\$278,605.00), or so much thereof as may be necessary to be used in
 6 the following manner:

7	For salary of the secretary of the executive council..\$	12,000.00
8	For other salaries	46,905.00
9	For support, maintenance and miscellaneous pur-	
10	poses	219,700.00

11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the office of the execu-	
13	tive council	\$ 278,605.00

LIEUTENANT GOVERNOR

1 SEC. 8. For the office of lieutenant governor there is hereby ap-
 2 propriated from the general fund of the state for each year of the
 3 biennium beginning July 1, 1965, and ending June 30, 1967, the sum
 4 of five thousand dollars (\$5,000.00), or so much thereof as may be
 5 necessary to be used in the following manner:

6 For the lieutenant governor's per diem and expenses
 7 incurred by him while performing the duties of lieu-

8	tenant governor including travel, postage and secre-	
9	tarial or clerical assistance. He shall receive sixty	
10	dollars (\$60.00) per diem	\$ 5,000.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the office of lieutenant	
13	governor	\$ 5,000.00

GOVERNOR

1	SEC. 9. For the office of the governor there is hereby appropri-	
2	ated from the general fund of the state for each year of the biennium	
3	beginning July 1, 1965, and ending June 30, 1967, the sum of one	
4	hundred sixty-four thousand nine hundred five dollars (\$164,905.00),	
5	or so much thereof as may be necessary to be used in the following	
6	manner:	
7	For salary of governor	\$ 25,000.00
8	For other salaries	104,355.00
9	For governor's expenses incurred by him in connec-	
10	tion with the duties of governor	5,000.00
11	For support, maintenance and miscellaneous pur-	
12	poses	30,550.00
13	Grand total of all appropriations for all purposes for	
14	each year of the biennium for the office of governor.....	\$ 164,905.00

HEALTH, STATE DEPARTMENT OF

1	SEC. 10. For the department of health there is hereby appropri-	
2	ated from the general fund of the state for each year of the biennium	
3	beginning July 1, 1965, and ending June 30, 1967, the sum of one	
4	million two hundred sixteen thousand four hundred sixty-five dollars	
5	(\$1,216,465.00), or so much thereof as may be necessary to be used in	
6	the following manner:	
7	(1) GENERAL OFFICE (Central Administration)	
8	For salary of commissioner	\$ 22,500.00
9	For other salaries	81,740.00
10	For support, maintenance and miscellaneous pur-	
11	poses	64,400.00
12	Total for general office	\$ 168,640.00
13	(2) CANCER, HEART AND CHRONIC DISEASES	
14	For salaries	\$ 32,680.00
15	For support, maintenance and miscellaneous pur-	
16	poses	850.00
17	Total for cancer, heart and chronic diseases	\$ 33,530.00
18	(3) DENTAL HYGIENE	
19	For salaries	\$ 18,740.00

CH. 1] LAWS OF THE SIXTY-FIRST GENERAL ASSEMBLY

20	For support, maintenance and miscellaneous pur-	
21	poses	\$ 850.00
22	Total for dental hygiene	\$ 19,590.00
23	(4) HOSPITALS AND NURSING HOMES	
24	For salaries	\$ 134,555.00
25	For support, maintenance and miscellaneous pur-	
26	poses	15,500.00
27	Total for hospitals and nursing homes	\$ 150,055.00
28	(5) LICENSURE AND REGISTRATION	
29	(Central Administration)	
30	For salaries	\$ 13,455.00
31	For support, maintenance and miscellaneous pur-	
32	poses	650.00
33	Total for licensure and registration	\$ 14,105.00
34	(6) MATERNAL AND CHILD HEALTH	
35	For salaries	\$ 26,455.00
36	For support, maintenance and miscellaneous pur-	
37	poses	1,050.00
38	Total for maternal and child health	\$ 27,505.00
39	(7) PREVENTABLE DISEASES	
40	For salaries	\$ 59,640.00
41	For support, maintenance and miscellaneous pur-	
42	poses	8,850.00
43	Total for preventable diseases	\$ 68,490.00
44	(8) PUBLIC HEALTH ENGINEERING, INDUSTRIAL	
45	HYGIENE AND WATER POLLUTION CONTROL	
46	For salaries	\$ 183,995.00
47	For support, maintenance and miscellaneous pur-	
48	poses	18,500.00
49	Total for public health engineering, industrial hy-	
50	giene and water pollution control	\$ 202,495.00
51	(9) PUBLIC HEALTH NURSING	
52	For salaries	\$ 23,105.00
53	For support, maintenance and miscellaneous pur-	
54	poses	1,550.00
55	Total for public health nursing	\$ 24,655.00
56	(10) TUBERCULOSIS CONTROL	
57	For salaries	\$ 50,835.00

58	For support and maintenance in the general tuber-		
59	culosis control program involving all methods of case		
60	finding	\$	8,250.00
61	Total for tuberculosis control	\$	59,085.00
62	(11) VENEREAL DISEASE CONTROL		
63	For salaries	\$	26,130.00
64	For support, maintenance and msicellaneous pur-		
65	poses		8,200.00
66	Total for venereal disease control	\$	34,330.00
67	(12) VITAL STATISTICS		
68	For salaries	\$	138,985.00
69	For support, maintenance and miscellaneous pur-		
70	poses		17,200.00
71	Total for vital statistics	\$	156,185.00
72	(13) EUGENICS, BOARD OF		
73	For salaries	\$	5,765.00
74	For support, maintenance and miscellaneous pur-		
75	poses		200.00
76	Total for board of eugenics	\$	5,965.00
77	(14) NUTRITION SERVICE		
78	For salaries	\$	12,205.00
79	For support, maintenance and miscellaneous pur-		
80	poses		650.00
81	Total for nutrition service	\$	12,855.00
82	(15) REGIONAL HEALTH SERVICES		
83	For salaries	\$	112,360.00
84	For support, maintenance and miscellaneous pur-		
85	poses		22,640.00
86	Total for regional health services	\$	135,000.00
87	Sub-total for public health administration activities..	\$	1,112,485.00
88	(16) BARBERS' EXAMINING BOARD		
89	For salaries	\$	24,550.00
90	For per diem, support, maintenance and miscellane-		
91	ous purposes		11,850.00
92	Total for barbers' examining board	\$	36,400.00
93	(17) CHIROPRACTIC EXAMINING BOARD		
94	For salary of executive director	\$	5,165.00

CH. 1] LAWS OF THE SIXTY-FIRST GENERAL ASSEMBLY

95	For per diem, support, maintenance and miscellane-	
96	ous purposes	\$ 2,060.00
97	Total for chiropractic examining board	\$ 7,225.00
98	(18) COSMETOLOGY EXAMINING BOARD	
99	For salaries	\$ 28,530.00
100	For per diem, support, maintenance and miscellane-	
101	ous purposes	20,350.00
102	Total for cosmetology examining board	\$ 48,880.00
103	(19) DENTAL EXAMINING BOARD	
104	For per diem, support, maintenance and miscellane-	
105	ous purposes	\$ 4,425.00
106	Total for dental examining board	\$ 4,425.00
107	(20) EMBALMERS' EXAMINING BOARD	
108	For per diem, support, maintenance and miscellane-	
109	ous purposes	\$ 4,100.00
110	Total for embalmers' examining board	\$ 4,100.00
111	(21) OPTOMETRY EXAMINING BOARD	
112	For per diem, support, maintenance and miscellane-	
113	ous purposes	\$ 1,950.00
114	Total for optometry examining board	\$ 1,950.00
115	(22) PODIATRY EXAMINING BOARD	
116	For per diem, support, maintenance and miscellane-	
117	ous purposes	\$ 1,000.00
118	Total for podiatry examining board	\$ 1,000.00
119	Sub-total for division of examining boards	\$ 103,980.00
120	Grand total of all appropriations for all purposes for	
121	each year of the biennium for the department of health	
122	and the various divisions thereof	\$ 1,216,465.00

HISTORY AND ARCHIVES, IOWA STATE DEPARTMENT OF

1	SEC. 11. For the department of history and archives there is	
2	hereby appropriated from the general fund of the state for each year	
3	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
4	the sum of one hundred forty-five thousand four hundred fifty dollars	
5	(\$145,450.00), or so much thereof as may be necessary to be used in	
6	the following manner:	
7	For salary of curator	\$ 10,000.00
8	For other salaries	108,950.00

9	For support, maintenance and miscellaneous pur-	
10	poses	\$ 26,500.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the department of his-	
13	tory and archives	\$ 145,450.00

INDUSTRIAL COMMISSIONER

1	SEC. 12. For the industrial commissioner there is hereby appro-	
2	priated from the general fund of the state for each year of the bien-	
3	niium beginning July 1, 1965, and ending June 30, 1967, the sum of	
4	one hundred three thousand nine hundred fifty-five dollars (\$103,-	
5	955.00), or so much thereof as may be necessary to be used in the	
6	following manner:	
7	For salary of commissioner	\$ 12,000.00
8	For other salaries	77,535.00
9	For support, maintenance and miscellaneous pur-	
10	poses	14,420.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the industrial commis-	
13	sioner	\$ 103,955.00

INSURANCE DEPARTMENT OF IOWA

1	SEC. 13. For the office of the insurance commissioner there is	
2	hereby appropriated from the general fund of the state for each year	
3	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
4	the sum of three hundred fourteen thousand three hundred five dol-	
5	lars (\$314,305.00), or so much thereof as may be necessary to be used	
6	in the following manner:	
7	For salary of commissioner	\$ 15,000.00
8	For other salaries	259,435.00
9	For support, maintenance and miscellaneous pur-	
10	poses	39,870.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the office of the insur-	
13	ance commissioner	\$ 314,305.00

LABOR, BUREAU OF

1	SEC. 14. For the bureau of labor there is hereby appropriated	
2	from the general fund of the state for each year of the biennium	
3	beginning July 1, 1965, and ending June 30, 1967, the sum of one	
4	hundred seventy-six thousand dollars (\$176,000.00), or so much	
5	thereof as may be necessary to be used in the following manner:	
6	For salary of commissioner	\$ 9,000.00
7	For other salaries	121,100.00

8	For support, maintenance and miscellaneous pur-	
9	poses	\$ 45,900.00
10	Grand total of all appropriations for all purposes for	
11	each year of the biennium for the bureau of labor.....	\$ 176,000.00

MINES AND MINERALS, DEPARTMENT OF

1	SEC. 15. For the department of mines and minerals there is here-	
2	by appropriated from the general fund of the state for each year of	
3	the biennium beginning July 1, 1965, and ending June 30, 1967; the	
4	sum of twenty thousand fifty-five dollars (\$20,055.00), or so much	
5	thereof as may be necessary to be used in the following manner:	
6	(1) STATE MINING BOARD	
7	For per diem and expenses	\$ 5,000.00
8	(2) MINE INSPECTORS	
9	For the salary of one (1) mine inspector	\$ 8,000.00
10	For other salaries	4,045.00
11	For support, maintenance and miscellaneous pur-	
12	poses	3,010.00
13	Total for mine inspectors	\$ 15,055.00
14	Grand total of all appropriations for all purposes for	
15	each year of the biennium for the department of mines	
16	and minerals	\$ 20,055.00

NATURAL RESOURCES COUNCIL, IOWA

1	SEC. 16. For the Iowa natural resources council there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of two hundred twenty-eight thousand three hundred forty dollars	
5	(\$228,340.00), or so much thereof as may be necessary to be used in	
6	the following manner:	
7	For salaries	\$ 160,830.00
8	For support, maintenance and miscellaneous pur-	
9	poses	67,510.00
10	Grand total of all appropriations for all purposes for	
11	each year of the biennium for the Iowa natural re-	
12	sources council	\$ 228,340.00

PHARMACY EXAMINERS

1	SEC. 17. For the pharmacy examining board there is hereby ap-	
2	propriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of one hundred seven thousand four hundred twenty-five dollars	
5	(\$107,425.00), or so much thereof as may be necessary to be used in	
6	the following manner:	

7	For salary of secretary and narcotics supervisor	\$ 10,000.00
8	For other salaries	63,100.00
9	For support, maintenance and miscellaneous pur-	
10	poses	34,325.00
<hr/>		
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the pharmacy examining	
13	board	\$ 107,425.00

PIONEER LAWMAKERS

1 SEC. 18. For the pioneer lawmakers there is hereby appropriated
2 from the general fund of the state for each year of the biennium
3 beginning July 1, 1965, and ending June 30, 1967, the sum of one
4 hundred fifty dollars (\$150.00), or so much thereof as may be neces-
5 sary to be used in the following manner:

6	For salaries, support and miscellaneous purposes	\$ 150.00
<hr/>		
7	Grand total of all appropriations for all purposes for	
8	each year of the biennium for the pioneer lawmakers....	\$ 150.00

PRINTING BOARD, THE

1 SEC. 19. For the state printing board there is hereby appropri-
2 ated from the general fund of the state for each year of the biennium
3 beginning July 1, 1965, and ending June 30, 1967, the sum of one
4 hundred sixteen thousand three hundred forty dollars (\$116,340.00),
5 or so much thereof as may be necessary to be used in the following
6 manner:

7	For salary of superintendent	\$ 8,000.00
8	For other salaries	48,660.00
9	For support, maintenance and miscellaneous pur-	
10	poses	59,680.00
<hr/>		
11	Provided that funds appropriated for the general	
12	office by this section, in the discretion of the printing	
13	board, may be used to pay the cost of printing of the	
14	"Iowa Official Register", "Proceedings of the Iowa	
15	Academy of Science", "Iowa Welcomes You" booklet	
16	and other miscellaneous items.	
17	Grand total of all appropriations for all purposes for	
18	each year of the biennium for the state printing board	
19	provided by this section	\$ 116,340.00

PUBLIC BUILDINGS AND GROUNDS,
SUPERINTENDENT OF

1 SEC. 20. For the office of the superintendent of public buildings
2 and grounds there is hereby appropriated from the general fund of
3 the state for each year of the biennium beginning July 1, 1965, and
4 ending June 30, 1967, the sum of eight hundred two thousand nine

5	hundred fifty-five dollars (\$802,955.00), or so much thereof as may be	
6	necessary to be used in the following manner:	
7	For salaries	\$ 643,005.00
8	For support, maintenance and miscellaneous pur-	
9	poses	24,950.00
10	For maintenance, repairs, replacements, alterations	
11	or equipment of public buildings and grounds of the	
12	state of Iowa, subject to approval of the executive	
13	council	135,000.00
		<hr/>
14	Grand total of all appropriations for all purposes for	
15	each year of the biennium for the office of the super-	
16	intendent of public buildings and grounds	\$ 802,955.00

REAL ESTATE COMMISSION, IOWA

1	SEC. 21. For the Iowa real estate commission there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of thirty-one thousand two hundred dollars (\$31,200.00), or so much	
5	thereof as may be necessary to be used in the following manner:	
6	For salary of director	\$ 8,000.00
7	For other salaries	12,530.00
8	For support, maintenance and miscellaneous pur-	
9	poses	10,670.00
		<hr/>
10	Grand total of all appropriations for all purposes for	
11	each year of the biennium for the Iowa real estate	
12	commission	\$ 31,200.00

RECIPROCITY BOARD, IOWA

1	SEC. 22. For the reciprocity board there is hereby appropriated	
2	from the general fund of the state for each year of the biennium	
3	beginning July 1, 1965, and ending June 30, 1967, the sum of eighty-	
4	one thousand three hundred seventy dollars (\$81,370.00), or so much	
5	thereof as may be necessary to be used in the following manner:	
6	For salary of executive secretary	\$ 8,000.00
7	For other salaries	49,870.00
8	For support, maintenance and miscellaneous pur-	
9	poses	23,500.00
		<hr/>
10	Grand total of all appropriations for all purposes for	
11	each year of the biennium for the reciprocity board	\$ 81,370.00

SECRETARY OF STATE

1	SEC. 23. For the office of secretary of state there is hereby ap-	
2	propriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of one hundred ten thousand sixty dollars (\$110,060.00), or so much	
5	thereof as may be necessary to be used in the following manner:	

6	For salary of secretary of state	\$ 15,000.00
7	For other salaries	73,170.00
8	For support, maintenance and miscellaneous pur-	
9	poses	21,890.00
<hr/>		
10	Grand total of all appropriations for all purposes for	
11	each year of the biennium for the office of secretary of	
12	state	\$ 110,060.00

SOIL CONSERVATION

1 SEC. 24. For soil conservation there is hereby appropriated from
2 the general fund of the state for each year of the biennium beginning
3 July 1, 1965, and ending June 30, 1967, the sum of sixty-five thousand
4 eight hundred ninety-five dollars (\$65,895.00), or so much thereof as
5 may be necessary to be used in the following manner:

6	For salaries	\$ 40,195.00
7	For support, maintenance and miscellaneous pur-	
8	poses	25,700.00
<hr/>		
9	Grand total of all appropriations for all purposes for	
10	each year of the biennium for soil conservation	\$ 65,895.00

SPANISH-AMERICAN WAR VETERANS

1 SEC. 25. For the Spanish-American war veterans there is hereby
2 appropriated from the general fund of the state for each year of the
3 biennium beginning July 1, 1965, and ending June 30, 1967, the sum
4 of three thousand five hundred dollars (\$3,500.00), or so much there-
5 of as may be necessary to be used in the following manner:

6	For salaries	\$ 2,775.00
7	For support, maintenance and miscellaneous pur-	
8	poses	725.00
<hr/>		
9	Grand total of all appropriations for all purposes for	
10	each year of the biennium for the Spanish-American	
11	war veterans	\$ 3,500.00

SUPREME COURT, CLERK OF

1 SEC. 26. For the office of clerk of supreme court there is hereby
2 appropriated from the general fund of the state for each year of the
3 biennium beginning July 1, 1965, and ending June 30, 1967, the sum
4 of twenty-four thousand two hundred fifty-five dollars (\$24,255.00),
5 or so much thereof as may be necessary to be used in the following
6 manner:

7	For salary of chief clerk	\$ 8,000.00
8	For other salaries	13,430.00
9	For support, maintenance and miscellaneous pur-	
10	poses	2,825.00

11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the office of the clerk of	
13	supreme court	\$ 24,255.00

SUPREME COURT, REPORTER OF
AND CODE EDITOR

1	SEC. 27. For the department of the reporter of the supreme court	
2	and code editor there is hereby appropriated from the general fund	
3	of the state for each year of the biennium beginning July 1, 1965, and	
4	ending June 30, 1967, the sum of forty-six thousand four hundred	
5	thirty-five dollars (\$46,435.00), or so much thereof as may be neces-	
6	sary to be used in the following manner:	
7	For salary of code editor	\$ 10,000.00
8	For salary of deputy code editor	10,000.00
9	For other salaries	24,715.00
10	For support, maintenance and miscellaneous pur-	
11	poses	1,720.00
12	Grand total of all appropriations for all purposes for	
13	each year of the biennium for the department of re-	
14	porter of supreme court and code editor	\$ 46,435.00

TAX COMMISSION, STATE

1	SEC. 28. For the state tax commission there is hereby appropri-	
2	ated from the general fund of the state for each year of the biennium	
3	beginning July 1, 1965, and ending June 30, 1967, the sum of three	
4	million three hundred forty-six thousand three hundred sixty-five	
5	dollars (\$3,346,365.00), or so much thereof as may be necessary to	
6	be used in the following manner:	
7	For salaries of commissioners (3 at \$13,000.00	
8	each)	\$ 39,000.00
9	For other salaries	2,726,115.00
10	For printing and binding	120,000.00
11	For support, maintenance and miscellaneous pur-	
12	poses	461,250.00
13	Grand total of all appropriations for all purposes for	
14	each year of the biennium for the state tax commis-	
15	sion	\$ 3,346,365.00

TREASURER OF STATE

1	SEC. 29. For the department of treasurer of state there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of ninety-two thousand five hundred forty dollars (\$92,540.00), or so	
5	much thereof as may be necessary to be used in the following man-	
6	ner:	
7	For salary of treasurer	\$ 15,000.00
8	For other salaries	68,640.00

9	For support, maintenance and miscellaneous pur-	
10	poses	\$ 8,900.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the department of treas-	
13	urer of state	\$ 92,540.00

UNIFORM LAWS, COMMISSION ON

1	SEC. 30. For the commission on uniform laws there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of two thousand six hundred dollars (\$2,600.00), or so much thereof	
5	as may be necessary to be used in the following manner:	
6	For support of the conference of commissioners on	
7	uniform state laws	\$ 1,100.00
8	For traveling expenses of members of the commis-	
9	sion on uniform laws	1,500.00
10	Grand total of all appropriations for all purposes for	
11	each year of the biennium for the commission on uni-	
12	form laws	\$ 2,600.00
	Total administrative departments	\$11,001,265.00

MISCELLANEOUS SERVICES

ARCHEOLOGIST, STATE

1	SEC. 31. For the state archeologist there is hereby appropriated	
2	from the general fund of the state for each year of the biennium	
3	beginning July 1, 1965, and ending June 30, 1967, the sum of fifteen	
4	thousand dollars (\$15,000.00), or so much thereof as may be neces-	
5	sary to be used in the following manner:	
6	For salaries, support, maintenance and miscellane-	
7	ous purposes	\$ 15,000.00
8	Grand total of all appropriations for all purposes for	
9	each year of the biennium for the state archeologist.....	\$ 15,000.00

AGRICULTURE, DEPARTMENT OF

[See also sec. 1]

1	SEC. 32. For the department of agriculture there is hereby ap-	
2	propriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of one hundred thirty-five thousand nine hundred dollars (\$135,-	
5	900.00), or so much thereof as may be necessary to be used for vari-	
6	ous services and state aids in the following manner:	
7	(1) AGRICULTURAL STATISTICS	
8	For state aid	\$ 21,115.00

9	(2) BEE INSPECTION		
10	For state aid	\$	20,330.00
11	(3) BEEF PRODUCERS' ASSOCIATION		
12	For state aid		18,770.00
13	(4) CROP IMPROVEMENT		
14	For state aid		3,500.00
15	(5) DAIRY ASSOCIATION		
16	For state aid		18,770.00
17	(6) DAIRY CALF CLUB		
18	For state aid		2,000.00
19	(7) HORTICULTURAL SOCIETIES		
20	For state aid		15,000.00
21	(8) IOWA SHEEP ASSOCIATION		
22	For state aid		13,045.00
23	(9) MARKET NEWS (POULTRY)		
24	For state aid		4,600.00
25	(10) SWINE BREEDERS' ASSOCIATION		
26	For state aid		18,770.00
27	Grand total of all appropriations for all purposes for		
28	each year of the biennium for the divisions of the de-		
29	partment of agriculture provided by this section.....	\$	135,900.00

CIVIL DEFENSE ADMINISTRATION

1	SEC. 33. For the civil defense administration there is hereby ap-		
2	propriated from the general fund of the state for each year of the		
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum		
4	of forty-one thousand four hundred forty dollars (\$41,440.00), or so		
5	much thereof as may be necessary to be used in the following man-		
6	ner:		
7	For salary of director of civilian defense	\$	10,000.00
8	For other salaries		22,940.00
9	For support, maintenance and miscellaneous pur-		
10	poses		8,500.00
11	Grand total of all appropriations for all purposes for		
12	each year of the biennium for the civil defense admin-		
13	istration	\$	41,440.00

CIVIL RIGHTS COMMISSION, IOWA

1	SEC. 34. For the Iowa civil rights commission there is hereby		
2	appropriated from the general fund of the state for each year of the		
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum		
4	of thirty-one thousand nine hundred dollars (\$31,900.00), or so much		
5	thereof as may be necessary to be used in the following manner:		
6	For salaries	\$	23,700.00
7	For support, maintenance and miscellaneous pur-		
8	poses		8,200.00

9	Grand total of all appropriations for all purposes for	
10	each year of the biennium for the Iowa civil rights	
11	commission	\$ 31,900.00

COMMISSION ON ALCOHOLISM

1	SEC. 35. For the commission on alcoholism there is hereby appro-	
2	priated from the general fund of the state for each year of the bien-	
3	niium beginning July 1, 1965, and ending June 30, 1967, the sum of	
4	twenty-eight thousand three hundred sixty dollars (\$28,360.00), or	
5	so much thereof as may be necessary to be used in the following man-	
6	ner:	
7	For salary of director	\$ 9,500.00
8	For other salaries	10,500.00
9	For support, maintenance and miscellaneous pur-	
10	poses	8,360.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the office of the commis-	
13	sion on alcoholism	\$ 28,360.00

COUNCIL OF STATE GOVERNMENTS

1	SEC. 36. For the council of state governments there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of eleven thousand dollars (\$11,000.00), or so much thereof as may	
5	be necessary to be used in the following manner:	
6	For support of the council of state governments.....	\$ 11,000.00
7	Grand total of all appropriations for all purposes for	
8	each year of the biennium for the council of state gov-	
9	ernments	\$ 11,000.00

DEVELOPMENT COMMISSION, THE IOWA

1	SEC. 37. For the Iowa development commission there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of seven hundred sixty-nine thousand three hundred forty-five dollars	
5	(\$769,345.00), or so much thereof as may be necessary to be used in	
6	the following manner:	
7	For salaries	\$ 276,025.00
8	For support, maintenance and miscellaneous pur-	
9	poses	280,820.00
10	For agricultural product promotion	175,000.00
11	For municipal planning assistance (any balance of	
12	the appropriation for municipal planning assistance	
13	remaining at the end of the ensuing biennium shall not	
14	revert to the general fund as provided by chapter eight	
15	(8), Code 1962)	\$ 37,500.00

16	Grand total of all appropriations for all purposes for	
17	each year of the biennium for the Iowa development	
18	commission	\$ 769,345.00

DISTRICT COURT JUDGES

[See also sec. 61]

1	SEC. 38. For the district court judges there is hereby appropri-	
2	ated from the general fund of the state for each year of the biennium	
3	beginning July 1, 1965, and ending June 30, 1967, the sum of one	
4	million five hundred eighty-six thousand dollars (\$1,586,000.00), or	
5	so much thereof as may be necessary to be used in the following man-	
6	ner:	
7	For salaries of the judges of the district courts of	
8	Iowa and for the state's contribution, in the amount of	
9	three per cent (3%) of such salaries, to the judicial	
10	retirement system provided for in chapter six hundred	
11	five A (605A), Code 1962	\$ 1,486,000.00
12	For traveling expenses of judges and court reporters	
13	in and out of districts	100,000.00
14	Grand total of all appropriations for all purposes for	
15	each year of the biennium for district court judges and	
16	reporters	\$ 1,586,000.00

FAIR BOARD, IOWA STATE

1	SEC. 39. For the state fair board there is hereby appropriated	
2	from the general fund of the state for each year of the biennium	
3	beginning July 1, 1965, and ending June 30, 1967, the sum of seventy	
4	thousand dollars (\$70,000.00), or so much thereof as may be neces-	
5	sary to be used in the following manner:	
6	The salary of the secretary of the state fair board	
7	shall be ten thousand dollars (\$10,000.00) per annum	
8	to be paid out of the fund of the state fair board.	
9	For maintenance, insurance and operating expenses..\$	60,000.00
10	For premiums	10,000.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the state fair board.....\$	70,000.00

GEOLOGICAL SURVEY

1	SEC. 40. For the office of geological survey there is hereby appropri-	
2	ated from the general fund of the state for each year of the bien-	
3	niennium beginning July 1, 1965, and ending June 30, 1967, the sum of	
4	three hundred twenty-five thousand fifty dollars (\$325,050.00), or so	
5	much thereof as may be necessary to be used in the following man-	
6	ner:	
7	(1) GENERAL OFFICE	
8	For salaries	\$ 139,950.00

9	For support, maintenance and miscellaneous pur-	
10	poses	\$ 143,000.00
11	Total for general office	\$ 282,950.00
12	(2) STREAM GAUGING AND SILTATION	
13	For salaries	\$ 8,500.00
14	For support and miscellaneous purposes	33,600.00
15	Total for stream gauging	\$ 42,100.00
16	Grand total of all appropriations for all purposes for	
17	each year of the biennium for geological survey	\$ 325,050.00

HIGHER EDUCATION FACILITIES COMMISSION

1	SEC. 41. For the higher education facilities commission there is	
2	hereby appropriated from the general fund of the state for each year	
3	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
4	the sum of forty thousand dollars (\$40,000.00), or so much thereof	
5	as may be necessary to be used in the following manner:	
6	For salary of director	\$ 13,000.00
7	For other salaries	11,760.00
8	For support, maintenance and miscellaneous pur-	
9	poses	15,240.00
10	Grand total of all appropriations for all purposes for	
11	each year of the biennium for the higher education	
12	facilities commission	\$ 40,000.00

HISTORICAL SOCIETY, THE STATE

1	SEC. 42. For the historical society at Iowa City there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of one hundred eleven thousand one hundred ten dollars (\$111,-	
5	110.00), or so much thereof as may be necessary to be used in the	
6	following manner:	
7	For salary of director	\$ 12,000.00
8	For other salaries	31,160.00
9	For support, maintenance and miscellaneous pur-	
10	poses	67,950.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the historical society at	
13	Iowa City	\$ 111,110.00

HERBERT HOOVER BIRTHPLACE FOUNDATION, INC.

1	SEC. 43. For the Herbert Hoover birthplace foundation, inc. there	
2	is hereby appropriated from the general fund of the state for each	
3	year of the biennium beginning July 1, 1965, and ending June 30,	

4	1967, the sum of twelve thousand dollars (\$12,000.00), or so much	
5	thereof as may be necessary to be used in the following manner:	
6	For salaries, support, maintenance and miscellane-	
7	ous purposes	\$ 12,000.00
8	Grand total of all appropriations for all purposes for	
9	each year of the biennium for the Herbert Hoover	
10	birthplace foundation, inc.	\$ 12,000.00

LEGISLATIVE RESEARCH BUREAU

1	SEC. 44. For the legislative research bureau there is hereby ap-	
2	propriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of one hundred four thousand six hundred fifty dollars (\$104,650.00),	
5	or so much thereof as may be necessary to be used in the following	
6	manner:	
7	For salaries, support, maintenance and miscellane-	
8	ous purposes	\$ 104,650.00
9	Grand total of all appropriations for all purposes for	
10	each year of the biennium for the legislative research	
11	bureau	\$ 104,650.00

IOWA STATE LAW LIBRARY

1	SEC. 45. For the Iowa state law library there is hereby appro-	
2	priated from the general fund of the state for each year of the bien-	
3	niennium beginning July 1, 1965, and ending June 30, 1967, the sum of	
4	fifty-eight thousand nine hundred ten dollars (\$58,910.00), or so	
5	much thereof as may be necessary to be used in the following man-	
6	ner:	
7	For salary of librarian	\$ 8,000.00
8	For other salaries	22,440.00
9	For support, maintenance and miscellaneous pur-	
10	poses	28,470.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the Iowa state law	
13	library	\$ 58,910.00

IOWA STATE MEDICAL LIBRARY

1	SEC. 46. For the Iowa state medical library there is hereby ap-	
2	propriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of forty-four thousand eight hundred sixty dollars (\$44,860.00), or	
5	so much thereof as may be necessary to be used in the following	
6	manner:	
7	For salary of librarian	\$ 8,000.00
8	For other salaries	22,630.00

9	For support, maintenance and miscellaneous pur-	
10	poses	\$ 14,230.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the Iowa state medical	
13	library	\$ 44,860.00

IOWA STATE TRAVELING LIBRARY

1	SEC. 47. For the Iowa state traveling library there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of one hundred nineteen thousand six hundred ninety dollars (\$119,-	
5	690.00), or so much thereof as may be necessary to be used in the	
6	following manner:	
7	For salary of director	\$ 9,500.00
8	For other salaries	78,440.00
9	For support, maintenance and miscellaneous pur-	
10	poses	31,750.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the Iowa state traveling	
13	library	\$ 119,690.00

LIQUOR CONTROL COMMISSION

1	SEC. 48. For the liquor control commission there is hereby ap-	
2	propriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of four million three hundred sixty-eight thousand two hundred	
5	thirty-five dollars (\$4,368,235.00), or so much thereof as may be	
6	necessary to be used in the following manner:	
7	(1) GENERAL OPERATIONS	
8	For salaries of board members (3 at \$10,000.00	
9	each)	\$ 30,000.00
10	For other salaries	3,391,505.00
11	For support, maintenance and miscellaneous pur-	
12	poses	760,950.00
13	Total for general operations	\$ 4,182,455.00
14	(2) LIQUOR ENFORCEMENT DIVISION	
15	For salaries	\$ 127,155.00
16	For support, maintenance and miscellaneous pur-	
17	poses	58,625.00
18	Total for the liquor enforcement division	\$ 185,780.00
19	Grand total of all appropriations for all purposes for	
20	each year of the biennium for the liquor control com-	
21	mission	\$ 4,368,235.00

MISSISSIPPI RIVER PARKWAY COMMISSION

1	SEC. 49. For the Mississippi river parkway commission there is	
2	hereby appropriated from the general fund of the state for each year	
3	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
4	the sum of three thousand five hundred dollars (\$3,500.00), or so	
5	much thereof as may be necessary to be used in the following man-	
6	ner:	
7	For support, maintenance and miscellaneous pur-	
8	poses	\$ 3,500.00
9	Grand total of all appropriations for all purposes for	
10	each year of the biennium for the Mississippi river	
11	parkway commission	\$ 3,500.00

NATIONAL GUARD AND STATE GUARD

1	SEC. 50. For the national guard and the state guard there is	
2	hereby appropriated from the general fund of the state for each year	
3	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
4	the sum of nine hundred ninety-four thousand one hundred fifty dol-	
5	lars (\$994,150.00), or so much thereof as may be necessary to be used	
6	in the following manner:	
7	For salaries	\$ 408,350.00
8	For support, maintenance, armories and miscellane-	
9	ous purposes	585,800.00
10	Grand total of all appropriations for all purposes for	
11	each year of the biennium for the national guard and	
12	state guard	\$ 994,150.00

PAROLE, BOARD OF

1	SEC. 51. For the office of the board of parole there is hereby ap-	
2	propriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of four hundred thirteen thousand six hundred eighty-five dollars	
5	(\$413,685.00), or so much thereof as may be necessary to be used in	
6	the following manner:	
7	For salaries of board members (3 at \$8,000.00	
8	each)	\$ 24,000.00
9	For salary of secretary and superintendent of parole	
10	agents	12,000.00
11	For other salaries	298,875.00
12	For support, maintenance and miscellaneous pur-	
13	poses	78,810.00
14	Grand total of all appropriations for all purposes for	
15	each year of the biennium for the board of parole	\$ 413,685.00

SUPREME COURT

[See also sec. 62]

1	SEC. 52. For the supreme court there is hereby appropriated from	
2	the general fund of the state for each year of the biennium beginning	
3	July 1, 1965, and ending June 30, 1967, the sum of two hundred	
4	seventy-seven thousand dollars (\$277,000.00), or so much thereof as	
5	may be necessary to be used in the following manner:	
6	For salaries of judges of the supreme court of Iowa,	
7	and for the state's contribution, in the amount of three	
8	per cent (3%) of such salaries to the judicial retire-	
9	ment system provided for in chapter six hundred five A	
10	(605A), Code 1962, and for other salaries	\$ 263,825.00
11	For support, maintenance and miscellaneous pur-	
12	poses	12,925.00
13	Rules of procedure	250.00
14	Grand total of all appropriations for all purposes for	
15	each year of the biennium for the supreme court	\$ 277,000.00
	Total miscellaneous services	\$ 9,561,785.00

PUBLIC SAFETY

PUBLIC SAFETY, DEPARTMENT OF

1	SEC. 53. For the department of public safety there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of six million six hundred thirty-six thousand one hundred sixty-five	
5	dollars (\$6,636,165.00), or so much thereof as may be necessary to be	
6	used in the following manner:	
7	(1) DIVISION OF ADMINISTRATION	
8	For salary of commissioner	\$ 15,000.00
9	For other salaries	63,115.00
10	For support, maintenance and miscellaneous pur-	
11	poses	10,475.00
12	Total for the division of administration	\$ 88,590.00
13	(2) DIVISION OF CRIMINAL INVESTIGATION	
14	For salaries	\$ 236,735.00
15	For support, maintenance, miscellaneous purposes,	
16	and for the state's contribution to the peace officers'	
17	retirement, accident and disability system, provided in	
18	chapter ninety-seven A (97A), Code 1962, in the	
19	amount of sixteen per cent (16%) of the salaries of	
20	personnel included in the system	50,550.00
21	Total for the division of criminal investigation	\$ 287,285.00
22	(3) DIVISION OF FIRE MARSHAL	
23	For salaries	\$ 73,820.00

24	For support, maintenance and miscellaneous pur-	
25	poses	\$ 25,140.00
26	Total for the division of fire marshal	\$ 98,960.00
27	(4) DIVISION OF HIGHWAY PATROL	
28	For salaries	\$ 2,837,395.00
29	For support, maintenance, miscellaneous purposes,	
30	and for the state's contribution to the peace officers'	
31	retirement, accident and disability system, provided in	
32	chapter ninety-seven A (97A), Code 1962, in the	
33	amount of sixteen per cent (16%) of the salaries of	
34	personnel included in the system, and including liabil-	
35	ity insurance	1,622,420.00
36	Total for the division of highway patrol	\$ 4,459,815.00
37	(5) DIVISION OF MOTOR REGISTRATION	
38	For salaries	\$ 359,590.00
39	For support, maintenance and miscellaneous pur-	
40	poses	111,600.00
41	Total for the division of motor registration	\$ 471,190.00
42	(6) DIVISION OF MOTOR VEHICLE FINANCIAL	
43	AND SAFETY RESPONSIBILITY	
44	For salaries	\$ 190,825.00
45	For support, maintenance and miscellaneous pur-	
46	poses	57,630.00
47	Total for the division of motor vehicle financial and	
48	safety responsibility	\$ 248,455.00
49	(7) DIVISION OF OPERATORS' AND	
50	CHAUFFEURS' LICENSES	
51	For salaries	\$ 388,925.00
52	For support, maintenance and miscellaneous pur-	
53	poses	31,300.00
54	Total for the division of operators' and chauffeurs'	
55	licenses	\$ 420,225.00
56	(8) DIVISION OF RADIO COMMUNICATION	
57	For salaries	\$ 407,385.00
58	For support, maintenance and miscellaneous pur-	
59	poses	76,900.00
60	Total for the division of radio communication	\$ 484,285.00
61	(9) DIVISION OF SAFETY EDUCATION	
62	For salaries	\$ 59,260.00

63	For support, maintenance and miscellaneous pur-	
64	poses	\$ 18,100.00
65	Total for the division of safety education	\$ 77,360.00
66	Grand total of all appropriations for all purposes for	
67	each year of the biennium for the department of public	
68	safety and all divisions thereof	\$ 6,636,165.00

DIRECT EDUCATIONAL AID

BLIND, IOWA COMMISSION FOR THE

1	SEC. 54. For the office of the commission for the blind there is	
2	hereby appropriated from the general fund of the state for each year	
3	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
4	the sum of two hundred ninety thousand dollars (\$290,000.00), or so	
5	much thereof as may be necessary to be used in the following man-	
6	ner:	
7	For salary of director	\$ 12,000.00
8	For other salaries	185,583.00
9	For support, maintenance and miscellaneous pur-	
10	poses	92,417.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the office of the commis-	
13	sion for the blind	\$ 290,000.00

PUBLIC INSTRUCTION, DEPARTMENT OF

1	SEC. 55. For the department of public instruction there is hereby	
2	appropriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of seven hundred thousand dollars (\$700,000.00), or so much thereof	
5	as may be necessary to be used in the following manner:	
6	VOCATIONAL REHABILITATION	
7	For salaries, support, maintenance and miscellane-	
8	ous purposes	\$ 700,000.00
9	Grand total of all appropriations for all purposes for	
10	each year of the biennium for the department of public	
11	instruction provided by this section	\$ 700,000.00

SOLDIERS' BONUS BOARD, WORLD WAR ORPHANS' EDUCATION AID

1	SEC. 56. For the Iowa soldiers' bonus board there is hereby ap-	
2	propriated from the general fund of the state for each year of the	
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
4	of fifty thousand dollars (\$50,000.00), or so much thereof as may be	
5	necessary to be used in the following manner:	

6	For the purpose of administration and aiding in the	
7	education of children of honorably discharged soldiers,	
8	sailors, marines, nurses or other component part of the	
9	military forces of this state or nation as specified in	
10	section thirty-five point nine (35.9), Code 1962	\$ 50,000.00
11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the soldiers' bonus	
13	board	\$ 50,000.00
	Total direct education aid	\$ 1,040,000.00

1 SEC. 57. The salary of the state car dispatcher shall be eight
2 thousand dollars (\$8,000.00) for each year of the biennium beginning
3 July 1, 1965, and ending June 30, 1967, to be paid from the car dis-
4 patcher funds.

1 SEC. 58. The salaries of the three (3) members of the board of
2 social welfare shall be twelve thousand dollars (\$12,000.00) for each
3 member for each year of the biennium beginning July 1, 1965, and
4 ending June 30, 1967, to be paid from the funds of the department of
5 social welfare.

1 SEC. 59. No department or commission of state located in the city
2 of Des Moines shall expend any funds for the publication or distribu-
3 tion of books or pamphlets or reports unless the publication thereof
4 be expressly required by law or approved by the executive council.
5 A violation of this section shall constitute malfeasance in office.

1 SEC. 60. All salaries provided for in this Act are in lieu of all
2 existing statutory salaries, for the positions provided herein, and
3 shall be payable in equal monthly or semi-monthly installments, and
4 shall be in full compensation for all services except as otherwise
5 expressly provided and except further that expense allowances shall
6 be authorized, any ruling of the federal internal revenue service with
7 respect to the tax status thereof notwithstanding.

1 SEC. 61. Section six hundred five point one (605.1), Code 1962,
2 is hereby amended by striking from line two (2) the word "fourteen"
3 and inserting in lieu thereof the word "eighteen".

1 SEC. 62. Section six hundred five point two (605.2), Code 1962,
2 is hereby amended by striking from line eight (8) the word "nine"
3 and inserting in lieu thereof the word "fifteen".

1 SEC. 63. Section six hundred eighty-four point seventeen
2 (684.17), Code 1962, is hereby amended by striking from line three
3 (3) the word "sixteen" and inserting in lieu thereof the word
4 "twenty".

1 SEC. 64. Section one hundred twenty-three A point two (123A.2),
2 Code 1962, is amended by inserting a period at the end of line three
3 (3) and striking the remainder of said first sentence.

1 SEC. 65. Where any provisions of the law of this state are in con-
2 flict with this Act the provisions of this Act shall govern for the
3 biennium.

Approved June 30, 1965.

CHAPTER 2

BOARD OF CONTROL APPROPRIATIONS

H. F. 682

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, to the board of control for salaries, support, maintenance, repairs, replacements, alterations or equipment of institutions, under said board of control, and to provide that chapter eight (8), except section eight point five (8.5), Code 1962, shall apply to this Act.

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

1 SECTION 1. There is hereby appropriated from the general fund
2 of the state of Iowa for each year of the biennium beginning July 1,
3 1965, and ending June 30, 1967, for the board of control of state
4 institutions for all purposes including salaries, support, maintenance,
5 repairs, replacements, alterations or equipment and miscellaneous
6 purposes for all institutions, under the board of control the sum of
7 twenty-five million three hundred thirty-five thousand nine hundred
8 fifty dollars (\$25,335,950.00), or so much thereof as may be neces-
9 sary to be used for the following purposes to wit:

10 MENTAL HEALTH INSTITUTE

11 Cherokee

12 (1) For mental health services for the Mental Health Institute at
13 Cherokee, Iowa, there is hereby appropriated from the general fund
14 of the state for each year of the biennium beginning July 1, 1965, the
15 sum of two million one hundred eighty thousand nine hundred dollars
16 (\$2,180,900.00), or so much thereof as may be necessary to be used
17 in the following manner:

18	For salaries	\$1,667,400.00
19	For support, maintenance and miscellaneous purposes	474,900.00
20	For equipment	38,600.00
21	Total for mental health institute, Cherokee	<u>\$2,180,900.00</u>

22 MENTAL HEALTH INSTITUTE

23 Clarinda

24 (2) For mental health services for the Mental Health Institute at
25 Clarinda, Iowa, there is hereby appropriated from the general fund
26 of the state for each year of the biennium beginning July 1, 1965, and
27 ending June 30, 1967, the sum of two million one hundred fifty-eight
28 thousand one hundred seventy dollars (\$2,158,170.00), or so much
29 thereof as may be necessary to be used in the following manner:

30	For salaries	\$1,694,270.00
31	For support, maintenance and miscellaneous purposes	432,500.00
32	For equipment	31,400.00
		<hr/>
33	Total for mental health institute, Clarinda	\$2,158,170.00

34 MENTAL HEALTH INSTITUTE

35 Independence

36 (3) For mental health services for the Mental Health Institute at
 37 Independence, Iowa, there is hereby appropriated from the general
 38 fund of the state for each year of the biennium beginning July 1,
 39 1965, and ending June 30, 1967, the sum of two million five hundred
 40 twenty-six thousand eight hundred dollars (\$2,526,800.00), or so
 41 much thereof as may be necessary to be used in the following man-
 42 ner:

43	For salaries	\$1,966,600.00
44	For support, maintenance and miscellaneous purposes	521,700.00
45	For equipment	38,500.00

46 Total for mental health institute, Independence\$2,526,800.00

47 MENTAL HEALTH INSTITUTE

48 Mount Pleasant

49 (4) For mental health services for the Mental Health Institute at
 50 Mount Pleasant, Iowa, there is hereby appropriated from the general
 51 fund of the state for each year of the biennium beginning July 1,
 52 1965, and ending June 30, 1967, the sum of two million three hundred
 53 twenty-eight thousand seven hundred dollars (\$2,328,700.00), or so
 54 much thereof as may be necessary to be used in the following man-
 55 ner:

56	For salaries	\$1,767,500.00
57	For support, maintenance and miscellaneous purposes	531,400.00
58	For equipment	29,800.00

59 Total for mental health institute, Mount Pleasant\$2,328,700.00

60 GLENWOOD STATE SCHOOL

61 Glenwood

62 (5) For mental health services for the Glenwood State School at
 63 Glenwood, Iowa, there is hereby appropriated from the general fund
 64 of the state for each year of the biennium beginning July 1, 1965, and
 65 ending June 30, 1967, the sum of three million twelve thousand eight
 66 hundred dollars (\$3,012,800.00), or so much thereof as may be neces-
 67 sary to be used in the following manner:

68	For salaries	\$2,258,600.00
69	For support, maintenance and miscellaneous purposes	722,700.00

70	For equipment	\$ 31,500.00
71	Total for Glenwood State School, Glenwood	<u>\$3,012,800.00</u>
72	STATE HOSPITAL AND SCHOOL	
73	Woodward	
74	(6) For mental health services for the State Hospital and School	
75	at Woodward, Iowa, there is hereby appropriated from the general	
76	fund of the state for each year of the biennium beginning July 1,	
77	1965, and ending June 30, 1967, the sum of two million nine hundred	
78	seven thousand one hundred dollars (\$2,907,100.00), or so much	
79	thereof as may be necessary to be used in the following manner:	
80	For salaries	\$2,140,200.00
81	For support, maintenance and miscellaneous purposes	736,400.00
82	For equipment	30,500.00
83	Total for state hospital and school, Woodward	<u>\$2,907,100.00</u>
84	ANNIE WITTENMYER HOME, THE IOWA	
85	Davenport	
86	(7) For The Iowa Annie Wittenmyer Home at Davenport, Iowa,	
87	there is hereby appropriated from the general fund of the state for	
88	each year of the biennium beginning July 1, 1965, and ending June 30,	
89	1967, the sum of one million sixty-one thousand eight hundred dollars	
90	(\$1,061,800.00), or so much thereof as may be necessary to be used	
91	in the following manner:	
92	For salaries	\$ 744,900.00
93	For support, maintenance and miscellaneous purposes	295,300.00
94	For equipment	21,600.00
95	Total for the Iowa Annie Wittenmyer home, Daven-	
96	port	<u>\$1,061,800.00</u>
97	JUVENILE HOME, STATE	
98	Toledo	
99	(8) For the state Juvenile Home at Toledo, Iowa, there is hereby	
100	appropriated from the general fund of the state for each year of the	
101	biennium beginning July 1, 1965, and ending June 30, 1967, the sum	
102	of eight hundred four thousand five hundred dollars (\$804,500.00),	
103	or so much thereof as may be necessary to be used in the following	
104	manner:	
105	For salaries	\$ 568,500.00
106	For support, maintenance and miscellaneous purposes	219,100.00
107	For equipment	16,900.00
108	Total for state juvenile home, Toledo	<u>\$ 804,500.00</u>

109	SOLDIERS' HOME, IOWA	
110	Marshalltown	
111	(9) For the Iowa Soldiers' Home at Marshalltown, Iowa, there is	
112	hereby appropriated from the general fund of the state for each year	
113	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
114	the sum of one million one hundred nine thousand five hundred dol-	
115	lars (\$1,109,500.00), or so much thereof as may be necessary to be	
116	used in the following manner:	
117	For salaries	\$ 831,600.00
118	For support, maintenance and miscellaneous purposes	261,200.00
119	For equipment	16,700.00
120	Total for Iowa soldiers' home, Marshalltown	<u>\$1,109,500.00</u>

121	MEN'S REFORMATORY	
122	Anamosa	
123	(10) For the Men's Reformatory at Anamosa, Iowa, there is here-	
124	by appropriated from the general fund of the state for each year of	
125	the biennium beginning July 1, 1965, and ending June 30, 1967, the	
126	sum of two million two hundred ninety-two thousand dollars (\$2,-	
127	292,000.00), or so much thereof as may be necessary to be used in	
128	the following manner:	
129	For salaries	\$1,424,200.00
130	For support, maintenance and miscellaneous purposes	839,000.00
131	For equipment	28,800.00
132	Total for men's reformatory, Anamosa	<u>\$2,292,000.00</u>

133	PENITENTIARY, STATE	
134	Fort Madison	
135	(11) For the State Penitentiary at Fort Madison, Iowa, there is	
136	hereby appropriated from the general fund of the state for each year	
137	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
138	the sum of two million six hundred eleven thousand two hundred dol-	
139	lars (\$2,611,200.00), or so much thereof as may be necessary to be	
140	used in the following manner:	
141	For salaries	\$1,523,800.00
142	For support, maintenance and miscellaneous purposes	1,049,100.00
143	For equipment	38,300.00
144	Total for state penitentiary, Fort Madison	<u>\$2,611,200.00</u>

145	WOMEN'S REFORMATORY	
146	Rockwell City	
147	(12) For the Women's Reformatory at Rockwell City, Iowa there	
148	is hereby appropriated from the general fund of the state for each	

149	year of the biennium beginning July 1, 1965, and ending June 30,	
150	1967, the sum of three hundred twenty-two thousand nine hundred	
151	dollars (\$322,900.00), or so much thereof as may be necessary to be	
152	used in the following manner:	
153	For salaries	\$ 214,900.00
154	For support, maintenance and miscellaneous purposes	97,600.00
155	For equipment	10,400.00
		<hr/>
156	Total for women's reformatory, Rockwell City	\$ 322,900.00

157 TRAINING SCHOOL FOR BOYS

158

Eldora

159	(13) For the Training School for Boys at Eldora, Iowa, there is	
160	hereby appropriated from the general fund of the state for each year	
161	of the biennium beginning July 1, 1965, and ending June 30, 1967,	
162	the sum of one million four hundred eighty-nine thousand four hun-	
163	dred eighty dollars (\$1,489,480.00), or so much thereof as may be	
164	necessary to be used in the following manner:	
165	For salaries	\$1,081,180.00
166	For support, maintenance and miscellaneous purposes	383,700.00
167	For equipment	24,600.00
		<hr/>
168	Total for training school for boys, Eldora	\$1,489,480.00

169 TRAINING SCHOOL FOR GIRLS

170

Mitchellville

171	(14) For the Training School for Girls at Mitchellville, Iowa,	
172	there is hereby appropriated from the general fund of the state for	
173	each year of the biennium beginning July 1, 1965, and ending June	
174	30, 1967, the sum of five hundred thirty thousand one hundred dollars	
175	(\$530,100.00), or so much thereof as may be necessary to be used in	
176	the following manner:	
177	For salaries	\$ 330,500.00
178	For support, maintenance and miscellaneous purposes	184,400.00
179	For equipment	15,200.00
		<hr/>
180	Total for training school for girls, Mitchellville	\$ 530,100.00

181 (15) To explore and develop a joint program which will provide
 182 education for the deaf mentally retarded child through the coordi-
 183 nated efforts of the board of control and board of regents, acting
 184 through the Glenwood state school and the Iowa school for the deaf,
 185 there is hereby appropriated to the Glenwood state school a sum of
 186 eighteen thousand dollars (\$18,000.00).

187 (16) To explore and develop a joint program which will provide
 188 education for the blind mentally retarded child through the coordi-
 189 nated efforts of the board of control and the board of regents, acting
 190 through the Woodward state school and the Iowa school for the blind,

191 there is hereby appropriated to the Woodward state school a sum of
192 eighteen thousand dollars (\$18,000.00).

1 SEC. 2. The budget of total expenditures for each institution
2 under the control of the board of control, including state appropria-
3 tions and such other receipts as may be available for the same pur-
4 pose as the state appropriations, during the biennium shall not exceed
5 the budget for each institution as hereinafter set forth, except the
6 board of control may, in the event of an emergency or necessity,
7 which may arise at any particular institution under its control, ex-
8 pend more than the amount budgeted for such institution which
9 expenditure shall be made out of increase in receipts of such institu-
10 tion, such increase in receipts meaning receipts in excess of the total
11 estimation of receipts of the respective institutions, as approved by
12 the appropriations committee of the general assembly, provided that
13 thirty (30) days prior to such proposed increased expenditure the
14 board shall report in writing to the governor and to the state comp-
15 troller the specific purpose of such additional expenditure and the
16 source and amount of funds available therefor, and further said
17 board shall receive the approval of the state comptroller before mak-
18 ing such additional expenditures.

19 No funds appropriated by this Act or receipts, which may be used
20 for the same purpose as said appropriations, may be used for capital
21 improvements.

22	Mental Health Institute, Cherokee	\$ 5,849,800.00
23	Mental Health Institute, Clarinda	5,340,940.00
24	Mental Health Institute, Independence	6,556,800.00
25	Mental Health Institute, Mount Pleasant	5,480,600.00
26	Glenwood State School, Glenwood	6,121,600.00
27	State Hospital and School, Woodward	5,906,200.00
28	The Iowa Annie Wittenmyer Home, Davenport	2,138,600.00
29	State Juvenile Home, Toledo	1,620,000.00
30	Iowa Soldiers' Home, Marshalltown	3,127,000.00
31	Men's Reformatory, Anamosa	4,832,000.00
32	State Penitentiary, Fort Madison	5,652,400.00
33	Women's Reformatory, Rockwell City	684,800.00
34	Training School for Boys, Eldora	3,048,960.00
35	Training School for Girls, Mitchellville	1,080,200.00

36 Total budget for all institutions under the board of
37 control for the biennium beginning July 1, 1965, and
38 ending June 30, 1967\$57,439,900.00

1 SEC. 3. All salaries provided for in this Act shall be payable in
2 equal monthly or semi-monthly installments, and shall be in full com-
3 pensation for all services except as otherwise expressly provided and
4 except further that expense allowances shall be authorized, any ruling
5 of the Federal Internal Revenue Service with respect to the tax status
6 thereof notwithstanding.

1 SEC. 4. No funds appropriated by this Act, or receipts, which
2 may be used for the same purpose as said appropriation, may be used
3 for capital improvements.

1 SEC. 5. Chapter eight (8), Code 1962, shall apply to this Act,
 2 except that employees whose salaries are appropriated herein shall
 3 not come under the division of personnel under section eight point
 4 five (8.5), Code 1962.

Approved June 30, 1965.

CHAPTER 3

BOARD OF CONTROL CAPITAL IMPROVEMENTS

H. F. 684

AN ACT to appropriate from the general fund of the state of Iowa for capital improve-
 ments for institutions under the board of control, including construction of new
 buildings, repairs, improvements, replacements or alterations, and providing for
 joint control for the expenditure thereof by the board of control, the governor, and
 the state comptroller and to authorize and direct the sale of excess institutional
 farm land and farm equipment under the jurisdiction of the board of control.

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

1	SECTION 1. There is appropriated from the general fund of the	
2	state to the board of control the sum of five million six hundred ten	
3	thousand dollars (\$5,610,000.00), or so much thereof as may be neces-	
4	sary, to be used in the following manner, to wit:	
5	(1) Infirmiry addition, at the soldiers' home at Mar-	
6	shalltown	\$ 500,000.00
7	(2) Children's Hospital and School Unit including	
8	furnishings and equipment at the mental health institute	
9	at Independence	700,000.00
10	(3) Security Hospital and Diagnostic Treatment Cen-	
11	ter	2,605,000.00
12	(4) To supplement any prior appropriations for cap-	
13	ital improvement items for construction of new buildings,	
14	repairs, improvements, replacements, or alterations, or	
15	for any capital expenditures the board of control may	
16	deem necessary for the proper and necessary function of	
17	any institution under its jurisdiction	1,805,000.00
18	Total	<u>\$5,610,000.00</u>

1 SEC. 2. The board of control is hereby authorized and directed
 2 with the approval of the executive council to sell the excess institu-
 3 tional farm land and farm equipment referred to (but not limited to)
 4 in the Doane Agricultural Report to the board of control dated Febru-
 5 ary 1965.

6 Two million six hundred five thousand dollars (\$2,605,000.00) of
 7 the proceeds to be derived from the sale of institutional farm land,
 8 farm equipment and production herds, less the three hundred thirty-
 9 four thousand dollars (\$334,000.00) of the proceeds from the sale of
 10 the Clive prison honor farm as provided by chapter three hundred
 11 seventy-four (374), Acts of the Sixtieth General Assembly, shall be
 12 credited to the appropriation provided by this Act to supplement items
 13 under section one (1), subsection four (4) and any excess is to be

14 expended pursuant to section two hundred eighteen point ninety-four
15 (218.94), Code 1962, unless further encumbered by other legislative
16 action.

1 SEC. 3. When the board of control has approved a project to be
2 financed with funds herein appropriated, a description of said project
3 and estimated cost shall be reported to the governor and state comp-
4 troller for allocation of funds.

1 SEC. 4. Contracts, plans and specifications, or plan of operation
2 for improvements for which funds are herein appropriated shall be
3 submitted by the board of control to the governor and the state comp-
4 troller, except that items commonly known as change orders need not
5 be submitted to the governor and the state comptroller unless such
6 change orders actually increase the total cost of that particular
7 project.

1 SEC. 5. Upon the completion of the contract documents and the
2 determination of the total cost of any project as set forth in this Act,
3 any unobligated balance remaining may be used to supplement any
4 current or prior appropriation for capital improvement items for con-
5 struction of new buildings, repairs, improvements, replacements or
6 alterations, or for any other capital expenditures the board of control
7 may deem necessary for proper and necessary function of any institu-
8 tion under its jurisdiction.

1 SEC. 6. The board of control, the governor, and the state comp-
2 troller are hereby authorized to obtain federal grants to the state to
3 be used in connection with the funds above appropriated.

1 SEC. 7. Any unencumbered balance remaining as of June 30, 1969,
2 of the appropriation of this Act made by the Sixty-first General As-
3 sembly, shall revert to the general fund of the state as of June 30,
4 1969.

1 SEC. 8. If any section, subsection, paragraph, sentence, clause or
2 phrase of this Act is for any reason held to be unconstitutional or in-
3 valid, such unconstitutionality or invalidity shall not affect the consti-
4 tutionality or validity of the remaining portions of this Act. The
5 general assembly hereby declares that it would have passed this Act
6 and each section, subsection, paragraph, sentence, clause or phrase
7 hereof, irrespective of whether any one or more of the sections, sub-
8 sections, paragraphs, sentences, clauses or phrases be declared uncon-
9 stitutional.

1 SEC. 9. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its passage and publication in
3 the Fort Dodge Messenger, a newspaper published at Fort Dodge,
4 Iowa, and in the Kossuth County Advance, a newspaper published at
5 Algona, Iowa.

Approved June 2, 1965.

I hereby certify that the foregoing Act, House File 684, was published in the Fort Dodge Messenger, Fort Dodge, Iowa, June 4, 1965, and in the Kossuth County Advance, Algona, Iowa, June 7, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 4

BOARD OF REGENTS APPROPRIATIONS

H. F. 706

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, to the state board of regents for the salaries, support, maintenance, equipment, miscellaneous purposes and repairs, replacements and alterations of institutions under the said state board of regents.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state for each year of the biennium beginning July 1, 1965, and
3 ending June 30, 1967, for salaries, support, maintenance, equipment,
4 miscellaneous purposes and repairs, replacements and alterations for
5 all institutions under the control of the state board of regents, the fol-
6 lowing sums or so much thereof as may be necessary for the following
7 purposes to wit:

STATE UNIVERSITY OF IOWA

Iowa City

1 SEC. 2. For the state university of Iowa there is hereby appropri-
2 ated from the general fund of the state for each year of the biennium
3 beginning July 1, 1965, and ending June 30, 1967, the following sum or
4 so much thereof as may be necessary to be used in the following man-
5 ner:
6 For salaries, support, maintenance, equipment, mis-
7 cellaneous; and repairs, replacements and alterations
8 for the state university of Iowa\$20,953,613.00

LAKESIDE LABORATORY

1 SEC. 3. For the lakeside laboratory there is hereby appropriated
2 from the general fund of the state for each year of the biennium be-
3 ginning July 1, 1965, and ending June 30, 1967, the following sum or
4 so much thereof as may be necessary to be used in the following man-
5 ner:
6 For repairs, replacements and alterations for the lake-
7 side laboratory\$ 7,997.00

UNIVERSITY HOSPITAL

1 SEC. 4. For the purpose of carrying out the purpose of chapter
2 two hundred fifty-five (255), Code 1962, there is hereby appropriated
3 from the general fund of the state for each year of the biennium be-
4 ginning July 1, 1965, and ending June 30, 1967, the following sum or
5 so much thereof as may be necessary to be used in the following man-
6 ner:
7 For salaries, support, maintenance, equipment, mis-
8 cellaneous; and for medical surgical treatment of indi-
9 gent patients; and for repairs, replacements and altera-
10 tions for the university hospital\$ 7,620,664.00

PSYCHOPATHIC HOSPITAL

1 SEC. 5. For the psychopathic hospital for the purpose of chapter
2 two hundred twenty-five (225), Code 1962, there is hereby appropri-
3 ated from the general fund of the state for each year of the biennium
4 beginning July 1, 1965, and ending June 30, 1967, the following sum
5 or so much thereof as may be necessary to be used in the following
6 manner:

7 For salaries, support, maintenance, equipment, mis-
8 cellaneous; and for the care, treatment and maintenance
9 of committed and voluntary public patients therein; and
10 for repairs, replacements and alterations for the psy-
11 chopathic hospital\$ 1,652,516.00

BACTERIOLOGICAL LABORATORY

1 SEC. 6. For the bacteriological laboratory there is hereby appro-
2 priated from the general fund of the state for each year of the bien-
3 nium beginning July 1, 1965, and ending June 30, 1967, the following
4 sum or so much thereof as may be necessary to be used in the manner
5 and under the authority provided in chapter two hundred sixty-three
6 (263), Code 1962:

7 For salaries, support, maintenance, equipment and
8 miscellaneous purposes for the bacteriological labora-
9 tory\$ 519,504.00

HOSPITAL SCHOOL

1 SEC. 7. For the hospital school there is hereby appropriated from
2 the general fund of the state for each year of the biennium beginning
3 July 1, 1965, and ending June 30, 1967, the following sum or so much
4 thereof as may be necessary to be used in the manner and under the
5 authority provided in chapter two hundred sixty-three (263), Code
6 1962:

7 For salaries, support, maintenance, equipment, mis-
8 cellaneous; and for repairs, replacements and altera-
9 tions for the hospital school\$ 1,010,155.00

IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

Ames

1 SEC. 8. For the Iowa state university of science and technology,
2 there is hereby appropriated from the general fund of the state for
3 each year of the biennium beginning July 1, 1965, and ending June 30,
4 1967, the following sum or so much thereof as may be necessary to be
5 used in the following manner:

6 For salaries, support, maintenance, equipment, mis-
7 cellaneous; and repairs, replacements, and alterations
8 for the Iowa state university of science and technology..\$16,278,866.00

IOWA AGRICULTURAL EXPERIMENT STATION

1 SEC. 9. For the Iowa agricultural experiment station, there is
2 hereby appropriated from the general fund of the state for each year
3 of the biennium beginning July 1, 1965, and ending June 30, 1967, the

4 following sum or so much thereof as may be necessary to be used in
5 the following manner:

6 For salaries, support, maintenance, equipment and
7 miscellaneous purposes for the Iowa agricultural ex-
8 periment station\$ 2,916,364.00

CO-OPERATIVE EXTENSION SERVICE IN AGRICULTURE
AND HOME ECONOMICS

1 SEC. 10. For the co-operative extension service in agriculture and
2 home economics there is hereby appropriated from the general fund
3 of the state for each year of the biennium beginning July 1, 1965, and
4 ending June 30, 1967, the following sum or so much thereof as may be
5 necessary to be used in the following manner:

6 For salaries, support, maintenance, equipment and
7 miscellaneous purposes for the co-operative extension
8 service in agriculture and home economics\$ 2,047,840.00

STATE COLLEGE OF IOWA

Cedar Falls

1 SEC. 11. For the state college of Iowa there is hereby appropriated
2 from the general fund of the state for each year of the biennium be-
3 ginning July 1, 1965, and ending June 30, 1967, the following sum or
4 so much thereof as may be necessary to be used in the following man-
5 ner:

6 For salaries, support, maintenance, equipment, mis-
7 cellaneous; and repairs, replacements and alterations
8 for the state college of Iowa\$ 6,170,719.00

IOWA BRAILLE AND SIGHT SAVING SCHOOL

Vinton

1 SEC. 12. For the Iowa braille and sight saving school there is here-
2 by appropriated from the general fund of the state for each year of the
3 biennium beginning July 1, 1965, and ending June 30, 1967, the follow-
4 ing sum or so much thereof as may be necessary to be used in the fol-
5 lowing manner:

6 For salaries, support, maintenance, equipment, mis-
7 cellaneous; and repairs, replacements and alterations
8 for the Iowa braille and sight saving school\$ 563,956.00

IOWA SCHOOL FOR THE DEAF

Council Bluffs

1 SEC. 13. For the Iowa school for the deaf there is hereby appro-
2 priated from the general fund of the state for each year of the bien-
3 nium beginning July 1, 1965, and ending June 30, 1967, the following
4 sum or so much thereof as may be necessary to be used in the follow-
5 ing manner:

6 For salaries, support, maintenance, equipment, mis-
7 cellaneous; and repairs, replacements and alterations
8 for the Iowa school for the deaf\$ 1,009,020.00

STATE SANATORIUM

Oakdale

1 SEC. 14. For the state sanatorium there is hereby appropriated
 2 from the general fund of the state for each year of the biennium be-
 3 ginning July 1, 1965, and ending June 30, 1967, the following sum or
 4 so much thereof as may be necessary to be used in the following man-
 5 ner:

6 For salaries, support, maintenance, equipment, mis-
 7 cellaneous; and repairs, replacements and alterations
 8 for the state sanatorium\$ 1,248,786.00
 9 Total of the appropriations for the institutions under
 10 the state board of regents for all purposes.....\$62,000,000.00

1 SEC. 15. The budget of total expenditures for each institution
 2 under the control of the state board of regents, including state appro-
 3 priations and such other receipts as may be available for the same pur-
 4 pose as the state appropriations, during the biennium shall not exceed
 5 the budget for each institution as hereinafter set forth, except the
 6 state board of regents may, in the event of an emergency or necessity,
 7 which may arise at any particular institution under its control, expend
 8 more than the amount budgeted for such institution which expendi-
 9 ture shall be made out of increase in receipts of such institution, such
 10 increase in receipts meaning receipts in excess of the estimation of
 11 receipts of the respective institutions set forth in the appropriations
 12 proposals submitted to the general assembly, provided that thirty days
 13 prior to such proposed increased expenditure the board shall report in
 14 writing to the state comptroller the specific purpose of such additional
 15 expenditure and the source and amount of funds available therefor,
 16 and further said board shall set out in its biennial report to the gov-
 17 ernor and the next general assembly such increased expenditures, the
 18 purpose thereof, and the source and amount of funds used therefor.

19 No funds appropriated by this Act or receipts, which may be used
 20 for the same purpose as said appropriations, may be used for capital
 21 improvements.

22 State University of Iowa (including lakeside labora-
 23 tory)\$ 55,443,220.00
 24 University Hospital 26,531,170.00
 25 Psychopathic Hospital 3,609,532.00
 26 Bacteriological Laboratory 1,167,008.00
 27 Hospital School 2,106,070.00
 28 Iowa State University of Science and Technology..... 45,684,732.00
 29 Iowa Agricultural Experiment Station 7,561,624.00
 30 Co-operative extension service in agriculture and
 31 home economics 7,800,146.00
 32 State College of Iowa 15,541,063.00
 33 Iowa Braille and Sight Saving School 1,129,912.00
 34 Iowa School for the Deaf 2,029,140.00
 35 State Sanatorium 2,699,292.00
 36 Total budget for all institutions under the state
 37 board of regents for the biennium beginning July 1,
 38 1965, and ending June 30, 1967\$171,302,909.00

1 SEC. 16. All salaries provided for in this Act shall be payable in
 2 equal monthly or semi-monthly installments, and shall be in full com-
 3 pensation for all services except as otherwise expressly provided and
 4 except further that expense allowances shall be authorized, any ruling
 5 of the Federal Internal Revenue Service with respect to the tax status
 6 thereof notwithstanding.

1 SEC. 17. Chapter eight (8), Code 1962, shall apply to this Act,
 2 except that employees whose salaries are appropriated herein shall not
 3 come under the division of personnel under section eight point five
 4 (8.5), Code 1962.

Approved June 7, 1965.

CHAPTER 5

BOARD OF REGENTS CAPITAL IMPROVEMENTS

H. F. 707

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, to the state board of regents for capital improvements for institutions under the state board of regents, including construction of new buildings, repairs, improvements, replacements, or alterations.

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

1 SECTION 1. There is hereby appropriated from the general fund of
 2 the state of Iowa for the biennium beginning July 1, 1965, and ending
 3 June 30, 1967, to the board of regents the sum of twenty-one million
 4 one hundred fifty thousand dollars (\$21,150,000.00), to be used in the
 5 following manner to wit:

6 To supplement any appropriations for capital improvement items
 7 for construction of new buildings, repairs, improvements, replace-
 8 ments or alterations, or for any other capital expenditures the board
 9 of regents may deem necessary for the proper and necessary function
 10 of any institution under its jurisdiction.

1 SEC. 2. When the board of regents has approved a project to be
 2 financed with funds herein appropriated, a description of said project
 3 and estimated cost shall be reported to the governor and state comp-
 4 troller for allocation of funds.

1 SEC. 3. The board of regents is hereby authorized to accept federal
 2 grants to the state to be used in connection with the funds above ap-
 3 propriated.

1 SEC. 4. Any unencumbered balance remaining as of June 30, 1969,
 2 of the appropriation of this Act made by the Sixty-first General As-
 3 sembly, shall revert to the general fund of the state of as June 30,
 4 1969.

Approved June 7, 1965.

CHAPTER 6

BOARD OF REGENTS APPROPRIATION

H. F. 693

AN ACT to appropriate from the general fund of the state for the biennium beginning July 1, 1965, and ending June 30, 1967, funds for the central office of the board of regents.

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

1 SECTION 1. There is hereby appropriated for the central office of
2 the state board of regents from the general fund of the state for each
3 year of the biennium beginning July 1, 1965, and ending June 30, 1967,
4 the sum of one hundred six thousand five hundred fifty dollars (\$106,-
5 550.00), or so much thereof as may be necessary, to be used in the fol-
6 lowing manner:

7	For salaries, support, maintenance, equipment and mis-	
8	cellaneous purposes (including board members receiving a	
9	per diem of thirty (30) dollars per day).....	\$102,550.00
10	For joint statewide survey on educational TV.....	4,000.00

11	Grand total of all appropriations for all purposes for	
12	each year of the biennium for the central office of the board	
13	of regents	\$106,550.00

1 SEC. 2. Chapter eight (8), Code 1962, shall apply to this Act
2 except that employees whose salaries are provided herein shall not
3 come under the division of personnel under section eight point five
4 (8.5) of the Code.

Approved June 7, 1965.

CHAPTER 7

BOARD OF CONTROL CENTRAL OFFICE

S. F. 628

AN ACT to appropriate from the general fund of the state for the biennium beginning July 1, 1965, and ending June 30, 1967, funds for the central office of the board of control.

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

1 SECTION 1. There is hereby appropriated for the board of control
2 from the general fund of the state for each year of the biennium be-
3 ginning July 1, 1965, and ending June 30, 1967, the sum of eight
4 hundred fifty-nine thousand seventy dollars (\$859,070.00), or so much
5 thereof as may be necessary to be used in the following manner:

6	For salaries of board members (three (3) at twelve	
7	thousand dollars (\$12,000.00) each)	\$ 36,000.00
8	For other salaries	656,320.00
9	For support, maintenance and miscellaneous purposes	136,750.00
10	For mental retardation planning:	
11	For salaries	\$25,000.00

12	For support, maintenance and miscella-		
13	neous purposes	\$ 5,000.00	\$ 30,000.00
14	Grand total of all appropriations for all purposes for		
15	each year of the biennium for the central office of the board		
16	of control		<u>\$859,070.00</u>

1 SEC. 2. Chapter eight (8), Code 1962, shall apply to this Act.

Approved June 30, 1965.

CHAPTER 8

PUBLIC INSTRUCTION GENERAL OFFICE

S. F. 640

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, funds to the department of public instruction for salaries, support and maintenance.

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

1	SECTION 1. For the department of public instruction there is here-		
2	by appropriated from the general fund of the state for each year of the		
3	biennium beginning July 1, 1965, and ending June 30, 1967, the sum		
4	of one million twenty-six thousand nine hundred thirty dollars (\$1,-		
5	026,930.00), or so much thereof as may be necessary, to be used in the		
6	following manner:		
7	(1) GENERAL OFFICE		
8	For salary of superintendent of public instruction.....	\$ 18,000.00	
9	For other salaries	622,900.00	
10	For support, maintenance and miscellaneous purposes	215,400.00	
11	Total for general office		<u>\$ 856,300.00</u>
12	(2) VOCATIONAL EDUCATION		
13	For salaries	\$ 140,880.00	
14	For support, maintenance and miscellaneous purposes	29,750.00	
15	Total for vocational education		<u>\$ 170,630.00</u>
16	Grand total of all appropriations for all purposes for		
17	each year of the biennium for the department of public		
18	instruction and the various divisions thereof provided		
19	by this section		<u>\$1,026,930.00</u>

1 SEC. 2. The department of public instruction shall not expend any
2 funds for the publication or distribution of books or pamphlets or
3 reports unless the publication thereof be expressly required by law or
4 approved by the executive council. A violation of this section shall
5 constitute malfeasance in office.

1 SEC. 3. All salaries provided for in this Act are in lieu of all exist-
2 ing statutory salaries, for the positions provided herein, and shall be

3 payable in equal monthly or semi-monthly installments, and shall be
 4 in full compensation for all services except as otherwise expressly pro-
 5 vided and except further that expense allowances shall be authorized,
 6 any ruling of the federal internal revenue service with respect to the
 7 tax status thereof notwithstanding.

1 SEC. 4. Section two hundred fifty-seven point twenty-four
 2 (257.24), Code 1962, is hereby amended by striking from line six (6)
 3 the words "three-fourths" and inserting in lieu thereof the words
 4 "eighty per cent".

1 SEC. 5. Where any provisions of the law of this state are in con-
 2 flict with this Act the provisions of this Act shall govern for the bien-
 3 nium.

Approved June 30, 1965.

CHAPTER 9

PUBLIC INSTRUCTION SCHOOL TRANSPORTATION AID

S. F. 633

AN ACT to appropriate from the general fund of the state of Iowa eight million dollars (\$8,000,000.00), to the department of public instruction for state aid for transportation as provided by chapter two hundred eighty-five (285) of the Code.

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

1 SECTION 1. There is appropriated from the general fund of the
 2 state of Iowa to the department of public instruction for each year of
 3 the biennium beginning July 1, 1965, and ending June 30, 1967, the
 4 sum of four million dollars (\$4,000,000.00), or so much thereof as
 5 may be necessary, for state aid for transportation as provided by
 6 chapter two hundred eighty-five (285) of the Code.

Approved June 30, 1965.

CHAPTER 10

PUBLIC INSTRUCTION SUPPLEMENTAL SCHOOL AID

S. F. 646

AN ACT to appropriate from the general fund of the state of Iowa eight million dollars (\$8,000,000.00) to the department of public instruction for supplemental aid to certain school districts of the state, as provided by chapter two hundred eighty-six (286) of the Code.

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

1 SECTION 1. There is hereby appropriated from the general fund of
 2 the state of Iowa to the department of public instruction for each year
 3 of the biennium beginning July 1, 1965, and ending June 30, 1967, the
 4 sum of four million dollars (\$4,000,000.00), or so much thereof as may
 5 be necessary, for supplemental aid to such school districts of the state
 6 as qualify under provisions of chapter two hundred eighty-six (286)

7 of the Code, provided however, that no school district shall receive
 8 financial aid under the provisions of said chapter of the Code for re-
 9 imbursement for any year in which a school tax levy for the general
 10 fund of at least fifteen (15) mills was not made in such district.

Approved June 30, 1965.

CHAPTER 11

PUBLIC INSTRUCTION GENERAL SCHOOL AID

S. F. 644

AN ACT to appropriate sixty-seven million dollars (\$67,000,000.00) from the general fund of the state of Iowa to the department of public instruction for general state aid for school districts as provided by chapter two hundred eighty-six A (286A) of the Code.

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

1 SECTION 1. There is hereby appropriated from the general fund of
 2 the state of Iowa to the department of public instruction for each year
 3 of the biennium beginning July 1, 1965, and ending June 30, 1967, the
 4 sum of thirty-three million five hundred thousand dollars (\$33,500,-
 5 000.00), or so much thereof as may be necessary, for general state aid
 6 to the school districts as provided by chapter two hundred eighty-six
 7 A (286A) of the Code, provided, however, that no school districts shall
 8 receive financial aid under the provisions of said chapter of the Code
 9 in the event a school tax levy for the general fund of at least fifteen
 10 (15) mills was not made in such district for the preceding year.

1 SEC. 2. In the event that the funds appropriated herein exceed the
 2 claims filed by the several school districts of the state, the state depart-
 3 ment of public instruction shall increase the amount certified to the
 4 state comptroller for each school district by their proportionate share
 5 of the excess funds. Said share of excess funds to be computed by
 6 taking the ratio that their claim bears to the total claims filed.

Approved June 30, 1965.

CHAPTER 12

PUBLIC INSTRUCTION VOCATIONAL EDUCATION

S. F. 643

AN ACT to make an appropriation from the general fund of the state of Iowa to the department of public instruction for vocational education.

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

1 SECTION 1. There is hereby appropriated from the general fund of
 2 the state of Iowa to the department of public instruction for each year
 3 of the biennium beginning July 1, 1965, and ending June 30, 1967, the
 4 sum of two million two hundred thousand dollars (\$2,200,000.00), or so
 5 much thereof as may be necessary, to be used in the following manner:

6 For vocational education aid\$2,200,000.00
 7 (In addition to the two hundred thousand dollars (\$200,000.00)
 8 appropriated for this purpose under section two hundred fifty-eight
 9 point eight (258.8) of the Code).

1 SEC. 2. Any unencumbered balance shall revert in the manner
 2 provided by chapter eight (8), Code 1962.

Approved June 30, 1965.

CHAPTER 13

PUBLIC INSTRUCTION VOCATIONAL SCHOOLS CONSTRUCTION

S. F. 635

AN ACT to appropriate funds from the general fund of the state of Iowa to the department of public instruction for construction of vocational schools.

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

1 SECTION 1. There is appropriated to the department of public in-
 2 struction from the general fund of the state of Iowa the sum of six
 3 million dollars (\$6,000,000.00), or so much thereof as may be neces-
 4 sary, to match or supplement federal funds to be expended by the
 5 United States treasury or local funds for construction of not less than
 6 four (4) area vocational schools.

1 SEC. 2. The funds appropriated and set aside by this Act shall be
 2 released by the governor and the state comptroller upon the recommen-
 3 dation of the majority of the advisory board and the state board of
 4 public instruction.

1 SEC. 3. Any unencumbered balance remaining as of June 30, 1969,
 2 of the appropriation of this Act made by the Sixty-first (61st) Gen-
 3 eral Assembly, shall revert to the general fund of the state as of June
 4 30, 1969.

Approved June 30, 1965.

CHAPTER 14

APPROPRIATION TO PUBLIC INSTRUCTION DEPARTMENT

H. F. 651

AN ACT to appropriate from the general fund of the state of Iowa to the department of public instruction five thousand dollars (\$5,000.00) for use as a revolving fund for the veterans administration, and five thousand dollars (\$5,000.00) for the school lunch program.

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

1 SECTION 1. There is hereby appropriated from the general fund of
 2 the state for the biennium beginning July 1, 1965, and ending June 30,
 3 1967, to the department of public instruction the sum of five thousand
 4 dollars (\$5,000.00), or so much thereof as may be necessary for the

5 use of the veterans education program to be used as a revolving fund
 6 to pay salaries and travel of personnel which will be reimbursed by the
 7 veterans administration.
 8 Total \$ 5,000.00

1 SEC. 2. There is hereby appropriated from the general
 2 fund of the state for the biennium beginning July 1, 1965,
 3 and ending June 30, 1967, to the department of public in-
 4 struction the sum of five thousand dollars (\$5,000.00), or so
 5 much thereof as may be necessary to be used as a revolving
 6 fund to cover warehousing, handling, and transportation of
 7 direct distribution of federal surplus commodities which will
 8 be reimbursed by charging pro rata costs of these items to
 9 receiving schools and institutions.
 10 Total 5,000.00

11 Grand total of all appropriations for all purposes of this
 12 Act for the biennium for the department of public instruc-
 13 tion \$10,000.00

1 SEC. 3. Chapter eight (8), Code 1962, shall apply to this Act.

Approved May 28, 1965.

CHAPTER 15

HIGHWAY COMMISSION EXPENDITURES

S. F. 591

AN ACT authorizing expenditures by the state highway commission from the primary road fund, farm-to-market road fund and urban road fund for the biennium beginning July 1, 1965, and ending June 30, 1967, and relating to salaries of highway commission members.

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

1 SECTION 1. The state highway commission is hereby authorized
 2 to expend from the primary road fund for each year of the biennium
 3 beginning July 1, 1965, and ending June 30, 1967, not to exceed
 4 forty-two million ninety-seven thousand two hundred two dollars
 5 (\$42,097,202.00), or so much thereof as may be necessary to be used
 6 in the following manner:
 7 1. Administration.
 8 a. Commission expense:
 9 Five commissioners @ \$8,000.00 each, IPERS and
 10 FICA \$ 42,200.00
 11 Support, maintenance and miscellaneous purposes,
 12 including commissioners' actual local office expenses up
 13 to \$500.00 each except the chairman, which shall be
 14 \$750.00 15,350.00
 15 Total commission expense \$ 57,550.00

16	<i>b.</i> Office of business administrator:		
17	Salaries, support, maintenance and miscellaneous		
18	purposes	\$	80,000.00
<hr/>			
19	<i>c.</i> Legal department:		
20	Salaries		14,285.00
21	Support, maintenance and miscellaneous purposes....		69,500.00
<hr/>			
22	Total legal department	\$	83,785.00
<hr/>			
23	<i>d.</i> Office of chief engineer:		
24	Salaries		78,151.00
25	Support, maintenance and miscellaneous purposes....		45,163.00
<hr/>			
26	Total office of chief engineer	\$	123,314.00
<hr/>			
27	<i>e.</i> Director of services:		
28	Salaries		36,217.00
29	Support, maintenance and miscellaneous purposes....		1,200.00
<hr/>			
30	Total director of services	\$	37,417.00
<hr/>			
31	<i>f.</i> Computing center:		
32	Salaries		9,126.00
33	Support, maintenance and miscellaneous purposes....		11,881.00
<hr/>			
34	Total computing center	\$	21,007.00
<hr/>			
35	<i>g.</i> Accounting department:		
36	Salaries		241,811.00
37	Support, maintenance and miscellaneous purposes....		133,300.00
<hr/>			
38	Total accounting department	\$	375,111.00
<hr/>			
39	<i>h.</i> Information:		
40	Salaries		41,280.00
41	Support, maintenance, and miscellaneous purposes....		44,300.00
<hr/>			
42	Total information	\$	85,580.00
<hr/>			
43	<i>i.</i> Personnel:		
44	Salaries		42,900.00
45	Support, maintenance and miscellaneous purposes....		22,500.00
<hr/>			
46	Total Personnel	\$	65,400.00
<hr/>			
47	<i>j.</i> Special services:		
48	Salaries		74,520.00
49	Support, maintenance and miscellaneous purposes....		91,713.00
<hr/>			
50	Total special services	\$	166,233.00
<hr/>			

51	Total for administration	\$ 1,095,397.00
52	2. For engineering and testing materials, including	
53	the following:	
54	<i>a.</i> Director of planning:	
55	Salaries	67,084.00
56	Support, maintenance and miscellaneous purposes....	1,900.00
57	Total director of planning	\$ 68,984.00
58	<i>b.</i> Traffic and highway planning:	
59	Salaries	133,379.00
60	Support, maintenance and miscellaneous purposes,	
61	including road signs	240,562.00
62	Total traffic and highway planning	\$ 373,941.00
63	<i>c.</i> Secondary road department:	
64	Salaries	58,855.00
65	Support, maintenance and miscellaneous purposes....	6,000.00
66	Total secondary road department	\$ 64,855.00
67	<i>d.</i> Urban department:	
68	Salaries	45,564.00
69	Support, maintenance and miscellaneous purposes....	7,050.00
70	Total urban department	\$ 52,614.00
71	<i>e.</i> Research department:	
72	Salaries	46,645.00
73	Support, maintenance and miscellaneous purposes,	
74	including contract research	344,900.00
75	Total research department	\$ 391,545.00
76	<i>f.</i> Director of engineering:	
77	Salaries	127,210.00
78	Support, maintenance and miscellaneous purposes....	19,200.00
79	Total director of engineering	\$ 146,410.00
80	<i>g.</i> Design department:	
81	Salaries	1,082,131.00
82	Support, maintenance and miscellaneous purposes....	335,600.00
83	Total design department	\$ 1,417,731.00
84	<i>h.</i> Materials department:	
85	Salaries	585,759.00
86	Support, maintenance and miscellaneous purposes....	178,760.00

87	Total materials department	\$ 764,519.00
88	<i>i.</i> Right of way department:	
89	Salaries	844,144.00
90	Support, maintenance and miscellaneous purposes....	125,000.00
91	Total right of way department	\$ 969,144.00
92	<i>j.</i> Construction department:	
93	Salaries	102,988.00
94	Support, maintenance and miscellaneous purposes....	14,000.00
95	Total construction department	\$ 116,988.00
96	<i>k.</i> Maintenance department:	
97	Salaries	156,388.00
98	Support, maintenance and miscellaneous purposes....	20,250.00
99	Total maintenance department	\$ 176,638.00
100	<i>l.</i> District offices:	
101	Salaries	642,890.00
102	Support, maintenance and miscellaneous purposes....	91,000.00
103	Total district offices	\$ 733,890.00
104	<i>m.</i> Inspection and testing materials for secondary	
105	road work	207,500.00
106	Total engineering	\$ 5,484,759.00
107	3. For maintenance of primary road system:	
108	Salaries	10,621,402.00
109	Support, maintenance and miscellaneous purposes....	9,078,778.00
110	Total maintenance of primary road system	\$19,700,180.00
111	4. For repair and improvement of highway commis-	
112	sion buildings and grounds:	
113	Salaries	249,035.00
114	Support, maintenance, construction and miscellane-	
115	ous purposes	284,500.00
116	Total repair and improvement of highway commis-	
117	sion buildings and grounds	\$ 533,535.00
118	5. For inspection service:	
119	Salaries	5,717,648.00
120	Support, maintenance and miscellaneous purposes....	837,123.00
121	Total inspection service	\$ 6,555,771.00

122	6. For traffic weighing operations:		
123	Salaries	\$	270,498.00
124	Support, maintenance and miscellaneous purposes....		98,506.00
			<hr/>
125	Total traffic weighing operations	\$	369,004.00
			<hr/>
126	7. For highway commission auditor:		
127	Salaries		4,285.00
128	Support, maintenance and miscellaneous purposes....		21,585.00
			<hr/>
129	Total highway commission auditor	\$	25,860.00
			<hr/>
130	8. For property and equipment; however, all charges		
131	to this appropriation should be billed to other divisions		
132	and the resulting credits should be made to the primary		
133	road fund:		
134	Salaries		636,696.00
135	Support, maintenance, equipment and miscellaneous		
136	purposes		6,511,000.00
			<hr/>
137	Total property and equipment	\$	7,147,696.00
			<hr/>
138	9. For highway planning; however, federal reim-		
139	bursements as the result of highway planning should		
140	be credited to the primary road fund, and/or farm-to-		
141	market road fund as determined by the federal project		
142	reimbursement:		
143	Salaries		840,000.00
144	Support, maintenance and miscellaneous services.....		345,000.00
			<hr/>
145	Total highway planning	\$	1,185,000.00
			<hr/>
146	Grand total	\$	42,097,202.00
			<hr/>

1 SEC. 2. The state highway commission is further authorized to
2 expend, subject to the approval of the attorney general from the
3 primary road fund for each year of the biennium beginning July 1,
4 1965, and ending June 30, 1967, not to exceed one hundred thousand
5 dollars (\$100,000.00), or so much thereof as may be necessary for
6 the purpose of paying costs and expenses of litigation arising from
7 or pertaining to primary roads or farm-to-market roads. Any bal-
8 ance unused during the first fiscal year of the biennium shall be
9 carried over and augment the amount authorized for the second year
10 of the biennium, and at the end of the biennium any balance shall
11 revert to the primary road fund.

1 SEC. 3. Chapter eight (8), Code 1962, shall apply to this Act.

Approved June 3, 1965.

CHAPTER 16

HIGHWAY COMMISSION CAPITAL EXPENDITURES

S. F. 592

AN ACT authorizing capital expenditures by the state highway commission from the primary road fund for the biennium beginning July 1, 1965, and ending June 30, 1967.

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

1 SECTION 1. The state highway commission is hereby authorized to
2 expend from the primary road fund the sum of two million sixty-eight
3 thousand dollars (\$2,068,000.00), or so much thereof as may be neces-
4 sary to be used in the following manner, to wit:

5 (1) For construction, replacement or repairs of main-
6 tenance buildings\$2,000,000.00

7 (2) For the purchase of a twin-engine aircraft. The
8 authority to assign utilization of the aircraft shall be
9 vested in the highway commissioners, with the assessing
10 of maintenance and operational costs, including deprecia-
11 tion and motor overhaul costs, to individual departments
12 on the basis of such utilization vested in the highway
13 commissioners\$ 68,000.00

1 SEC. 2. The highway commission is hereby authorized to obtain
2 and accept federal grants and/or funds to the state to be used in con-
3 nection with the funds authorized in this Act, and federal funds in
4 addition thereto.

1 SEC. 3. Any unencumbered balance remaining as of June 30, 1969,
2 of the state authorization for funds in this Act shall revert to the pri-
3 mary road fund as of June 30, 1969.

1 SEC. 4. When the state highway commission has approved a proj-
2 ect or aircraft to be financed with funds herein authorized, a descrip-
3 tion of said project or aircraft and estimated cost shall be reported to
4 the governor and state comptroller for allocation of funds.

1 SEC. 5. If any section, subsection, paragraph, sentence, clause or
2 phrase of this Act is for any reason held to be unconstitutional or in-
3 valid, such unconstitutionality or invalidity shall not affect the con-
4 stitutionality or validity of the remaining portions of this Act. The
5 general assembly hereby declares that it would have passed this Act
6 and each section, subsection, paragraph, sentence, clause or phrase
7 hereof irrespective of whether any one or more of the sections, sub-
8 sections, paragraphs, sentences, clauses or phrases be declared un-
9 constitutional.

1 SEC. 6. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its passage and publication in
3 the Fort Dodge Messenger, a newspaper published in Fort Dodge,

4 Iowa, and in the Algona-Kossuth Advance, a newspaper published in
5 Algona, Iowa.

Approved May 28, 1965.

I hereby certify that the foregoing Act, Senate File 592, was published in the Fort Dodge Messenger, Fort Dodge, Iowa, June 2, 1965, and in the Algona-Kossuth Advance, Algona, Iowa, June 7, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 17

HIGHWAY COMMISSION REVOLVING FUND

S. F. 593

AN ACT authorizing expenditures by the state highway commission from the primary road fund for the biennium beginning July 1, 1965, and ending June 30, 1967, for use as a revolving fund.

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

1 SECTION 1. The state highway commission is hereby authorized to
2 expend from the primary road fund for the biennium beginning July
3 1, 1965, and ending June 30, 1967, the sum of five thousand dollars
4 (\$5,000.00), or so much thereof as may be necessary, to be used as a
5 revolving fund to pay maintenance and operational costs, including
6 depreciation and motor overhaul costs, relating to use of the aircraft
7 which will be reimbursed by the individual departments based on
8 utilization.
9 Total\$5,000.00

Approved May 28, 1965.

CHAPTER 18

APPROPRIATION FOR STANGE BRIDGE

H. F. 346

AN ACT to appropriate from the road use tax fund of the state to the state highway commission for the construction of the Stange institutional road bridge over Squaw Creek on the campus of the Iowa State University of Science and Technology at Ames, Iowa.

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

1 SECTION 1. There is hereby appropriated from the road use tax
2 fund of the state to the state highway commission for the construction
3 of the Stange institutional road bridge over Squaw Creek on the
4 campus of the Iowa State University of Science and Technology at
5 Ames, Iowa, the sum of one hundred seventy thousand dollars (\$170,-
6 000.00).

1 SEC. 2. Plans and specifications for the construction of this project
2 shall be submitted by the state highway commission to the state board

3 of regents, and to the budget and financial control committee for ap-
 4 proval prior to the receipt of bids. Contracts for the construction of
 5 this project shall be submitted by the state highway commission to the
 6 state board of regents and to the budget and financial control commit-
 7 tee for approval after bids are received.

1 SEC. 3. The state highway commission is hereby authorized to
 2 accept federal grants to the state to be used in connection with the
 3 funds hereinabove appropriated.

1 SEC. 4. Upon the completion of this project as set forth in this
 2 Act, any unobligated balance remaining shall revert to the road use
 3 tax fund.

Approved April 22, 1965.

CHAPTER 19

WORKMEN'S COMPENSATION FOR HIGHWAY EMPLOYEES

S. F. 557

AN ACT to appropriate funds from the primary road fund to the industrial commis-
 sioner for payment of workmen's compensation claims of employees of the state
 highway commission.

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

1 SECTION 1. There is hereby appropriated to the industrial com-
 2 missioner from the primary road fund for each year of the biennium
 3 beginning July 1, 1965, and ending June 30, 1967, the sum of eighty
 4 thousand dollars (\$80,000.00), or so much thereof as may be neces-
 5 sary for the purpose of paying properly established claims of or on
 6 behalf of employees or dependents of employees of the state highway
 7 commission who are injured or killed while on duty as provided by
 8 chapter eighty-five (85), Code 1962.

Approved May 19, 1965.

CHAPTER 20

CONSERVATION COMMISSION APPROPRIATION

S. F. 626

AN ACT to appropriate from the general fund of the state for the biennium beginning
 July 1, 1965, and ending June 30, 1967, funds for the state conservation commission.

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

1 SECTION 1. There is hereby appropriated for the office of the con-
 2 servation commission from the general fund of the state for each year
 3 of the biennium beginning July 1, 1965, and ending June 30, 1967, the
 4 sum of one million thirty-seven thousand eight hundred forty dollars
 5 (\$1,037,840.00), or so much thereof as may be necessary to be used in
 6 the following manner:

7	For salaries	\$ 784,845.00
8	For support, maintenance, and miscellaneous purposes	
9	of the office, maintenance of state parks, waters and for-	
10	ests, program planning, and for the construction and	
11	improvement of roads and highways under its control	157,465.00
12	For prison labor program (including salaries) for uti-	
13	lization of prison inmates under the board of control.....	95,530.00
14	The salary of the state conservation director shall be	
15	thirteen thousand five hundred dollars (\$13,500.00) for	
16	each year of the biennium beginning July 1, 1965, and	
17	ending June 30, 1967.	
18	Grand total of all appropriations for all purposes for	
19	each year of the biennium for the conservation commis-	
20	sion	<u>\$1,037,840.00</u>

1 SEC. 2. Section one hundred seven point thirteen (107.13), Code
2 1962, as amended by chapter one hundred, Acts of the sixtieth general
3 assembly, is amended as follows:

4 1. By striking from lines fifteen (15) and sixteen (16) the words
5 "forty-two hundred eighty* (4,280) and inserting in lieu thereof the
6 words "forty-eight hundred" (4,800).

7 2. By striking from lines twenty (20) and twenty-one (21) the
8 words "fifty-one hundred eighty" (5,180) and inserting in lieu thereof
9 the words "fifty-seven hundred" (5,700).

1 SEC. 3. Section one hundred seven point thirteen (107.13), Code
2 1962, is amended by striking from line twenty-seven (27), lines thirty-
3 two (32) and thirty-three (33), line forty (40), and lines forty-seven
4 (47) and forty-eight (48) the words* "fifteen" and inserting in lieu
5 thereof the words "twenty-five".

1 SEC. 4. Chapter eight (8), Code 1962, shall apply to this Act.

*According to enrolled Act.

Approved June 30, 1965.

CHAPTER 21

CONSERVATION COMMISSION APPROPRIATIONS

S. F. 566

AN ACT to appropriate funds from the general fund of the state of Iowa to the conservation commission for construction, replacement, repairs, development and alterations to state parks and reserves, state forests and state waters, for dredging, artificial lake development, erosion control, stream and lake access, land acquisition, for siltation control, for boundary surveys, engineering services and authorizing the obtaining and acceptance of federal funds to the state to be used in connection with this appropriation and federal funds in addition thereto.

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

1 SECTION 1. There is hereby appropriated to the state conservation
2 commission from the general fund of the state of Iowa the sum of

3 two million seven hundred forty-five thousand two hundred thirty
4 dollars (\$2,745,230.00) for construction, replacement, repairs, devel-
5 opment and alterations to state parks and reserves, state forests and
6 state waters, for dredging, artificial lake development, erosion control,
7 stream and lake access, land acquisition, for siltation control and for
8 boundary surveys.

1 SEC. 2. Said sum shall be allocated in the following amounts:

2 STATE CONSERVATION COMMISSION

3	(1) For natural lake dredging	\$ 360,000.00
4	(2) For construction, replacement, repairs, development	
5	and alterations to state parks and reserves, state	
6	forests and state waters, artificial lake development,	
7	erosion control, stream and lake access, land acqui-	
8	sition, for siltation control, boundary surveys, engi-	
9	neering services and to supplement any prior appro-	
10	priations for such items	2,385,230.00

11 Only funds for natural lake dredging, boundary sur-
12 veys and engineering services, may be used for salaries,
13 support and maintenance.

14 Grand total\$2,745,230.00

1 SEC. 3. The state conservation commission, the governor and the
2 state comptroller are hereby authorized to obtain and accept federal
3 grants to the state to be used in connection with the funds above ap-
4 propriated, and federal funds in addition thereto.

1 SEC. 4. When the State Conservation Commission has approved a
2 project to be financed with funds herein appropriated, a description of
3 said project and estimated cost shall be reported to the governor and
4 state comptroller for allocation of funds.

1 SEC. 5. Any unencumbered balance remaining as of June 30, 1969,
2 of the state appropriations of this Act made by the Sixty-first General
3 Assembly, shall revert to the general fund of the state as of June 30,
4 1969.

1 SEC. 6. If any section, subsection, paragraph, sentence, clause or
2 phrase of this Act is for any reason held to be unconstitutional or in-
3 valid, such unconstitutionality or invalidity shall not affect the con-
4 stitutionality or validity of the remaining portions of this Act. The
5 General Assembly hereby declares that it would have passed this Act
6 and each section, subsection, paragraph, sentence, clause or phrase
7 hereof irrespective of whether any one or more of the sections, sub-
8 sections, paragraphs, sentences, clauses or phrases be declared un-
9 constitutional.

1 SEC. 7. This appropriation includes, but is not limited to the fol-
2 lowing specific projects:

3	Swan Lake	\$90,000.00
4	Green Valley State Park	87,500.00
5	Spring Lake	37,400.00

1 SEC. 8. This Act being deemed of immediate importance shall be
 2 in full force and effect from and after its passage and publication in
 3 the Creston News Advertiser, a newspaper published at Creston, Iowa,
 4 and the Fort Dodge Messenger, a newspaper published at Fort Dodge,
 5 Iowa.

Approved May 28, 1965.

I hereby certify that the foregoing Act, Senate File 566, was published in the Creston News Advertiser, Creston, Iowa, June 2, 1965, and in the Fort Dodge Messenger, Fort Dodge, Iowa, June 2, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 22

CONSERVATION COMMISSION USE OF FORMER APPROPRIATION

H. F. 691

AN ACT to authorize the state conservation commission to use monies appropriated by chapter twenty-four (24), section two (2), Acts of the Fifty-ninth General Assembly.

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

1 SECTION 1. The conservation commission is hereby authorized to
 2 extend to June 30, 1967, the appropriation in the amount of twenty
 3 thousand dollars (\$20,000.00), or so much thereof as is necessary,
 4 appropriated by chapter twenty-four (24), section two (2), lines
 5 ninety-two (92) and ninety-three (93), Acts of the Fifty-ninth Gen-
 6 eral Assembly, for the purpose of land acquisition at Swan Lake state
 7 park.

1 SEC. 2. This Act, being deemed of immediate importance, shall be
 2 in full force and effect from and after its passage and publication in
 3 the Kossuth County Advance, a newspaper published at Algona, Iowa,
 4 and the Carroll Daily Times Herald, a newspaper published at Carroll,
 5 Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, House File 691, was published in the Kossuth County Advance, Algona, Iowa, June 28, 1965, and in the Carroll Daily Times Herald, Carroll, Iowa, June 24, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 23

SPECIFIED SCHOOL AID

S. F. 645

AN ACT to make an appropriation from the general fund of the state of Iowa to the department of public instruction for specified school aid.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state of Iowa to the department of public instruction for each year
3 of the biennium beginning July 1, 1965, and ending June 30, 1967, the
4 sum of two million eight hundred seventy-nine thousand five hundred
5 dollars (\$2,879,500.00), or so much thereof as may be necessary, to be
6 used in the following manner:

7 (1) Aid to handicapped children (special education as	
8 provided in chapter two hundred eighty-one (281) of the	
9 Code)	\$2,500,000.00
10 Mining camp schools emergency fund	20,000.00
11 Mining camp schools state aid	35,000.00
12 Normal institutes	49,500.00
13 Emergency aid for schools	200,000.00

14 (None of such aid shall be distributed to any school
15 which the department estimates could maintain reason-
16 able education standards without levying a tax in excess
17 of one hundred (100) mills).

18 (2) For manpower development and training Act (To	
19 match to the extent required, the federal funds to be	
20 expended by the U. S. treasury, for the manpower devel-	
21 opment and training Act of 1962, as amended)	\$ 75,000.00

22 Total	<u>\$2,879,500.00</u>
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1 SEC. 2. Any unencumbered balance shall revert in the manner pro-
2 vided by chapter eight (8), Code 1962.

Approved June 30, 1965.

CHAPTER 24

DRIVERS' TRAINING AID

S. F. 639

AN ACT to appropriate from the general fund of the state of Iowa two million four hundred thousand dollars (\$2,400,000.00), to the department of public instruction for driver's training aid for school districts, as provided by chapter three hundred twenty-one (321), of the Code as amended.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state of Iowa to the department of public instruction for each year
3 of the biennium beginning July 1, 1965, and ending June 30, 1967, the

4 sum of one million two hundred thousand dollars (\$1,200,000.00), or
 5 so much thereof as may be necessary, for driver's training aid to such
 6 school districts of the state as qualify under provisions of chapter
 7 three hundred twenty-one (321), of the Code as amended.

Approved June 30, 1965.

CHAPTER 25

NATIONAL DEFENSE EDUCATION

S. F. 634

AN ACT to accept the National Defense Education Act of 1958 and to make an appropriation from the general fund of the state of Iowa to the department of public instruction for participation in said Act.

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

1 SECTION 1. The provisions of the Act of Congress entitled "Na-
 2 tional Defense Education Act of 1958", approved September 2, 1958,
 3 (P.L. 864, 85th Congress) and all amendments thereto and the benefit
 4 of all funds appropriated under said Act are accepted.

1 SEC. 2. There is appropriated from the general fund of the state
 2 of Iowa to the department of public instruction for each year of the
 3 biennium beginning July 1, 1965, and ending June 30, 1967, the sum
 4 of one hundred eighty thousand dollars (\$180,000.00), or so much
 5 thereof as may be necessary, to be used in the following manner:

6	(1) For the administration and extension of super-	
7	visory and related services by the department of Title III,	
8	financial assistance for strengthening science, mathematics	
9	and modern foreign language instruction	\$ 80,000.00
10	(2) For the administration by the department and for	
11	use by the several school districts of the state for Title V,	
12	guidance, counseling, and testing	25,000.00
13	(3) For Title X, improvement expansion of statistical	
14	services of the state department	75,000.00

15	Grand total of all appropriations for the department of	
16	public instruction in connection with the National Defense	
17	Education Act of 1958	<u>\$180,000.00</u>

Approved June 30, 1965.

CHAPTER 26

MEDICAL ASSISTANCE FOR AGED APPROPRIATION

S. F. 565

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, to the social welfare department for the purpose of medical assistance to the aged.

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

1 SECTION 1. There is hereby appropriated out of the general fund
2 of the state for each year of the biennium beginning July 1, 1965, and
3 ending June 30, 1967, the sum of four million dollars (\$4,000,000.00),
4 or so much thereof as may be necessary, to be used for medical as-
5 sistance to the aged.

1 SEC. 2. In making this appropriation, it is the intent and purpose
2 of the general assembly (a) to provide medical assistance on behalf of
3 eligible aged individuals whose health needs are not being met through
4 existing programs, and (b) to continue the pilot program that will
5 provide experience and information necessary to determine the num-
6 ber and health needs of each individual and the feasibility of providing
7 for their health care through insurance coverage.

1 SEC. 3. The state board of social welfare may, through competitive
2 bidding, contract with one or more private organizations for the han-
3 dling and processing of claims as set forth in subsection one (1) of
4 section two hundred forty-nine A point five (249A.5), Code 1962, and
5 no part of this appropriation shall be used to pay for care in nursing
6 homes for a period longer than one hundred eighty (180) days, and
7 then only when such nursing home care immediately follows hospitali-
8 zation.

1 SEC. 4. In making this appropriation, it is the intent of the gen-
2 eral assembly that supplementation by private and/or public funds is
3 permitted if full cost care is not paid from the funds appropriated
4 hereunder.

Approved May 26, 1965.

CHAPTER 27

SOCIAL WELFARE DEPARTMENT APPROPRIATIONS

S. F. 567

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, to the social welfare department for the purpose of aid to blind fund, aid to dependent children fund, child welfare fund, emergency relief fund, old age assistance fund, aid to the disabled fund, and support for Indians residing on a settlement.

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

1 SECTION 1. For the social welfare department there is hereby
2 appropriated from the general fund of the state for each year of the

3 biennium beginning July 1, 1965, and ending June 30, 1967, the sum
 4 of twenty million one hundred thirty-five thousand dollars (\$20,-
 5 135,000.00), or so much thereof as may be necessary to be used in the
 6 following manner:

7	For aid to blind fund	\$ 500,000.00
8	For aid to dependent children fund	6,100,000.00
9	For child welfare fund	600,000.00
10	For emergency relief fund	60,000.00
11	Old age assistance fund	12,270,000.00
12	Aid to disabled fund	590,000.00
13	Support for indians* residing on a settlement.....	15,000.00
14	Grand total for all appropriations for all purposes for	
15	each year of the biennium for the social welfare depart-	
16	ment	\$20,135,000.00

1 SEC. 2. Any balance remaining in the funds to which appropria-
 2 tions are made by this Act, at the end of the ensuing biennium, shall
 3 revert to the general fund of the state except that balances not to
 4 exceed the following specified amounts may be retained in each fund:

5	Aid to blind fund	\$ 75,000.00
6	Aid to dependent children fund	580,000.00
7	Emergency relief fund	55,000.00
8	Aid to disabled fund	35,000.00

1 SEC. 3. In making this appropriation, it is the intent of the gen-
 2 eral assembly that supplementation by private and/or public funds is
 3 permitted to nursing homes and custodial homes if usual and custom-
 4 ary fees are not met from the funds appropriated hereunder.

1 SEC. 4. A. Services to be offered. The State Department of Social
 2 Welfare may provide, pay for, and offer family planning and birth
 3 control services to every parent or married person who is a public
 4 assistance recipient where it deems necessary.

5 B. Extent of services. Such family planning and birth control serv-
 6 ices may include interview with trained personnel; distribution of
 7 literature; referral to a licensed physician for consultation, examina-
 8 tion, tests, medical treatment and prescription; and, to the extent so
 9 prescribed, the distribution of rhythm charts, drugs, medical prepara-
 10 tions, contraceptive devices and similar products.

11 C. Charge for services. In making provision for and offering such
 12 services, the Department may charge those persons to whom family
 13 planning and birth control services are rendered a fee sufficient to
 14 reimburse the Department all or any portion of the costs of the serv-
 15 ices rendered.

16 D. Services may be refused. The refusal of any person to accept
 17 family planning and birth control services shall in no way affect the
 18 right of such person to receive public assistance or to avail himself of
 19 any other public benefit and every person to whom such services are
 20 offered shall be so advised initially both orally and in writing. Em-
 21 ployees engaged in the administration of this section shall recognize
 22 that the right to make decisions concerning family planning and birth

*According to enrolled Act.

23 control is a fundamental personal right of the individual and nothing
 24 in this article shall in any way abridge such individual right, nor shall
 25 any individual be required to state his reason for refusing the offer of
 26 family planning and birth control services.

27 E. In all cases where the recipient does not speak or read the
 28 English language, the services shall not be given unless the interviews
 29 shall be conducted in, and all literature shall be written in, a language
 30 which the recipient understands.

31 F. This article shall be liberally construed to protect the rights of
 32 all individuals to pursue their religious beliefs and to follow the dic-
 33 tates of their own consciences, and to prevent the imposition upon any
 34 individual of practices offensive to the individual's moral standards.

35 G. The general assembly hereby finds, determines, and declares that
 36 this Act is necessary for the immediate preservation of the public
 37 peace, health, and safety.

38 H. The provisions of chapter seven hundred twenty-five (725),
 39 Code 1962, shall not apply to services provided under the terms of this
 40 Act.

Approved May 25, 1965.

CHAPTER 28

COMMISSION FOR THE BLIND APPROPRIATION

H. F. 689

AN ACT to appropriate funds from the general fund of the state of Iowa to the Iowa commission for the blind for remodeling for additional library space and providing funds to obtain additional library shelving.

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

1 SECTION 1. There is hereby appropriated to the Iowa commission
 2 for the blind from the general fund of the state of Iowa the sum of
 3 forty thousand dollars (\$40,000.00), or so much thereof as may be
 4 necessary, to match federal funds to be expended by the United States
 5 treasury, for remodeling for additional library space and to obtain
 6 additional library shelving.

1 SEC. 2. When the Iowa commission for the blind has approved the
 2 projects to be financed with funds herein appropriated, a description
 3 of said project and estimated cost shall be reported to the governor
 4 and state comptroller for allocation of funds.

1 SEC. 3. Any unencumbered balance remaining as of June 30, 1969,
 2 of the appropriation of this Act made by the Sixty-first General As-
 3 sembly, shall revert to the general fund of the state as of June 30,
 4 1969.

Approved June 2, 1965.

CHAPTER 29

COMMISSION FOR THE BLIND APPROPRIATION

H. F. 690

AN ACT to appropriate funds from the general fund of the state of Iowa to the Iowa commission for the blind for remodeling heating system and air conditioning and to permit acceptance of federal funds for participation.

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

1 SECTION 1. There is hereby appropriated to the Iowa commission
2 for the blind from the general fund of the state of Iowa the sum of
3 one hundred thousand dollars (\$100,000.00), or so much thereof as
4 may be necessary, to match federal funds to be expended by the
5 United States treasury, for remodeling heating system and air con-
6 ditioning.

1 SEC. 2. When the Iowa commission for the blind has approved the
2 projects to be financed with funds herein appropriated, a description
3 of said project and estimated cost shall be reported to the governor
4 and state comptroller for allocation of funds.

1 SEC. 3. Any unencumbered balance remaining as of June 30, 1969,
2 of the appropriation of this Act made by the Sixty-first General As-
3 sembly, shall revert to the general fund of the state as of June 30,
4 1969.

Approved June 2, 1965.

CHAPTER 30

MOTOR VEHICLE FUEL TAX REFUNDS

H. F. 618

AN ACT to appropriate funds to the state comptroller from motor vehicle fuel tax fund.

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

1 SECTION 1. There is appropriated to the state comptroller from
2 the motor vehicle fuel tax fund for each year of the biennium begin-
3 ning July 1, 1965, and ending June 30, 1967, the sum of twenty-five
4 thousand dollars (\$25,000.00), or so much thereof as may be necessary
5 for use in employing help and defraying other expenses in writing
6 motor vehicle fuel tax refund warrants and keeping necessary records.

1 SEC. 2. Any unencumbered balance remaining as of June 30, 1967,
2 of the appropriation of this Act made by the sixty-first general assem-
3 bly, shall revert to the motor vehicle fuel tax fund as of June 30, 1967.

Approved May 3, 1965.

CHAPTER 31

SOIL CONSERVATION APPROPRIATION

S. F. 587

AN ACT to appropriate from the general fund of the state of Iowa to the state soil conservation committee the sum of one million two hundred fifty thousand dollars (\$1,250,000.00) to carry on soil conservation work in soil conservation districts.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state of Iowa to the state soil conservation committee the sum of
3 five hundred seventy-five thousand dollars (\$575,000.00) for each year
4 of the biennium beginning July 1, 1965, and ending June 30, 1967, or
5 so much thereof as may be necessary to carry on soil conservation
6 work in soil conservation districts organized under the soil conserva-
7 tion districts law of the state of Iowa. The fund shall be used as fol-
8 lows:

9 (1) Aid to soil conservation districts for district commissioners'
10 expenses, stationery, postage and other uses as they may be author-
11 ized by the state soil conservation committee; five hundred dollars
12 (\$500.00) per district. Total fifty thousand dollars (\$50,000.00).

13 (2) Personnel (technicians and clerical personnel), and their neces-
14 sary expenses including office rental, equipment and materials to be
15 assigned to the soil conservation districts by the state soil conservation
16 committee on a need basis; five hundred twenty-five thousand dollars
17 (\$525,000.00).

1 SEC. 2. There is hereby appropriated from the general fund of the
2 state of Iowa to the state soil conservation committee the sum of fifty
3 thousand dollars (\$50,000.00) for each year of the biennium beginning
4 July 1, 1965, and ending June 30, 1967, or so much thereof as may be
5 necessary, to be used and expended in participation and conjunction
6 with the federal government or any of its agencies in joint operations
7 of watershed planning and development within the state of Iowa.

Approved May 26, 1965.

CHAPTER 32

INTERSTATE COOPERATION COMMISSION

S. F. 638

AN ACT relating to the Iowa commission on interstate cooperation and making an appropriation from the general fund of the state of Iowa to the commission for the biennium beginning July 1, 1965 and ending June 30, 1967 for travel and other necessary expenses of commission members.

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

1 SECTION 1. Section twenty-eight B point four (28B.4), Code 1962,
2 is hereby amended by striking all of such section after the word
3 "appropriate." in line five (5) and inserting in lieu thereof the fol-
4 lowing:

5 "Its members and the members of all committees which it estab-
6 lishes shall be reimbursed for their travel and other necessary ex-
7 penses in carrying out their obligations under this chapter and shall
8 be paid such additional compensation as may be allowed by the gen-
9 eral assembly. Expenses of commission members shall be paid upon
10 approval of the chairman or the secretary of the commission."

1 SEC. 2. There is hereby appropriated from the general fund of the
2 state of Iowa for each year of the biennium beginning July 1, 1965 and
3 ending June 30, 1967 to the Iowa commission on interstate cooperation
4 the sum of four thousand (4,000) dollars, or so much thereof as shall
5 be necessary, for the payment of expenses of commission members in
6 carrying out their obligations under chapter twenty-eight B (28B) of
7 the Code.

Approved June 30, 1965.

CHAPTER 33

PRINTING BOARD APPROPRIATION

S. F. 623

AN ACT to appropriate from the general fund of the state of Iowa to the state printing board for printing and binding.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state to the state printing board for the biennium beginning July
3 1, 1965, and ending June 30, 1967, the sum of one hundred ten thou-
4 sand dollars (\$110,000.00), or so much thereof as may be necessary to
5 be used for necessary printing and binding.

1 SEC. 2. Funds appropriated for printing and binding by this Act,
2 in the discretion of the printing board, may be used in supplying paper
3 stock, multigraph or mimeograph work, and original payment of print-
4 ing and binding claim, for any of the state departments, bureaus,
5 associations and institutions, any sum so used shall be reimbursed to
6 the printing board and returned to the credit of the appropriation
7 made for printing and binding. These payments shall be made to the
8 printing board in the same manner as other claims against such de-
9 partments are paid.

Approved June 3, 1965.

CHAPTER 34

ADMINISTRATIVE STATE AIRCRAFT MAINTENANCE

S. F. 578

AN ACT to appropriate from the general fund of the state of Iowa to the national guard and state guard five thousand dollars (\$5,000.00) for use as a revolving fund for the maintenance and operational costs of the administrative state aircraft and make provision for usage reimbursement.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state for the biennium beginning July 1, 1965, and ending June 30,
3 1967, to the national guard and state guard, the sum of five thousand
4 dollars (\$5,000.00), or so much thereof as may be necessary for the
5 use of maintenance and operational costs of the state aircraft main-
6 tained by the national guard and state guard to be used as a revolving
7 fund in support of administrative flights of the governor and other
8 state officials.

1 SEC. 2. Any of the maintenance and operational costs expended
2 from the appropriation created by this Act shall be prorated on a
3 usage basis by the national guard and state guard and this fund shall
4 be reimbursed by the department, agency, bureau, association or insti-
5 tution making use of the aircraft.

Approved May 25, 1965.

CHAPTER 35

NATIONAL GUARD CAPITAL IMPROVEMENTS

H. F. 694

AN ACT to appropriate from the general fund of the state of Iowa to the national guard and state guard for the purpose of various capital improvements, and repairs, replacements, alterations, equipment and rehabilitation.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state to the national guard and state guard the sum of three hun-
3 dred thousand dollars (\$300,000.00), or so much thereof as may be
4 necessary, to be used in the following manner:

5 (1) For the state's share of the armory construction
6 program made available to the states by the federal gov-
7 ernment for the acquisition, construction, expansion, re-
8 habilitation and converting facilities of the administration
9 and training units of the national guard and state guard...\$150,000.00

10 (2) For repairs, replacements, alterations, equipment
11 and rehabilitation of armories in connection with which
12 federal funds may be accepted.....\$ 75,000.00

13 (3) For repairs, replacements, alterations, equipment

14 and rehabilitation of grounds, buildings and roads at
 15 Camp Dodge, Iowa\$ 75,000.00

1 SEC. 2. When the national guard and state guard has approved the
 2 projects to be financed with funds herein appropriated, a description
 3 of said project and estimated cost shall be reported to the governor
 4 and state comptroller for allocation of funds.

1 SEC. 3. Any unencumbered balance remaining as of June 30, 1969,
 2 of the appropriation of this Act made by the Sixty-first General As-
 3 ssembly, shall revert to the general fund of the state as of June 30,
 4 1969.

Approved June 3, 1965.

CHAPTER 36

APPROPRIATION TO LIQUOR CONTROL COMMISSION

S. F. 588

AN ACT to appropriate from the general fund of the state of Iowa for capital improve-
 ments to the liquor control commission.

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

1 SECTION 1. There is hereby appropriated from the general fund of
 2 the state to the liquor control commission the sum of forty-four thou-
 3 sand dollars (\$44,000.00), to be used in the following manner:

- 4 For replacement and purchase of new forklift trucks;
 5 For replacement and purchase of new tuggers; and
 6 For new pallet dollies and a rail dock board.

1 SEC. 2. Before any of the funds herein appropriated shall be ex-
 2 pended, it shall be determined by the liquor control commission, with
 3 the approval of the executive council, that its expenditures are in the
 4 best interests of the state.

1 SEC. 3. Any unencumbered balance remaining as of June 30, 1967,
 2 of the appropriation of this Act made by the Sixty-first General As-
 3 ssembly, shall revert to the general fund of the state as of June 30,
 4 1967.

Approved May 26, 1965.

CHAPTER 37

CAPITOL BUILDINGS CAPITAL IMPROVEMENTS

S. F. 590

AN ACT to appropriate from the general fund of the state of Iowa for capital improvements for buildings and grounds under the superintendent of public buildings and grounds.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state to the superintendent of public buildings and grounds the
3 sum of two hundred thousand dollars (\$200,000.00), or so much there-
4 of as may be necessary, to be used in the following manner:

1 SEC. 2. Said sum shall be allocated in the following amounts:
2 Painting second (2nd) floor rotunda, interior of dome
3 and grand stairway\$ 70,000.00
4 Replace deteriorated water pipes 40,000.00
5 Replace and recaulk all windows in main dome 7,500.00
6 Replace faulty steam lines and valves 15,000.00
7 Recarpet governor's offices 7,500.00
8 Cooling tower and piping 50,000.00
9 Repair or replace roof of state laboratory and office
10 building 10,000.00
11 Grand total of all appropriations for all purposes for the
12 biennium for capital improvements for buildings and
13 grounds\$200,000.00

1 SEC. 3. Before any of the funds hereinabove appropriated shall be
2 expended, it shall be determined by the superintendent of public build-
3 ings and grounds, with the approval of the state architect and the exec-
4 utive council, that the expenditure shall be for the best interests of the
5 state.

1 SEC. 4. Upon the completion of any project as set forth in this Act,
2 any unobligated balance remaining may be used to supplement any
3 other project as set forth in this Act or for such other repairs or
4 projects needed, and to supplement any current or prior appropria-
5 tions for repairs, improvements, replacements, alterations, and equip-
6 ment for public buildings and grounds. Any unencumbered balance
7 remaining as of June 30, 1969, of the appropriation of this Act made
8 by the Sixty-first General Assembly, shall revert to the general fund
9 of the state.

Approved June 3, 1965.

CHAPTER 38

CAPITOL PLANNING COMMISSION

H. F. 708

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, to the capitol planning commission the sum of twelve thousand five hundred dollars (\$12,500.00).

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state of Iowa for the biennium beginning July 1, 1965, and ending
3 June 30, 1967, to the capitol planning commission the sum of twelve
4 thousand five hundred dollars (\$12,500.00), or so much thereof as may
5 be necessary. Said appropriation shall be used to provide for the ex-
6 pense of secretarial help, for research, and for educational materials
7 such as maps, sketches, diagrams, and photographs, for the purpose of
8 planning future expansion and development of the statehouse grounds,
9 and for the further purpose of preparing a report on such future
10 expansion and development to be submitted to the Sixty-second Gen-
11 eral Assembly.

Approved June 7, 1965.

CHAPTER 39

PUBLIC SAFETY DEPARTMENT PATROL BUILDINGS

S. F. 624

AN ACT to appropriate from the general fund of the state of Iowa to the department of public safety, division of highway patrol for construction of two (2) new district headquarters buildings.

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

1 SECTION 1. There is hereby appropriated to the division of high-
2 way patrol, department of public safety, from the general fund of the
3 state the sum of eighty thousand dollars (\$80,000.00), or so much
4 thereof as may be necessary, to be used for the construction of two (2)
5 new district headquarters buildings, located at the Cherokee district
6 and the De Witt district.

1 SEC. 2. When the department of public safety has approved the
2 projects to be financed with funds herein appropriated, a description
3 of said project and estimated cost shall be reported to the governor
4 and state comptroller for allocation of funds.

1 SEC. 3. Any unencumbered balance remaining as of June 30, 1969,
2 of the appropriation of this Act made by the Sixty-first General As-
3 sembly, shall revert to the general fund of the state as of June 30,
4 1969.

Approved June 4, 1965.

CHAPTER 40

FAIR BOARD CAPITAL IMPROVEMENTS

S. F. 586

AN ACT to appropriate from the general fund of the state of Iowa for capital improvements to the state fair board.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state to the state fair board the sum of one hundred thousand
3 dollars (\$100,000.00), to be used in the following manner:

4 For repair of buildings, water or sewer system.....\$100,000.00

1 SEC. 2. Before any of the funds hereinabove appropriated shall be
2 expended it shall be determined by the state fair board, with the ap-
3 proval of the executive council, that the expenditures shall be for the
4 best interests of the state.

1 SEC. 3. Upon the completion of the projects as set forth in this
2 Act, any unobligated balance remaining may be used for such other
3 repairs or projects as needed.

1 SEC. 4. Any unencumbered balance remaining as of June 30, 1969,
2 of the appropriation of this Act made by the sixty-first general assem-
3 bly, shall revert to the general fund of the state as of June 30, 1969.

Approved May 28, 1965.

CHAPTER 41

STATE AID FOR FAIRS

S. F. 589

AN ACT to appropriate from the general fund of the state of Iowa for the biennium beginning July 1, 1965, and ending June 30, 1967, to the state fair board for the purpose of state aid to agricultural societies.

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

1 SECTION 1. For the state fair board for the purpose of state aid to
2 agricultural societies there is appropriated from the general fund of
3 the state for each year of the biennium beginning July 1, 1965, and
4 ending June 30, 1967, the sum of two hundred ten thousand dollars
5 (\$210,000.00), or so much thereof as may be necessary to be used in
6 the following manner:

7 For state aid to agricultural societies.....\$210,000.00

8 The foregoing appropriation for state aid to agricultural societies
9 shall be deemed conditional on full compliance with all other statutes
10 which regulate and prescribe the conditions under which such aid is
11 payable. In no case shall any county receive more than two thousand
12 one hundred dollars (\$2,100.00) except that in a county where there
13 are two definitely separate county extension offices, each such society
14 shall receive state aid in such amount as it would be entitled to if it
15 were the only society in the county. In counties having more than one

16 fair entitled to state aid, the state aid available for the county shall be
 17 prorated to said fairs on the basis of cash premiums paid by said fairs.

Approved May 28, 1965.

CHAPTER 42

REVERSION TO GENERAL FUND OF REGENTS APPROPRIATION

H. F. 621

AN ACT to revert to the general fund of the state of Iowa the unexpended balances of the Fifty-ninth (59th) General Assembly board of regents institution appropriations for salaries, support, maintenance, equipment, repairs, replacements and alterations retained by the institutions.

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

1 SECTION 1. Any unexpended balances remaining in the appropri-
 2 ations made by the fifty-ninth (59th) general assembly to the state
 3 board of regents for salaries, support, maintenance, equipment, re-
 4 pairs, replacements and alterations of the institutions under said board
 5 of regents on June 30, 1965, shall revert to the general fund of the
 6 state.

Approved May 3, 1965.

CHAPTER 43

IOWA DEVELOPMENT COMMISSION APPROPRIATION

S. F. 599

AN ACT to authorize the Iowa development commission to use money appropriated by chapter one (1), section forty-one (41), Acts of the Sixtieth General Assembly.

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

1 SECTION 1. The Iowa development commission is hereby author-
 2 ized to extend to June 30, 1967 all funds remaining as of June 30, 1965
 3 of the one hundred thousand (100,000) dollars annual appropriations
 4 received for the purpose of agricultural product utilization under chap-
 5 ter one (1), section forty-one (41), Acts of the Sixtieth General
 6 Assembly.

1 SEC. 2. This Act, being deemed of immediate importance shall be
 2 in full force and effect from and after its passage and publication as
 3 provided by law, in the Auburn Enterprise, a newspaper published at
 4 Auburn, Iowa, and in the Bremer County Independent, a newspaper
 5 published at Waverly, Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 599, was published in the Auburn Enterprise, Auburn, Iowa, June 17, 1965, and in the Bremer County Independent, Waverly, Iowa, June 14, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 44

STATE COMMISSIONER OF HEALTH

S. F. 268

AN ACT relating to the salary of the commissioner of health.

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

1 SECTION 1. Chapter one (1), Acts of the sixtieth (60th) general
2 assembly is amended as follows:

3 1. By striking from line eight (8) of section thirteen (13) the fig-
4 ure "\$12,000.00" and inserting in lieu thereof the figure "\$21,000.00".

5 2. By striking from line nine (9) of section thirteen (13) the figure
6 "50,900.00" and inserting in lieu thereof the figure "41,900.00".

1 SEC. 2. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 the Fort Dodge Messenger, a newspaper published at Fort Dodge,
4 Iowa, and in The Boone News-Republican, a newspaper published at
5 Boone, Iowa.

Approved March 19, 1965.

Pursuant to authority vested in the undersigned, Secretary of State, the Fort Dodge Messenger, Fort Dodge, Iowa, being nonexistent, the following paper, the Fort Dodge Messenger & Chronicle, Fort Dodge, Iowa, is designated to publish the foregoing Act, Senate File 268.

GARY L. CAMERON, *Secretary of State.*

I hereby certify that the foregoing Act, Senate File 268, was published in the Fort Dodge Messenger & Chronicle, Fort Dodge, Iowa, March 22, 1965, and in The Boone News-Republican, Boone, Iowa, March 22, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 45

DEPARTMENTAL DEFICIENCY APPROPRIATIONS

H. F. 665

AN ACT to make deficiency appropriations for various state departments for the biennium ending June 30, 1965.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state of Iowa to the state department of social welfare, the sum of
3 three hundred twenty thousand dollars (\$320,000.00) for the biennium
4 ending June 30, 1965, to be used for medical assistance to the aged as
5 provided by chapter two hundred forty-nine A (249A), Code 1962.

1 SEC. 2. There is hereby appropriated from the general fund of the
2 state of Iowa to the Iowa development commission, the sum of forty-
3 one thousand five hundred dollars (\$41,500.00) for the biennium end-
4 ing June 30, 1965, to be used in the following manner:

5 For salaries\$23,593.00

6 For support, maintenance, and miscellaneous purposes \$ 17,907.00

7 Total\$41,500.00

1 SEC. 3. There is hereby appropriated from the general fund of the
2 state of Iowa to the department of public safety, the sum of eighty-six
3 thousand ninety-three dollars (\$86,093.00) for the biennium ending
4 June 30, 1965, to be used in the following manner:

5 DIVISION OF HIGHWAY PATROL

6 For salaries\$43,863.00

7 For support, maintenance and miscellaneous purposes.. 42,230.00

8 Total\$86,093.00

1 SEC. 4. There is hereby appropriated from the general fund of the
2 state of Iowa to the Iowa civil war centennial commission to complete
3 commission's activities in connection with the centennial, including
4 printed reports, the sum of five thousand dollars (\$5,000.00).

1 SEC. 5. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 the Fort Dodge Messenger, a newspaper published in Fort Dodge,
4 Iowa, and in the Kossuth County Advance, a newspaper published in
5 Algona, Iowa.

Approved May 21, 1965.

I hereby certify as an amendment to the foregoing certification that the correct names of the newspapers designated to publish House File 665, are the Fort Dodge Messenger, Fort Dodge, Iowa, and the Algona Kossuth County Advance, Algona, Iowa.

GARY L. CAMERON, *Secretary of State.*

I hereby certify that the foregoing Act, House File 665, was published in the Fort Dodge Messenger, Fort Dodge, Iowa, May 26, 1965, and in the Algona Kossuth County Advance, Algona, Iowa, May 27, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 46

COURT STUDY COMMISSION APPROPRIATION

S. F. 48

AN ACT to make a deficiency appropriation for printing, legal and other expenses of the Court Study Commission established by the Sixtieth (60th) General Assembly.

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

1 SECTION 1. There is hereby appropriated from the general fund
2 of the state to the court study commission established by Senate Joint
3 Resolution eighteen (18) of the Sixtieth (60th) General Assembly an
4 additional amount as follows:

5 For printing, legal and other expenses the sum of three thousand
6 dollars (\$3,000.00) or so much thereof as may be necessary to carry
7 out the provisions of Senate Joint Resolution eighteen (18) of the
8 Sixtieth (60th) General Assembly.

1 SEC. 2. This Act being deemed of immediate importance shall be
 2 in full force and effect from and after its publication in the Atlantic
 3 News Telegraph, a newspaper published at Atlantic, Iowa, and in the
 4 Fort Dodge Messenger and Chronicle, a newspaper published at Fort
 5 Dodge, Iowa.

Approved February 19, 1965.

I hereby certify that the foregoing Act, Senate File 48, was published in the Atlantic News Telegraph, Atlantic, Iowa, February 25, 1965, and in the Fort Dodge Messenger and Chronicle, Fort Dodge, Iowa, February 24, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 47

APPROPRIATION FOR WATER SYSTEM AT WOODWARD

H. F. 37

AN ACT for an additional appropriation from the general fund to the board of control of state institutions for use of Woodward State Hospital and School.

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

1 SECTION 1. There is hereby appropriated from the general fund
 2 of the state of Iowa to the board of control of state institutions the
 3 sum of three hundred nine thousand (309,000) dollars to relocate the
 4 water supplying facilities of the Woodward state hospital and school
 5 above and beyond the replacement value of these facilities being re-
 6 imbursed by the United States corps of engineers.

1 SEC. 2. Any unencumbered balance remaining as of June 30, 1969,
 2 of the appropriation of this Act made by the Sixty-first General As-
 3 sembly shall revert to the general fund of the state as of June 30, 1969.

1 SEC. 3. This Act being deemed of immediate importance shall be
 2 in full force and effect from and after its passage and publication in
 3 The Boone News-Republican, a newspaper published at Boone, Iowa,
 4 and in The Madrid Register-News, a newspaper published at Madrid,
 5 Iowa.

Approved March 19, 1965.

I hereby certify that the foregoing Act, House File 37, was published in The Boone News-Republican, Boone, Iowa, March 22, 1965, and in The Madrid Register-News, Madrid, Iowa, March 25, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 48

I.P.E.R.S. ADMINISTRATION

S. F. 579

AN ACT to appropriate from the Iowa Public Employees Retirement System fund three hundred thousand dollars (\$300,000.00) to the employment security commission for the costs of the administration of chapter ninety-seven B (97B), Code 1962.

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

1 SECTION 1. There is hereby appropriated from the Iowa public
2 employees retirement system fund of the state to the employment
3 security commission for each year of the biennium beginning July 1,
4 1965, and ending June 30, 1967, the sum of three hundred thousand
5 dollars (\$300,000.00), or so much thereof as may be necessary to pay
6 the costs of the administration of chapter ninety-seven B (97B), Code
7 1962.

Approved May 25, 1965.

CHAPTER 49

RETIREMENT SYSTEM ADVISORY BOARD APPROPRIATIONS

H. F. 615

AN ACT to make appropriations to ex officio members of the advisory investment board of the Iowa public employees retirement system.

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

1 SECTION 1. There is hereby appropriated out of the Iowa public
2 employees retirement system fund of the state to the following named
3 persons the amounts set opposite their respective names in full settle-
4 ment of all claims which they may have against the state of Iowa on
5 account of services rendered as members of the advisory investment
6 board of the Iowa public employees retirement system:
7 Howard C. Buck \$150.00
8 A. L. Mensing \$120.00

1 SEC. 2. The state comptroller is hereby authorized to issue war-
2 rants to the above named parties in the amounts stated and the treas-
3 urer of state is hereby directed to pay the same from the designated
4 funds or accounts of the state of Iowa.

1 SEC. 3. The acceptance of said sums by the above named parties
2 shall be in full settlement of all claims against the state of Iowa grow-
3 ing out of the above described claims.

Approved May 3, 1965.

CHAPTER 50

CAPITOL PLANNING COMMISSION APPROPRIATION

H. F. 656

AN ACT to make appropriations to the appointive members of the Capitol Planning Commission for per diem compensation for services rendered in past biennium.

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

1 SECTION 1. There is hereby appropriated out of the general fund
 2 of the state to the following named persons the amounts set opposite
 3 their respective names in full settlement of all claims which they may
 4 have against the state on account of per diem compensation for serv-
 5 ices rendered as appointive members of the Capitol Planning Commis-
 6 sion, to wit:

7	John Campbell	\$ 450.00
8	J. Louis Fisher	180.00
9	William Darrington	360.00
10	Charles Grassley	240.00
11	Raymond D. Crites	150.00
12	Amos B. Emery	300.00
13	Mrs. Maurice Noun	330.00

1 SEC. 2. The state comptroller is hereby authorized to issue his
 2 warrants to the above-named parties in the amounts stated, and the
 3 treasurer is hereby directed to pay the same from the designated funds
 4 or accounts of the state of Iowa.

1 SEC. 3. The acceptance of said sums by the above-named parties
 2 shall be in full settlement of all claims against the state of Iowa grow-
 3 ing out of the above-described claims.

1 SEC. 4. This Act being deemed of immediate importance shall take
 2 effect and be in full force from and after its publication in the Mount
 3 Ayr Record-News, a newspaper published in Mount Ayr, Iowa, and
 4 in the Fort Dodge Messenger, a newspaper published in Fort Dodge,
 5 Iowa.

Approved May 19, 1965.

I hereby certify that the foregoing Act, House File 656, was published in the Mount Ayr Record-News, Mount Ayr, Iowa, May 27, 1965, and in the Fort Dodge Messenger, Fort Dodge, Iowa, May 22, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 51

LEGISLATIVE RESEARCH AND HIGHWAY STUDY APPROPRIATIONS

S. F. 611

AN ACT to make appropriations to members of the legislative research committee and the highway study advisory committee.

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

1 SECTION 1. There is hereby appropriated out of the general fund
2 of the state of Iowa to the following named persons the amounts set
3 opposite their respective names in full settlement of all claims which
4 they may have against the state of Iowa on account of services ren-
5 dered as a member of the legislative research committee or the high-
6 way study advisory committee established by the legislative research
7 committee by the authority of sections two point fifty-five (2.55) and
8 two point fifty-six (2.56), Code 1962.

9	Members of the legislative research committee:	
10	Chester O. Hougen	\$660.00
11	Martin Wiley	270.00
12	John Kibbie	450.00
13	Jake B. Mincks	240.00
14	Charles S. Van Eaton	240.00
15	William J. Scherle	690.00
16	Members of the highway study advisory committee:	
17	William J. Scherle	\$300.00
18	Martin Wiley	270.52
19	Leo Elthon	30.00
20	Peter F. Hansen	180.00
21	Harold O. Fischer	210.00
22	Dewey E. Goode	297.30

1 SEC. 2. The state comptroller is hereby authorized to issue his
2 warrants to the above-named parties in the amounts stated, and the
3 treasurer is hereby directed to pay the same from the designated funds
4 or accounts of the state of Iowa.

1 SEC. 3. The acceptance of said sums by the above-named parties
2 shall be in full settlement of all claims against the state of Iowa grow-
3 ing out of the above-described claims.

1 SEC. 4. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its passage and publication as
3 provided by law in The Maquoketa Community Press, a newspaper
4 published at Maquoketa, Iowa, and in The Bancroft Register, a news-
5 paper published at Bancroft, Iowa.

Approved June 4, 1965.

I hereby certify that the foregoing Act, Senate File 611, was published in The Maquoketa Community Press, Maquoketa, Iowa, June 14, 1965, and in The Bancroft Register, Bancroft, Iowa, June 17, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 52

LEGISLATIVE CHAMBERS REMODELING COMMITTEE APPROPRIATIONS

S. F. 584

AN ACT to make appropriations to the appointive members of the legislative chambers remodeling committee for per diem compensation for services rendered in the past biennium.

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

1 SECTION 1. There is hereby appropriated out of the general fund
2 of the state to the following named persons, members of the special
3 committee created by chapter thirty-three (33), Acts 60th General
4 Assembly in Extraordinary Session to remodel the legislative cham-
5 bers, the amounts set out opposite their respective names. Said
6 amounts shall be in full settlement of all claims which they may have
7 against the state on account of per diem compensation for services
8 rendered as members of said commission, to wit:

9	Estate of R. O. Burrows	\$ 540.00
10	John A. Walker	240.00
11	Vernon H. Kyhl	330.00
12	Franklin S. Main	390.00
13	William Darrington	510.00
14	Maurice E. Baringer	390.00
15	Lenabelle Bock	390.00
16	Raymond Eveland	210.00

1 SEC. 2. The state comptroller is hereby authorized to issue his
2 warrants to the above-named parties in the amounts stated, and the
3 treasurer is hereby directed to pay the same from the designated funds
4 or accounts of the state of Iowa.

1 SEC. 3. The acceptance of said sums by the above-named parties
2 shall be in full settlement of all claims against the state of Iowa grow-
3 ing out of the above-described claims.

1 SEC. 4. This Act being deemed of immediate importance shall take
2 effect and be in full force from and after its publication in the New
3 Hampton Tribune, a newspaper published in New Hampton, Iowa, and
4 in The Evening Democrat, a newspaper published in Fort Madison,
5 Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 584, was published in the New Hampton Tribune, New Hampton, Iowa, June 10, 1965, and in The Evening Democrat, Fort Madison, Iowa, June 9, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 53

TAX REVISION ADVISORY COMMITTEE AND
EDUCATION PROGRAMS ADVISORY COMMITTEE APPROPRIATIONS

S. F. 610

AN ACT to make appropriations to members of the tax revision advisory committee and the education programs advisory committee.

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

1 SECTION 1. There is hereby appropriated out of the general fund
2 of the state of Iowa to the following named persons the amounts set
3 opposite their respective names in full settlement of all claims which
4 they may have against the state of Iowa on account of services ren-
5 dered as a member of the tax revision advisory committee or the edu-
6 cation programs advisory committee established by the legislative
7 research committee by the authority of sections two point fifty-five
8 (2.55) and two point fifty-six (2.56), Code 1962.
9 Members of the tax revision advisory committee:

10	Earl Elijah	\$600.00
11	Arthur C. Hanson	480.00
12	Leo Elthon	270.00
13	Merle W. Hagedorn	390.00
14	Peter F. Hansen	510.00
15	Chester O. Hougen	927.12
16	Alfred Nielsen	540.00
17	Members of the education programs advisory committee:	
18	Leroy H. Petersen	\$600.00
19	Vern Lisle	300.00
20	Adolph W. Elvers	540.00
21	Merle W. Hagedorn	570.00
22	John P. Kibbie	540.00
23	Edward A. Wearin	510.00
24	Henry C. Nelson	60.00

1 SEC. 2. The state comptroller is hereby authorized to issue his
2 warrants to the above-named parties in the amounts stated, and the
3 treasurer is hereby directed to pay the same from the designated funds
4 or accounts of the state of Iowa.

1 SEC. 3. The acceptance of said sums by the above-named parties
2 shall be in full settlement of all claims against the state of Iowa grow-
3 ing out of the above-described claims.

1 SEC. 4. This Act, being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication as
3 provided by law, in The Wall Lake Blade, a newspaper published at
4 Wall Lake, Iowa, and in The Parkersburg Eclipse, a newspaper pub-
5 lished at Parkersburg, Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 610, was published in The Wall Lake Blade, Wall Lake, Iowa, June 17, 1965, and in The Parkersburg Eclipse, Parkersburg, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 54

LEGISLATIVE ADVISORY COMMITTEE APPROPRIATION

S. F. 614

AN ACT to make appropriations to legislators serving on legislative advisory committees.

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

1 SECTION 1. There is hereby appropriated out of the general fund
2 of the state of Iowa to the following named persons the amounts set
3 opposite their respective names in full settlement of all claims which
4 they may have against the state of Iowa on account of services rendered
5 as a member of, or while serving in the capacity of alternate
6 member of, a legislative advisory committee established by the legislative
7 research committee by the authority of sections two point fifty-
8 five (2.55) and two point fifty-six (2.56), Code 1962.

9 Members and alternate members of the adult corrections advisory
10 committee:

11	J. Henry Lucken	\$540.00
12	Paul M. Walter	210.00
13	R. O. Burrows (alternate, deceased)	30.00
14	John M. Ely, Jr.	420.00
15	Peter F. Hansen	457.00
16	Richard L. Stephens	450.00
17	Martin Wiley	330.00
18	Harry R. Gittins	622.30
19	Marvin W. Smith (alternate)	240.00
20	Members of the aid to dependent children advisory committee:	
21	Max W. Kreager	\$420.00
22	Howard C. Buck	360.00
23	A. V. Doran	240.00
24	Eugene M. Hill	360.00
25	Jake B. Mincks	270.00
26	Elroy Maule	360.00
27	A. L. Mensing	300.00

1 SEC. 2. The state comptroller is hereby authorized to issue his
2 warrants to the above-named parties in the amounts stated, and the
3 treasurer is hereby directed to pay the same from the designated funds
4 or accounts of the state of Iowa.

1 SEC. 3. The acceptance of said sums by the above-named parties
2 shall be in full settlement of all claims against the state of Iowa growing
3 out of the above-described claims.

1 SEC. 4. This Act being deemed of immediate importance shall take
2 effect and be in full force from and after its publication in The Albia
3 Union-Republican, a newspaper published at Albia, Iowa and the
4 Chariton Herald-Patriot, a newspaper published at Chariton, Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 614, was published in The Albia Union-Republican, Albia, Iowa, June 10, 1965, and in the Chariton Herald-Patriot, Chariton, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 55

IOWA DEVELOPMENT COMMISSION APPROPRIATION

S. F. 612

AN ACT to make appropriations to legislative members of the Iowa development commission.

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

1 SECTION 1. There is hereby appropriated out of the general fund
 2 of the state of Iowa to the following named persons the amounts set
 3 opposite their respective names in full settlement of all claims which
 4 they may have against the state of Iowa on account of services rendered as a legislative member of the Iowa development commission by
 5 the authority of section twenty-eight point one (28.1) and section
 6 twenty-eight point two (28.2), Code 1962, as amended by chapter
 7 seventy (70), Acts of the Sixtieth General Assembly:
 8

9	Andrew G. Frommelt	\$510.00
10	Edward A. Wearin	900.00
11	Raymond Eveland	930.00
12	John J. Murray	870.00
13	Vincent B. Steffen	180.00

1 SEC. 2. The state comptroller is hereby authorized to issue his
 2 warrants to the above-named parties in the amounts stated, and the
 3 treasurer is hereby directed to pay the same from the designated funds
 4 or accounts of the state of Iowa.

1 SEC. 3. The acceptance of said sums by the above-named parties
 2 shall be in full settlement of all claims against the state of Iowa growing
 3 out of the above-described claims.

1 SEC. 4. This Act being deemed of immediate importance shall take
 2 effect and be in full force from and after its publication in The Atlantic
 3 News-Telegraph, a newspaper published at Atlantic, Iowa and The
 4 Laurens Sun, a newspaper published at Laurens, Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 612, was published in The Atlantic News-Telegraph, Atlantic, Iowa, June 9, 1965, and in The Laurens Sun, Laurens, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 56

DAIRY TRADE PRACTICES COMMITTEE APPROPRIATIONS

S. F. 613

AN ACT to make appropriations to members of the dairy trade practices study committee.

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

1 SECTION 1. There is hereby appropriated out of the general fund
 2 of the state of Iowa to the following named persons the amounts set

3 opposite their respective names in full settlement of all claims which
 4 they may have against the state of Iowa on account of services ren-
 5 dered as a member of the dairy trade practices study committee estab-
 6 lished by house concurrent resolution eighteen (18), Sixtieth General
 7 Assembly:

8	Elmer F. Lange	\$210.00
9	J. T. Dykhouse	180.00
10	John J. Murray	270.00
11	Eugene M. Hill	210.00
12	Irving D. Long	90.00
13	Maurice E. Baringer	210.00

1 SEC. 2. The state comptroller is hereby authorized to issue his
 2 warrants to the above-named parties in the amounts stated, and the
 3 treasurer is hereby directed to pay the same from the designated funds
 4 or accounts of the state of Iowa.

1 SEC. 3. The acceptance of said sums by the above-named parties
 2 shall be in full settlement of all claims against the state of Iowa grow-
 3 ing out of the above-described claims.

1 SEC. 4. This Act, being deemed of immediate importance shall be
 2 in full force and effect from and after its passage and publication as
 3 provided by law, in the Lake City Graphic, a newspaper published at
 4 Lake City, Iowa, and in the Marshalltown Times-Republican, a news-
 5 paper published at Marshalltown, Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 613, was published in the Lake City Graphic, Lake City, Iowa, June 17, 1965, and in the Marshalltown Times-Republican, Marshalltown, Iowa, June 6, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 57

INTERSTATE COOPERATION COMMITTEE APPROPRIATION

S. F. 608

AN ACT to make appropriations to members of the Iowa commission on interstate co-
 operation.

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

1 SECTION 1. There is hereby appropriated out of the general fund
 2 of the state of Iowa to the following named persons the amounts set
 3 opposite their respective names in full settlement of all claims which
 4 they may have against the state of Iowa on account of services ren-
 5 dered as a member of the Iowa commission on interstate cooperation:

6	W. L. Mooty	\$504.05
7	Robert W. Naden	423.36
8	D. C. Nolan	360.00
9	Peter F. Hansen	330.00
10	Jack Schroeder	240.00

11	David O. Shaff	210.00
12	Edward A. Wearin	270.00
13	Ray C. Cunningham	555.08
14	Elmer H. Den Herder	712.56
15	Raymond Eveland	300.00
16	Joseph G. Knock	873.90
17	Max W. Kreager	463.88

1 SEC. 2. The state comptroller is hereby authorized to issue his
2 warrants to the above named parties in the amounts stated, and the
3 treasurer is hereby directed to pay the same from the funds herein
4 appropriated.

1 SEC. 3. The acceptance of said sums by the above named parties
2 shall be in full settlement of all claims against the state of Iowa grow-
3 ing out of the above described claims.

1 SEC. 4. This Act being deemed of immediate importance shall take
2 effect and be in full force from and after its publication in the High-
3 land Park News, a newspaper published in Des Moines, Iowa, and the
4 New Hampton Tribune, a newspaper published in New Hampton,
5 Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 608, was published in the High-land Park News, Des Moines, Iowa, June 10, 1965, and in the New Hampton Tribune, New Hampton, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 58

COURT STUDY COMMISSION APPROPRIATIONS

S. F. 585

AN ACT to make appropriations to the legislative members of the interim court study commission and for supervision and preparation of proposed legislation for said commission.

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

1	SECTION 1. There is hereby appropriated out of the general fund	
2	of the state of Iowa to the following named persons, for per diem	
3	compensation as legislative members, for services at meetings of the	
4	interim Court Study Commission and to the Deputy Code Editor for	
5	supervision and preparation of proposed legislation for said commis-	
6	sion, to wit:	
7	Donald G. Beneke	\$ 240.00
8	Richard C. Turner	210.00
9	Robert D. Fulton	60.00
10	Leonard Anderson	150.00
11	Tom Riley	180.00
12	Wayne Faupel	660.00

1 SEC. 2. The state comptroller is hereby authorized to issue his
 2 warrants to the above named parties in the amounts stated, and the
 3 state treasurer is hereby directed to pay the same from the general
 4 fund.

1 SEC. 3. The acceptance of said sums by the above named parties
 2 shall be in full settlement of all claims against the state of Iowa grow-
 3 ing out of the above described claims.

1 SEC. 4. This Act, being deemed of immediate importance, shall
 2 take effect and be in force from and after its publication in the Iowa
 3 City Press-Citizen, a newspaper published in Iowa City, Iowa, and in
 4 the Fort Dodge Messenger, a newspaper published in Fort Dodge,
 5 Iowa.

Approved May 28, 1965.

I hereby certify that the foregoing Act, Senate File 585, was published in the Iowa City Press-Citizen, Iowa City, Iowa, June 2, 1965, and in the Fort Dodge Messenger, Fort Dodge, Iowa, June 2, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 59

COMMERCIAL CODE STUDY COMMITTEE APPROPRIATIONS

S. F. 558

AN ACT to make appropriations to the legislative members of the interim Commercial Code Study Committee and for supervision and preparation of proposed legislation for said committee.

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

1 SECTION 1. There is hereby appropriated out of the general fund
 2 of the state of Iowa to the following named persons the amounts set
 3 opposite their respective names in full settlement of all claims which
 4 they may have against the state of Iowa on account of services rendered as a member of the legislative interim commercial code study
 5 committee:
 6 committee:

7	Kenneth Benda	\$240.00
8	John J. Brown	120.00
9	Jacob Grimstead	240.00
10	John Mowry	240.00
11	Charles Frazier	120.00
12	Scott Swisher	30.00
13	David Stanley	150.00

1 SEC. 2. There is hereby appropriated out of the general fund of
 2 the state of Iowa to Wayne Faupel, the sum of four hundred twenty
 3 dollars (\$420.00), in full settlement of all claims for his supervision
 4 and preparation of proposed legislation of the legislative interim commercial code study
 5 committee.

1 SEC. 3. The state comptroller is hereby authorized to issue his
 2 warrants to the above named parties in the amounts stated, and the

3 treasurer is hereby directed to pay the same from the funds herein
4 appropriated.

1 SEC. 4. The acceptance of said sums by the above named parties
2 shall be in full settlement of all claims against the state of Iowa grow-
3 ing out of the above described claims.

1 SEC. 5. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its passage and publication in
3 The Atlantic News-Telegraph, a newspaper published in Atlantic,
4 Iowa, and in the Fort Dodge Messenger, a newspaper published in Fort
5 Dodge, Iowa.

Approved May 25, 1965.

I hereby certify that the foregoing Act, Senate File 558, was published in The Atlantic News-Telegraph, Atlantic, Iowa, May 28, 1965, and in the Fort Dodge Messenger, Fort Dodge, Iowa, May 27, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 60

CLAIMS APPROPRIATIONS

S. F. 573

AN ACT to make appropriations to certain named persons in settlement of claims made against the state of Iowa.

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

1 SECTION 1. There is hereby appropriated out of the primary road
2 fund of the state of Iowa to the following named persons and/or firms
3 the amount set opposite their respective names in full settlement of all
4 claims which they may have against the state of Iowa, to-wit:

5 Claimant	6 Claim No.	7 Nature of Claim	8 Amount
9 Donald C. Sholmer	H-6-61	Highway claim	\$ 63.96
10 Cedar Rapids, Iowa			
11 Leo Craig	H-2-61	Fence damage	50.00
12 Albia, Iowa			
13 Richard A. Bishop	H-3-61	Mowing damage	53.27
Oakland, Iowa			
Gerald D. Cameron	322-61	Refund of wages	850.00
Sloan, Iowa			

1 SEC. 2. The state comptroller is hereby authorized and directed to
2 issue his warrant to the above named firm or persons in the amount
3 set opposite their names, and the treasurer of the state is hereby au-
4 thorized and directed to pay the same from the primary road fund of
5 the state of Iowa.

1 SEC. 3. There is hereby appropriated out of the general fund of
2 the state of Iowa to the following named persons and/or firms the

3 amount set opposite their respective names in full settlement of all
 4 claims which they may have against the state of Iowa, to-wit:

5 Claimant	Claim No.	Nature of Claim	Amount
6 Treynor Town and 7 Country Club Farmer's 8 Institute 9 Treynor, Iowa	216-61	Outdated claim	\$ 75.00
10 Donald J. Harriott 11 Des Moines, Iowa	103-61	Unpaid vacation	57.15

1 SEC. 4. The state comptroller is hereby authorized and directed to
 2 issue his warrant to the above named firm or persons in the amount
 3 set opposite their names, and the treasurer of the state of Iowa is
 4 hereby authorized and directed to pay the same from the general fund
 5 of the state of Iowa.

1 SEC. 5. There is hereby appropriated out of the general fund of
 2 the state of Iowa to the following named persons and/or firms the
 3 amount set opposite their respective names in full settlement of all
 4 claims which they may have against the state of Iowa, to-wit:

5 Claimant	Claim No.	Nature of Claim	Amount
6 Milton H. Kramer 7 Elkader, Iowa	28-61	Pond damage	\$2,815.00
8 Jack H. Camelin 9 Boone, Iowa	355-61	Personal injury	112.50
10 Cass County, Iowa 11 Atlantic, Iowa	68-61	Injury	500.00

1 SEC. 6. The state comptroller is hereby authorized and directed to
 2 issue his warrant to the above named firm or persons in the amount
 3 set opposite their names, and the treasurer of the state of Iowa is
 4 hereby authorized and directed to pay the same from the general fund
 5 of the state of Iowa.

1 SEC. 7. There is hereby appropriated out of the department of
 2 public instruction general school aid fund of the state of Iowa to the
 3 following named persons and/or firms the amount set opposite their
 4 respective names in full settlement of all claims which they may have
 5 against the state of Iowa, to-wit:

6 Claimant	Claim No.	Nature of Claim	Amount
7 North Tama County 8 Community School District 9 Traer, Iowa	336-61	School aid claim	\$ 5,729.44
10 Woodward-Granger 11 Community School District 12 Woodward, Iowa	346-61	State School aid	14,699.62
13 Blakesburg Community 14 School District 15 Blakesburg, Iowa	279-61	School aid claim	17,992.71

1 SEC. 8. The state comptroller is hereby authorized and directed to
 2 issue his warrant to the above named firm or persons in the amount
 3 set opposite their names, and the treasurer of the state of Iowa is
 4 hereby authorized and directed to pay the same from the department
 5 of public instruction general school aid fund of the state of Iowa.

1 SEC. 9. There is hereby appropriated out of the general fund of
 2 the state of Iowa to the following named persons and/or firms the
 3 amount set opposite their respective names in full settlement of all
 4 claims which they may have against the state of Iowa, to-wit:

5 Claimant	Claim No.	Nature of Claim	Amount
6 Guttenberg Community 7 Guttenberg, Iowa	22-61	Tax free lands	\$3,090.00
8 Consolidated Independent 9 School District of Lakota 10 Lakota, Iowa	223-61	School tax levy	1,650.18

1 SEC. 10. The state comptroller is hereby authorized and directed to
 2 issue his warrant to the above named firm or persons in the amount
 3 set opposite their names, and the treasurer of the state of Iowa is
 4 hereby authorized and directed to pay the same from the general fund
 5 of the state of Iowa.

1 SEC. 11. There is hereby appropriated out of the motor vehicle fuel
 2 tax refund fund of the state of Iowa to the following named persons
 3 and/or firms the amount set opposite their respective names in full
 4 settlement of all claims which they may have against the state of Iowa,
 5 to-wit:

6 Claimant	Claim No.	Nature of Claim	Amount
7 Elmer H. Anderson 8 Larrabee, Iowa	326-61	Outdated warrant	\$ 74.30
9 Leo Mores 10 Harlan, Iowa	234-61	Gas tax refund	12.78

1 SEC. 12. The state comptroller is hereby authorized and directed to
 2 issue his warrant to the above named firm or persons in the amount
 3 set opposite their names, and the treasurer of the state of Iowa is
 4 hereby authorized and directed to pay the same from the motor vehicle
 5 fuel tax refund fund of the state of Iowa.

1 SEC. 13. There is hereby appropriated out of the general fund of
 2 the state of Iowa to the following named persons and/or firms the
 3 amount set opposite their respective names in full settlement of all
 4 claims which they may have against the state of Iowa, to-wit:

5 Claimant	Claim No.	Nature of Claim	Amount
6 Steffy Funeral Home 7 Montezuma, Iowa	224-61	Funeral expenses	\$ 175.00

1 SEC. 14. The state comptroller is hereby authorized and directed to
 2 issue his warrant to the above named firm or persons in the amount
 3 set opposite their names, and the treasurer of the state of Iowa is
 4 hereby authorized and directed to pay the same from the general fund
 5 of the state of Iowa.

1 SEC. 15. There is hereby appropriated out of the general fund of
 2 the state of Iowa to the following named persons and/or firms the
 3 amount set opposite their respective names in full settlement of all
 4 claims which they may have against the state of Iowa, to-wit:

5 Claimant	Claim No.	Nature of Claim	Amount
6 Leland I. Verhelst 7 Goodell, Iowa	95-61	Pay raise	\$ 300.00

1 SEC. 16. The state comptroller is hereby authorized and directed to
2 issue his warrant to the above named firm or persons in the amount
3 set opposite their names, and the treasurer of the state is hereby
4 authorized and directed to pay the same from the general fund of the
5 state of Iowa.

1 SEC. 17. Receipt of said sums by said persons respectively shall be
2 in full settlement of all claims they may hold against the state of Iowa
3 on account of damages as above indicated, claims for which were pre-
4 sented to the joint claims committee of the Sixty-first General Assem-
5 bly.

Approved June 3, 1965.

CHAPTER 61

CLAIMS APPROPRIATIONS

S. F. 601

AN ACT to make appropriations to certain named persons in settlement of claims made against the state of Iowa.

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

1 SECTION 1. There is hereby appropriated out of the general fund
2 of the state of Iowa to the following named persons and/or firms the
3 amount set opposite their respective names in full settlement of all
4 claims which they may have against the state of Iowa, to-wit:

5 Claimant	Claim No.	Nature of Claim	Amount
6 John W. LaMar, M. D. 7 Des Moines, Iowa	14-61	Doctor bill	\$ 30.00
8 Edmund Melvin Maras 9 Fort Madison, Iowa	24-61	Injury	500.00
10 Mrs. Mary Sampson 11 Eagle Grove, Iowa	187-61	Injury	8,000.00
12 Iowa Electric Light 13 and Power Co. 14 Cedar Rapids, Iowa	196-61	Underbilling of gas service	10,000.00
15 Merlin Morton 16 Sioux City, Iowa	272-61	Bad operation	2,775.00
17 Mr. Marvin L. Williams 18 Marshalltown, Iowa	321-61	Personal Injury	2,500.00
19 City of Des Moines 20 Des Moines, Iowa	348-61	Special	10,000.00
21 Eugene L. Floyd 22 Iowa City, Iowa	371-61	Personal Injuries	1,250.00

1 SEC. 2. The state comptroller is hereby authorized and directed to
2 issue his warrant to the above named firm or persons in the amount set
3 opposite their names, and the treasurer of the state is hereby author-
4 ized and directed to pay the same from the general fund of the state of
5 Iowa.

1 SEC. 3. There is hereby appropriated out of the Primary Road
2 Fund of the state of Iowa to the following named persons and/or firms

3 the amount set opposite their respective names in full settlement of all
 4 claims which they may have against the state of Iowa, to-wit:

5 Claimant	Claim No.	Nature of Claim	Amount
6 Leonard B. Wulfekuhle 7 Masonville, Iowa	H-12-61	Damage to tree and cattle	\$ 25.00
8 L. L. Miner 9 Stockport, Iowa	H-13-61	Highway claim	135.74
10 VaLoyd Steen 11 Guttenberg, Iowa	H-79-61	Personal Injury on job	2,000.00

1 SEC. 4. The state comptroller is hereby authorized and directed to
 2 issue his warrant to the above named firm or persons in the amount set
 3 opposite their names, and the treasurer of the state is hereby author-
 4 ized and directed to pay the same from the Primary Road Fund of the
 5 state of Iowa.

1 SEC. 5. There is hereby appropriated out of the Motor Vehicle
 2 Fuel Tax Refund fund of the state of Iowa to the following named
 3 persons and/or firms the amount set opposite their respective names
 4 in full settlement of all claims which they may have against the state
 5 of Iowa, to-wit:

6 Claimant	Claim No.	Nature of Claim	Amount
7 Anton Beneke and 8 Leland F. Beneke 9 Laurens, Iowa	192-61	Outdated Warrants	\$ 31.10
10 Otis Luttschwager 11 Buckeye, Iowa	359-61	Outdated Warrant	20.84

1 SEC. 6. The state comptroller is hereby authorized and directed to
 2 issue his warrant to the above named firm or persons in the amount set
 3 opposite their names, and the treasurer of the state is hereby author-
 4 ized and directed to pay the same from the Motor Vehicle Fuel Tax
 5 Refund fund of the state of Iowa.

1 SEC. 7. Receipt of said sums by said persons respectively shall be
 2 in full settlement of all claims they may hold against the state of Iowa
 3 on account of damages, as above indicated, claims for which were pre-
 4 sented to the joint claims committee of the Sixty-first General As-
 5 sembly.

Approved June 30, 1965.

CHAPTER 62

GOVERNOR-ELECT EXPENSE FUND

H. F. 705

AN ACT to appropriate funds to a governor-elect for expenses after the day of the election and before the day of inauguration.

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

1 SECTION 1. Chapter seven (7), Code 1962, is amended by adding
 2 the following section:

3 "There is hereby created as a permanent fund in the office of the
 4 treasurer of state a fund to be known as the governors' elect expense
 5 fund. For the purpose of establishing and maintaining said fund, for
 6 each biennium, beginning July 1, 1965, there is hereby appropriated
 7 thereto from funds in the general fund not otherwise appropriated the
 8 sum of ten thousand dollars (\$10,000.00), or so much thereof as may
 9 be necessary, to pay for office space, supplies, postage, and secretarial
 10 and clerical salaries after the day of the election and before the day of
 11 the inauguration for a first term governor-elect. Any balance in said
 12 fund at the end of each biennium shall revert to the general fund. Said
 13 fund shall be subject at all times to the warrant of the state comp-
 14 troller, drawn upon written requisition of the governor-elect. In event
 15 of a contested election, no distribution of the fund will be made until
 16 such time as the general assembly certifies the results of the election.

Approved June 7, 1965.

CHAPTER 63

INAUGURAL APPROPRIATION

S. F. 542

AN ACT to appropriate funds to defray expenses of the inaugural ceremonies.

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

1 SECTION 1. There is hereby appropriated out of funds of the state
 2 treasury not otherwise appropriated in the sum of nine thousand one
 3 hundred eight dollars eighty-eight cents (\$9,108.88) or so much there-
 4 of as may be necessary, to pay the expenses incurred on account of the
 5 inaugural ceremonies and reception.

6 Warrants shall be drawn upon the treasury for the sum herein ap-
 7 propriated in favor of the adjutant general upon the filing of vouchers
 8 therefor with the state comptroller.

1 SEC. 2. This Act, being deemed of immediate importance, shall
 2 take effect and be in full force from and after its passage and publica-
 3 tion in The Fort Dodge Messenger, a newspaper published at Fort
 4 Dodge, Iowa, and in The West Des Moines Express, a newspaper
 5 published at West Des Moines, Iowa.

Approved April 29, 1965.

I hereby certify that the foregoing Act, Senate File 542, was published in The Fort Dodge Messenger, Fort Dodge, Iowa, May 3, 1965, and in The West Des Moines Express, West Des Moines, Iowa, May 6, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 64

OMNIBUS APPROPRIATIONS

H. F. 718

AN ACT making appropriations for payment of miscellaneous expense incurred or authorized by the Sixty-first General Assembly.

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

1 SECTION 1. There is hereby appropriated out of any funds in the
 2 state treasury not otherwise appropriated the following sums, or so
 3 much thereof as may be necessary, in payment of miscellaneous ex-
 4 penses incurred or authorized by the Sixty-first General Assembly:

5 Boesen Florist, Flowers (Joint)	\$ 96.00
6 Russell Mote, Flowers (House)	20.40
7 Des Moines Ice Co., Ice (Joint)	27.00
8 Hearne Bros., Maps (Joint)	175.00
9 Transcopy, Inc., Copy Developer (Joint)	102.40
10 Executive council for legislative photographs, telephone, tele- 11 graph, supplies, postage and miscellaneous expenses in- 12 curred during the Sixty-first General Assembly and subse- 13 quent to its adjournment and during the session of the 14 Sixty-second General Assembly. Miscellaneous expenses, 15 as used herein, shall not include any expenses, costs or 16 claims incurred in connection with the investigation cre- 17 ated by Senate Concurrent Resolution 9. The amount here- 18 in appropriated shall be used only for the payment of bills 19 actually authorized by the General Assembly and for sup- 20 plies requisitioned under the signatures of the secretary of 21 the senate and the chief clerk of the House.....	\$9,000.00

1 SEC. 2. There is hereby appropriated out of the general fund a
 2 sum sufficient to pay the compensation made necessary by Senate Con-
 3 current Resolution 46 for services required of officers and employees
 4 of the Sixty-first General Assembly after final adjournment, and prior
 5 to the convening of the Sixty-second General Assembly, including any
 6 special session called during such period.

1 SEC. 3. The state comptroller is hereby authorized to make avail-
 2 able any unexpended balance of the appropriation of eight thousand
 3 five hundred dollars (\$8,500.00) made to the executive council in
 4 chapter fifty-four, Acts of the Sixtieth General Assembly, for legis-
 5 lative expenses in order that such balance may be applied to the pay-
 6 ment of legislative expenses of the Sixty-first General Assembly.

Approved June 30, 1965.

CHAPTER 65
GENERAL CONTINGENT FUND

S. F. 581

AN ACT creating the general contingent fund of the state for the biennium beginning July 1, 1965, and appropriating thereto the sum of one million eight hundred thousand dollars (\$1,800,000.00) from the general fund of the state, specifying the purposes for which the appropriation may be used.

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

1 SECTION 1. The general contingent fund of the state for the bien-
2 nium beginning July 1, 1965, and ending June 30, 1967, is hereby cre-
3 ated and said fund shall consist of the sum of one million eight hun-
4 dred thousand dollars (\$1,800,000.00), hereby appropriated thereto
5 from the general fund of the state. Said contingent fund shall be
6 administered by the executive council and allocations therefrom may
7 be made only for contingencies arising during the biennium which are
8 legally payable from the funds of the state. The executive council
9 shall not allocate any funds for any purpose or project which was
10 presented to the general assembly by way of a bill and which failed
11 to become enacted into law.

1 SEC. 2. Before any of the funds herein appropriated shall be al-
2 located, a written recommendation shall be obtained from the state
3 comptroller. The executive council and the requesting state agency,
4 department or division, shall determine that the proposed allocation
5 shall be for the best interest of the state.

1 SEC. 3. Any balance in said contingent fund as of June 30, 1967,
2 shall revert to the general fund of the state as of June 30, 1967.

Approved May 25, 1965.

CHAPTER 66
BUDGET AND FINANCIAL CONTROL COMMITTEE APPROPRIATION

H. F. 674

AN ACT to appropriate from the general fund of the state of Iowa to the budget and financial control committee.

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

1 SECTION 1. There is hereby appropriated from the general fund of
2 the state of Iowa to the budget and financial control committee the
3 sum of two hundred thousand dollars (\$200,000.00) for the biennium
4 beginning July 1, 1965, and ending June 30, 1967, or so much thereof
5 as may be necessary to carry out the provisions of section two point
6 forty-four (2.44), Code 1962, for the compensation and expense of
7 members of the budget and financial control committee authorized by
8 section two point forty-five (2.45), Code 1962, and the provisions of
9 sections two point forty-six (2.46), two point forty-seven (2.47), and
10 two point forty-eight (2.48), Code 1962. Any balance in said contin-
11 gent fund as of June 30, 1967 shall revert to the general fund of the
12 state as of June 30, 1967.

Approved June 2, 1965.

GENERAL LAWS

GENERAL LAWS

CHAPTER 67

COMPENSATION OF MEMBERS OF GENERAL ASSEMBLY

S. F. 555

AN ACT relating to the compensation of members of the General Assembly.

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

1 SECTION 1. Section two point eleven (2.11), Code 1962, is hereby
2 amended as follows:

3 1. By striking from line three (3) the word "thirty (30)" and in-
4 serting in lieu thereof the word "forty (40)".

5 2. By striking from line seven (7) the words "seven (7)" and in-
6 serting in lieu thereof the word "ten (10)".

1 SEC. 2. Section two point fifteen (2.15), Code 1962, is hereby
2 amended by striking from line five (5) the word "thirty (30)" and
3 inserting in lieu thereof the word "forty (40)".

Approved June 3, 1965.

CHAPTER 68

SENATE CONFIRMATION OF PUBLIC OFFICERS

S. F. 1

AN ACT relating to confirmation of public officers by the Senate.

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

1 SECTION 1. Section two point forty (2.40), Code 1962, as amended
2 by chapter fifty-six (56), Acts of the Sixtieth General Assembly, is
3 hereby amended by striking from line ten (10) the words "in execu-
4 tive session".

1 SEC. 2. Section eight point four (8.4), Code 1962, is hereby
2 amended by striking from line ten (10) the words ", in executive
3 session,".

1 SEC. 3. Section eighty point two (80.2), Code 1962, is hereby
2 amended by striking from lines ten (10) and eleven (11) the words
3 "in executive session".

1 SEC. 4. Section ninety-six point ten (96.10), Code 1962, is hereby
2 amended as follows:

3 1. By striking from line twenty (20) of subsection one (1) of such
4 section the words "in executive session".

5 2. By striking from line twenty-three (23) of paragraph *b*, sub-
6 section one (1) of such section the words "in executive session".

1 SEC. 5. Section one hundred seventeen point eight (117.8), Code
2 1962, is hereby amended by striking from line six (6) the words "in
3 executive session".

1 SEC. 6. Section one hundred twenty-three point seven (123.7),
2 Code 1962, is hereby amended as follows:

3 1. By striking from lines four (4) and five (5) the words "in exec-
4 utive session".

5 2. By striking from lines fifteen (15) and sixteen (16) the words
6 "in executive session".

1 SEC. 7. Section one hundred thirty-five point two (135.2), Code
2 1962, is hereby amended by striking from lines five (5) and six (6)
3 the words "in executive session".

1 SEC. 8. Section one hundred forty-six point six (146.6), Code
2 1962, is hereby amended as follows:

3 1. By striking from lines two (2) and three (3) the words "in
4 executive session".

5 2. By striking from line fifteen (15) the words "in executive ses-
6 sion".

7 3. By striking from line twenty (20) the words "in executive ses-
8 sion".

1 SEC. 9. Section two hundred seventeen point two (217.2), Code
2 1962, is hereby amended by striking from lines five (5) and six (6)
3 the words "in executive session".

1 SEC. 10. Section two hundred thirty-four point three (234.3),
2 Code 1962, is hereby amended by striking from lines seven (7) and
3 eight (8) the words "in executive session".

1 SEC. 11. Section two hundred forty-seven point two (247.2), Code
2 1962, is hereby amended as follows:

3 1. By striking from line six (6) the words "in executive session".

4 2. By striking from lines twelve (12) and thirteen (13) the words
5 "in executive session".

1 SEC. 12. Section two hundred fifty-seven point three (257.3), Code
2 1962, is hereby amended by striking from line seventeen (17) the
3 words "in executive session".

1 SEC. 13. Section two hundred fifty-seven point eleven (257.11),
2 Code 1962, is hereby amended by striking from line five (5) the words
3 "in executive session".

1 SEC. 14. Section two hundred sixty-two point three (262.3), Code
2 1962, is hereby amended by striking from line four (4) the words "in
3 executive session".

1 SEC. 15. Section three hundred seven point two (307.2), Code
2 1962, is hereby amended by striking from lines five (5) and six (6)
3 the words "in executive session".

1 SEC. 16. Section three hundred twenty-eight point two (328.2),
2 Code 1962, is hereby amended by striking from lines seven (7) and
3 eight (8) the words "in executive session".

1 SEC. 17. Section four hundred twenty-one point two (421.2), Code
2 1962, is hereby amended by striking from lines three (3) and four (4)
3 the words "in executive session".

1 SEC. 18. Section four hundred twenty-one point six (421.6), Code
2 1962, is hereby amended by striking from lines five (5) and six (6)
3 the words "in executive session".

1 SEC. 19. Section four hundred twenty-one point seven (421.7),
2 Code 1962, is hereby amended as follows:

3 1. By striking from lines five (5) and six (6) the words "in exec-
4 utive session".

5 2. By striking from lines fifteen (15) and sixteen (16) the words
6 "in executive session".

1 SEC. 20. Section four hundred fifty-five A point four (455A.4),
2 Code 1962, is hereby amended by striking from lines nine (9) and ten
3 (10) the words "in executive session".

1 SEC. 21. Section four hundred seventy-four point two (474.2),
2 Code 1962, is hereby amended by striking from lines ten (10) and
3 eleven (11) the words "in executive session".

1 SEC. 22. Section five hundred five point two (505.2), Code 1962,
2 is hereby amended by striking from lines six (6) and seven (7) the
3 words "in executive session".

1 SEC. 23. Section five hundred twenty-four point two (524.2), Code
2 1962, is hereby amended by striking from lines six (6) and seven (7)
3 the words "in executive session".

1 SEC. 24. Chapter eighty (80), Acts of the Sixtieth General As-
2 sembly, is hereby amended by striking from lines three (3) and four
3 (4) of section one (1) the words "in executive session".

1 SEC. 25. Chapter ninety-four (94), Acts of the Sixtieth General
2 Assembly, is hereby amended by striking from line five (5) of section
3 one (1) the words "in executive session".

1 SEC. 26. This Act, being deemed of immediate importance, shall
2 take effect and be in full force from and after its passage and publica-
3 tion in the West Des Moines Express, a newspaper published in West
4 Des Moines, Iowa, and the Fort Dodge Messenger, a newspaper pub-
5 lished at Fort Dodge, Iowa.

Approved February 10, 1965.

I hereby certify that the foregoing Act, Senate File 1, was published in the West Des Moines Express, West Des Moines, Iowa, February 11, 1965, and in the Fort Dodge Messenger, Fort Dodge, Iowa, February 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 69

LEGISLATIVE RESEARCH

S. F. 629

AN ACT relating to the legislative research committee and the legislative research bureau.

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

1 SECTION 1. Section two point forty-nine (2.49), Code 1962, is
2 hereby amended as follows:

3 1. By striking lines three (3) through twelve (12) and inserting in
4 lieu thereof the following:

5 "sixteen (16) members which shall be entitled the legislative re-
6 search committee. The committee shall be composed of the president
7 pro tempore of the senate, the speaker of the house of representatives,
8 the majority and minority floor leaders of the senate, five (5) mem-
9 bers of the senate appointed by the president of the senate, the major-
10 ity and minority floor leaders of the house of representatives, and five
11 (5) members of the house of representatives appointed by the speaker
12 of the house of representatives. Of the five (5) members appointed
13 by the president of the senate and speaker of the house, three (3) from
14 each house shall be appointed from the majority party and two (2)
15 from each house shall be appointed from the minority party. Members
16 shall be appointed prior to".

17 2. By inserting in line seventeen (17) after the word "appointed."
18 the following:

19 "Vacancies on the committee, including vacancies which occur when
20 a member of the committee ceases to be a member of the general
21 assembly, shall be filled by the president of the senate and the speaker
22 of the house respectively."

23 3. By striking from line twenty-one (21) the words "one member"
24 and inserting in lieu thereof the words "two (2) members".

25 4. By adding thereto the following:

26 "The committee shall hold regular quarterly meetings each calendar
27 year at a time and place fixed by the committee and shall meet at such
28 other time and place as committee members may deem necessary."

1 SEC. 2. Section two point fifty (2.50), Code 1962, is hereby
2 amended by adding thereto the following new subsections:

3 1. "To appoint study committees consisting of members of the legis-
4 lative research committee and members of the general assembly of
5 such number as the committee shall determine. Nonlegislative mem-
6 bers may be included on study committees when the committee deems
7 the participation of such members advantageous to the conduct of the
8 study."

9 2. "To conduct studies and evaluate reports of studies assigned to
10 study committees and make recommendations for legislative or ad-
11 ministrative action thereon. Recommendations shall include such bills
12 as the research committee may deem advisable."

1 SEC. 3. Section two point fifty-one (2.51), Code 1962, is hereby
2 amended by inserting in line two (2) after the word "committee" the
3 words "and study committees appointed by the research committee".

1 SEC. 4. Section two point fifty-two (2.52), Code 1962, is hereby
2 amended as follows:

3 1. By striking from lines fourteen (14) and fifteen (15) the words
4 "the research committee or".

5 2. By adding to such section the following:

6 "Research and bill drafting requests made between sessions shall be
7 in writing."

1 SEC. 5. Section two point fifty-five (2.55), Code 1962, is hereby
2 amended as follows:

3 1. By striking from line eight (8) the word "five" and inserting in
4 lieu thereof the word "twenty (20)".

5 2. By striking all of such section after line fourteen (14) and in-
6 serting in lieu thereof the following:

7 "authorize a study committee to conduct the research study. Mem-
8 bers on a study committee shall be appointed by the research commit-
9 tee and shall consist of at least one (1) member of the research
10 committee and such other members of the majority and minority par-
11 ties of the senate and the house of representatives as the research
12 committee may so designate. No legislator shall serve on more two
13 (2) study committees. Nonlegislative members having special knowl-
14 edge of the subject under study may be appointed by the research
15 committee to a study committee but such members shall be nonvoting
16 members of such committee. The legislative research bureau shall
17 assist all study committees on research studies."

1 SEC. 6. Section two point fifty-six (2.56), Code 1962, is hereby
2 repealed.

1 SEC. 7. Section two point fifty-seven (2.57), Code 1962, is hereby
2 repealed and the following enacted in lieu thereof:

3 "Study committees shall have the following powers and duties:

4 1. To elect officers and adopt necessary rules for the conduct of busi-
5 ness.

6 2. To conduct research on any matter connected with the study as-
7 signed by the research committee.

8 3. To hold hearings.

9 4. To make a report which may include recommendations to the
10 research committee. Copies of study committee reports shall be made
11 available to members of the general assembly and may be made avail-
12 able to other interested individuals upon request."

1 SEC. 8. Section two point fifty-eight (2.58), Code 1962, is hereby
2 repealed and the following enacted in lieu thereof:

3 "Study committees shall first meet at the call of the ranking legis-
4 lative research committee member assigned to the study committee and
5 shall thereafter meet at such time as study committee members shall
6 so designate. Any legislator may attend any study committee meeting
7 or any hearing held by a study committee."

1 SEC. 9. Section two point fifty-nine (2.59), Code 1962, is hereby
2 repealed.

1 SEC. 10. Section two point sixty (2.60), Code 1962, is hereby
2 amended as follows:

- 3 1. By striking from line three (3) the words "joint advisory" and
 4 inserting in lieu thereof the word "study".
 5 2. By striking from line three (3) of subsection two (2) of such
 6 section the words "joint advisory" and inserting in lieu thereof the
 7 word "study".
 8 3. By striking from line five (5) of subsection two (2) of such sec-
 9 tion the words "joint advisory" and inserting in lieu thereof the word
 10 "study".
 11 4. By striking from line two (2) of subsection four (4) of such sec-
 12 tion the words "joint advisory" and inserting in lieu thereof the word
 13 "study".

1 SEC. 11. Section two point sixty-two (2.62), Code 1962, as
 2 amended by section two (2) of chapter fifty-five (55), Acts of the
 3 Sixtieth General Assembly, is hereby amended by inserting in line
 4 nine (9) following the words "research committee" the words ", study
 5 committees,".

1 SEC. 12. This Act, being deemed of immediate importance, shall be
 2 in full force and effect from and after its passage and publication in
 3 The Emmetsburg Democrat, a newspaper published in Emmetsburg,
 4 Iowa, and in The Telegraph-Herald, a newspaper published in Du-
 5 buque, Iowa.

Approved July 1, 1965.

I hereby certify that the foregoing Act, Senate File 629, was published in The Emmetsburg Democrat, Emmetsburg, Iowa, July 8, 1965, and The Telegraph-Herald, Dubuque, Iowa, July 9, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 70

GOVERNOR MAY ACCEPT FEDERAL FUNDS

S. F. 540

AN ACT authorizing the governor to accept federal funds.

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

1 SECTION 1. Amend chapter seven (7), Code 1962, by adding the
 2 following new section:

3 "The governor is authorized to accept for the state, the funds pro-
 4 vided by any act of congress for the benefit of the state of Iowa, or
 5 its political subdivisions, provided there is no agency to accept and
 6 administer such funds, and he is authorized to administer or designate
 7 an agency to administer the funds until such time as an agency of the
 8 state is established for that purpose."

1 SEC. 2. This Act being deemed of immediate importance shall take
 2 effect and be in full force from and after its publication in the High-
 3 land Park News, a newspaper published at Des Moines, Iowa, and The

4 West Des Moines Express, a newspaper published at West Des Moines,
5 Iowa.

Approved May 7, 1965.

I hereby certify that the foregoing Act, Senate File 540, was published in the Highland Park News, Des Moines, Iowa, May 13, 1965, and in The West Des Moines Express, West Des Moines, Iowa, May 13, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 71

EMERGENCY USE OF PUBLIC HIGHWAYS

H. F. 714

AN ACT enabling the governor to mobilize the executive department of the state in the event of an emergency on the public highways.

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

1 SECTION 1. Chapter seven (7), Code 1962, is hereby amended by
2 adding the following new section:

3 Whenever the governor is satisfied that a state of emergency exists,
4 or is likely to exist, on the public streets or highways of this state,
5 because of violations of chapter three hundred twenty-one (321) of
6 the Code, he shall designate any employee or employees of this state
7 as peace officers pursuant to section seven hundred forty-eight point
8 three (748.3) subsection five (5) of the Code, until such time as the
9 governor is satisfied the state of emergency is ended.

1 SEC. 2. Individuals so designated shall have the full duties and
2 rights of peace officers under the Code, for the purpose of enforcing
3 the motor vehicle laws and ordinances of this state, and shall be pro-
4 vided with an identifying badge and card.

1 SEC. 3. The governor, in exercising the power conferred upon him
2 by this Act, may designate one employee or officer of the state to super-
3 vise all persons designated as peace officers hereunder, and they shall
4 be fully responsible to him for all acts performed pursuant to this Act.

1 SEC. 4. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its passage and publication in
3 The Red Oak Express, a newspaper published at Red Oak, Iowa, and
4 in The Malvern Leader, a newspaper published at Malvern, Iowa.

Approved June 30, 1965.

I hereby certify that the foregoing Act, House File 714, was published in The Red Oak Express, Red Oak, Iowa, July 1, 1965, and The Malvern Leader, Malvern, Iowa, July 1, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 72

DETERMINATION OF EXECUTIVE DISABILITY

H. F. 713

AN ACT relating to the determination of executive disability.

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

1 SECTION 1. Amend chapter seven (7), Code 1962, by adding the
2 following section:

3 1. Whenever it appears that the governor is unable to discharge the
4 duties of his office for reason of disability pursuant to Article IV,
5 section 17, Constitution of Iowa, the person next in line of succession
6 to the office of the governor, or the chief justice, may call a conference
7 consisting of the person who is chief justice, the person who is director
8 of mental health, and the person who is the dean of medicine at the
9 state university of Iowa. Provided, if either the director or dean is
10 not a physician duly licensed to practice medicine by this state he may
11 assign a member of his staff so licensed to assist and advise on the
12 conference. The three members of the conference shall within ten
13 (10) days after the conference is called examine the governor. Within
14 seven (7) days after the examination, or if upon attempting to ex-
15 amine the governor the members of the conference are unable to
16 examine him because of circumstances beyond their control, they shall
17 conduct a secret ballot and by unanimous vote may find that the gov-
18 ernor is temporarily unable to discharge the duties of the office.

19 2. The finding of or failure to find a disability shall be immediately
20 made public, and in case the governor is found to be unable to dis-
21 charge the duties of the office, the person next in line of succession to
22 the office of governor shall be immediately notified. After receiving
23 the notification such person may, under section 17, Article IV and
24 amendment 2 of 1952, Constitution of Iowa, become governor until the
25 disability be removed.

26 3. Whenever a governor who is unable to discharge the duties of the
27 office believes his disability to be removed, he may call a conference
28 consisting of the three persons referred to as members of such a con-
29 ference in subsection (1) of this Act. The three members of the con-
30 ference shall within ten (10) days examine the disabled governor.
31 Within seven (7) days after the examination they shall conduct a
32 secret ballot and by unanimous vote may find the disability removed.

33 4. The finding of or failure to find the disability removed shall be
34 immediately made public.

Approved July 1, 1965.

CHAPTER 73

AUDIT OF COUNTY AND MEMORIAL HOSPITALS

S. F. 40

AN ACT relating to examinations of financial conditions and transactions of county and memorial hospitals by certified or registered public accountants.

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

- 1 SECTION 1. Section one (1), chapter fifty-nine (59), Acts of the
- 2 Sixtieth General Assembly, is amended by striking from lines eight
- 3 (8) and nine (9) the following: “, but not more than four (4) years
- 4 in succession,”.

Approved February 25, 1965.

CHAPTER 74

AUDITOR OF STATE

S. F. 380

AN ACT authorizing the auditor of state to employ independent certified public accountants or registered public accountants.

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

- 1 SECTION 1. Chapter eleven (11), Code 1962, is amended by adding
- 2 the following:
- 3 “Nothing in this chapter will prohibit the auditor of state, with the
- 4 prior written permission of the state executive council, from employ-
- 5 ing certified public accountants or registered public accountants for
- 6 specific assignments. Under the provision of this section, the auditor
- 7 of state may employ such accountants for any assignment now ex-
- 8 pressly reserved to the auditor of state. Payments, after approval by
- 9 the executive council, will be made to the accountants so employed
- 10 from funds from which the auditor of state would have been paid had
- 11 he performed the assignment, or if no such specific funds are indi-
- 12 cated, then payment will be made from the funds of the executive
- 13 council.

Approved May 26, 1965.

CHAPTER 75

ADMINISTRATIVE RULES

H. F. 170

AN ACT relating to the rules of administrative agencies.

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

- 1 SECTION 1. Section one (1) of chapter sixty-six (66), Acts 60th
- 2 General Assembly is amended by inserting in line nine (9) after the
- 3 word “supplement,” the words “repeal, recession,”.

1 SEC. 2. Section five (5) of chapter sixty-six (66), Acts 60th Gen-
2 eral Assembly is amended by adding after the word "rule," in line two
3 (2) the words "temporary or permanent,".

1 SEC. 3. Section seven (7) of chapter sixty-six (66), Acts 60th
2 General Assembly is amended by striking from line seven (7) the
3 word and figures "sixty (60)" and inserting in lieu thereof the word
4 and figures "sixty-five (65)".

1 SEC. 4. Section eight (8) of chapter sixty-six (66), Acts 60th Gen-
2 eral Assembly is hereby repealed and the following enacted in lieu
3 thereof:

4 "Sec. 8. Four (4) copies of all proposed rules shall be filed with
5 the secretary of state. There shall be attached to each copy of any
6 proposed temporary rule a statement that the proposed rule was sub-
7 mitted to the chairman of the departmental rules review committee
8 and to the attorney general in accordance with section five (5) of this
9 chapter and the date which each was submitted. Temporary rules
10 shall not become effective until ten (10) days after the date of filing
11 with the secretary of state, but a later date may be specified in the
12 rule.

13 "There shall be attached to each copy of any proposed permanent
14 rule, (1) a copy of the attorney general's opinion rendered pursuant
15 to this Act or a statement that the proposed rule was submitted to the
16 attorney general on a stated date and that the attorney general did not
17 render an opinion thereon within sixty (60) days after such date, and
18 (2) a copy of the finding of the departmental rules review committee
19 rendered pursuant to this Act or a statement that six (6) copies of the
20 proposed rule were submitted to the chairman of the departmental
21 rules review committee on a stated date and that the committee did
22 not report any finding to the agency within sixty-five (65) days after
23 receiving such copies.

24 "Permanent rules, unless otherwise provided, shall not become effec-
25 tive until thirty (30) days after such filing but a different date may be
26 specified in the rule. The secretary of state shall endorse upon the
27 copies of rules so filed the date of filing and index one (1) copy in the
28 files of his office, transmit one (1) copy to the code editor, and trans-
29 mit two (2) copies to the chairman of the departmental rules review
30 committee."

1 SEC. 5. Section fourteen point three (14.3), Code 1962, is amended
2 by inserting in subsection seven (7) line fourteen (14) after the word
3 "application" the words "and temporary rules".

Approved May 3, 1965.

CHAPTER 76

CAPITOL PLANNING COMMISSION

H. F. 148

AN ACT relating to terms of members of the capitol planning commission.

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

1 SECTION 1. Section eighteen A point two (18A.2), Code 1962, is
2 amended by adding thereto the following:

3 "The terms of office of all members of the capitol planning commis-
4 sion in office on the effective date of this Act are continued to May 1,
5 1967 on which date all terms shall terminate. Prior to said date ap-
6 pointments shall be made for succeeding members as follows:

7 From the House of Representatives, one for a term of two years and
8 one for a term of four years.

9 From the Senate, one for a term of two years and one for a term of
10 four years.

11 For successors to nonofficial appointees one for a term of two years
12 and two for terms of four years.

13 All terms of members of the commission shall begin on May 1 of
14 each odd-numbered year beginning with May 1, 1967."

Approved May 14, 1965.

CHAPTER 77

EXECUTIVE COUNCIL REVOLVING FUND

S. F. 622

AN ACT to establish an executive council revolving fund for purchasing.

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

1 SECTION 1. There is hereby appropriated out of any money in the
2 state treasury not otherwise appropriated the sum of two hundred
3 thousand dollars (\$200,000.00), which shall be known as the executive
4 council revolving fund. From this fund shall be paid all telephone,
5 telegraph, furniture, equipment, stores and other supplies incurred in
6 the operation of centralized purchasing. Also, all salaries and expenses
7 properly chargeable thereto shall be paid from said fund.

8 At the end of each month the executive council shall render a state-
9 ment to each state department or agency thereof for the actual cost of
10 materials, services, supplies or equipment used by such department,
11 agency or institution, together with a fair proportion of the cost of
12 administration of the executive council revolving fund. Such expense
13 shall be paid by the state departments, agencies or institutions in the
14 same manner as other expenses of such department are paid, and when
15 such cost of operation and administration is paid by the department,
16 such sum shall be credited to the executive council revolving fund. If
17 any surplus accrues to said revolving fund in excess of two hundred
18 thousand dollars (\$200,000.00) for which there is no anticipated need

19 or use, the governor shall order such surplus turned over to the general
20 fund of the state.

Approved June 3, 1965.

CHAPTER 78
MUNICIPAL BONDS

S. F. 582

AN ACT relating to the issuance of bonds by municipal corporations.

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

1 SECTION 1. Chapter twenty-three (23), Code 1962, is hereby
2 amended by adding thereto the following new section:
3 "Any other law to the contrary notwithstanding, any municipality
4 may authorize, sell, issue and deliver its bonds without regard to
5 whether or not notice and hearing on the plans, specifications and form
6 of contract for the public improvement to be paid for in whole or in
7 part from the proceeds of said bonds has theretofor been given, and
8 without regard to whether or not any contract has theretofor been
9 awarded for the construction of said improvement. The foregoing
10 provision shall not apply to bonds which are payable solely from special
11 assessments levied against benefited property."

1 SEC. 2. This Act being of immediate importance shall be in full
2 force and effect from and after its passage and publication in the West
3 Des Moines Express, a newspaper published at West Des Moines, Iowa,
4 and the Nashua Reporter, a newspaper published at Nashua, Iowa.

Approved June 30, 1965.

I hereby certify that the foregoing Act, Senate File 582, was published in the West Des Moines Express, West Des Moines, Iowa, July 8, 1965, and in the Nashua Reporter, Nashua, Iowa, July 8, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 79
STATE TORT CLAIMS ACT

S. F. 322

AN ACT to create and establish a state tort claims Act; defining terms and conferring upon the state appeal board on behalf of the state the power to determine certain claims against the state; permitting the state to be sued and waiving the state's immunity from liability to the extent provided herein; conferring jurisdiction in the district court to hear, determine, and render judgment; and generally providing for the practice and procedure to establish liability of the state on tort claims.

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

1 SECTION 1. This Act may be cited as the "Iowa Tort Claims Act".

1 SEC. 2. As used in this Act, unless the context otherwise requires:

2 1. "State agency" includes all executive departments, agencies,
3 boards, bureaus, and commissions of the state of Iowa, and corpora-
4 tions whose primary function is to act as, and while acting as, instru-
5 mentalities or agencies of the state of Iowa, whether or not authorized
6 to sue and be sued in their own names. This definition shall not be
7 construed to include any contractor with the state of Iowa.

8 2. "State appeal board" means the state appeal board as defined in
9 section twenty-three point one (23.1) of the Code.

10 3. "Employee of the state" includes any one (1) or more officers or
11 employees of the state or any state agency, and persons acting on
12 behalf of the state or any state agency in any official capacity, tem-
13 porarily or permanently in the service of the state of Iowa, whether
14 with or without compensation.

15 4. "Acting within the scope of his office or employment" means act-
16 ing in his line of duty as an employee of the state.

17 5. "Claim" means any claim against the state of Iowa for money
18 only, on account of damage to or loss of property or on account of
19 personal injury or death, caused by the negligent or wrongful act or
20 omission of any employee of the state while acting within the scope of
21 his office or employment, under circumstances where the state, if a
22 private person, would be liable to the claimant for such damage, loss,
23 injury, or death, in accordance with the law of the place where the act
24 or omission occurred. However, "claim" includes only such claims
25 accruing on or after January 1, 1963; and does not include any claim
26 which was presented to the Sixtieth General Assembly and which is
27 barred under the provisions of section twenty-five point seven (25.7)
28 of the Code.

29 6. "Award" means any amount determined by the state appeal
30 board to be payable to a claimant under section three (3) of this Act,
31 and the amount of any compromise or settlement under section nine
32 (9) of this Act.

1 SEC. 3. Authority is hereby conferred upon the state appeal board,
2 acting on behalf of the state of Iowa, subject to the advice and ap-
3 proval of the attorney general, to consider, ascertain, adjust, compro-
4 mise, settle, determine, and allow any claim as defined in this Act. If
5 any claim is compromised, settled, or allowed in an amount of more
6 than five thousand (5,000) dollars, the unanimous approval of all
7 members of the state appeal board and the attorney general shall be
8 required and the approval of the district court of the State of Iowa
9 for Polk County shall also be required.

10 Claims made under this Act shall be filed with the state comptroller,
11 who shall acknowledge receipt on behalf of the state appeal board.

12 The state appeal board may adopt rules, regulations, and procedures
13 for the handling, processing, and investigation of claims.

1 SEC. 4. The district court of the state of Iowa for the district in
2 which the plaintiff is resident or in which the act or omission com-
3 plained of occurred, sitting without a jury, shall have exclusive juris-
4 diction to hear, determine, and render judgment on any suit or claim
5 as defined in this Act. However, the laws and rules of civil proce-
6 dure of this state on change of place of trial shall apply to such suits.

7 The state shall be liable in respect to such claims to the same claim-
8 ants, in the same manner, and to the same extent as a private indi-
9 vidual under like circumstances, except that the state shall not be
10 liable for interest prior to judgment or for punitive damages. Costs
11 shall be allowed in all courts to the successful claimant to the same
12 extent as if the state were a private litigant.

13 The immunity of the state from suit and liability is waived to the
14 extent provided in this Act.

1 SEC. 5. No suit shall be permitted under this Act unless the state
2 appeal board has made final disposition of the claim; except that if
3 the state appeal board does not make final disposition of a claim within
4 six (6) months after the claim is made in writing to the state appeal
5 board, the claimant may, by notice in writing, withdraw the claim
6 from consideration of the state appeal board and begin suit under this
7 Act. Disposition of or offer to settle any claim made under this Act
8 shall not be competent evidence of liability or amount of damages in
9 any suit under this Act.

1 SEC. 6. In suits under this Act, the forms of process, writs, plead-
2 ings, and actions, and the practice and procedure, shall be in accord-
3 ance with the rules of civil procedure promulgated and adopted by the
4 supreme court of the state. The same provisions for counterclaims,
5 setoff, interest upon judgments, and payment of judgments, shall be
6 applicable as in other suits brought in the district courts of the state.
7 However, no writ of execution shall issue against the state or any
8 state agency by reason of any judgment under this Act.

1 SEC. 7. Judgments in the district courts in suits under this Act
2 shall be subject to appeal to the supreme court of the state in the same
3 manner and to the same extent as other judgments of the district
4 courts.

1 SEC. 8. The final judgment in any suit under this Act shall consti-
2 tute a complete bar to any action by the claimant, by reason of the
3 same subject matter, against the employee of the state whose act or
4 omission gave rise to the claim. However, this section shall not apply
5 if the court rules that the claim is not permitted under this Act.

1 SEC. 9. With a view to doing substantial justice, the attorney gen-
2 eral is authorized to compromise or settle any suit permitted under
3 this Act, with the approval of the court in which suit is pending.

1 SEC. 10. Any award made under this Act and accepted by the
2 claimant shall be final and conclusive on all officers of the state of
3 Iowa, except when procured by means of fraud, notwithstanding any
4 other provisions of law to the contrary.

5 The acceptance by the claimant of such award shall be final and
6 conclusive on the claimant, and shall constitute a complete release by
7 the claimant of any claim against the state and against the employee
8 of the state whose act or omission gave rise to the claim, by reason of
9 the same subject matter.

1 SEC. 11. Any award to a claimant under this Act, and any judg-
2 ment in favor of any claimant under this Act, shall be paid promptly

3 out of appropriations which have been made for such purpose, if any;
4 but any such amount or part thereof which cannot be paid promptly
5 from such appropriations shall be paid promptly out of any money in
6 the state treasury not otherwise appropriated. Payment shall be made
7 only upon receipt of a written release by the claimant in a form ap-
8 proved by the attorney general.

1 SEC. 12. The state comptroller shall annually report to the gen-
2 eral assembly all claims and judgments paid under this Act. Such
3 report shall include the name of each claimant, a statement of the
4 amount claimed and the amount awarded, and a brief description of
5 the claim.

1 SEC. 13. Every claim against the state permitted under this Act
2 shall be forever barred, unless within two (2) years after such claim
3 accrued or prior to July 1, 1967, whichever is later, the claim is made
4 in writing to the state appeal board under this Act and a suit is begun
5 under this Act. The time to begin a suit under this Act shall be ex-
6 tended for a period of six (6) months from the date of mailing of
7 notice to the claimant by the state appeal board as to the final dis-
8 position of the claim or from the date of withdrawal of the claim from
9 the state appeal board under section five (5) of this Act, if the time
10 to begin suit would otherwise expire before the end of such period.

11 If a claim is made or filed under any other law of this state and a
12 determination is made by a state agency or court that this Act pro-
13 vides the exclusive remedy for the claim, the time to make a claim and
14 to begin a suit under this Act shall be extended for a period of six (6)
15 months from the date of the court order making such determination
16 or the date of mailing of notice to the claimant of such determination
17 by a state agency, if the time to make the claim and to begin the suit
18 under this Act would otherwise expire before the end of such period.
19 The time to begin a suit under this Act may be further extended as
20 provided in the preceding paragraph.

21 This section is the only statute of limitations applicable to claims as
22 defined in this Act.

1 SEC. 14. The provisions of this Act shall not apply to:

2 1. Any claim based upon an act or omission of an employee of the
3 state, exercising due care, in the execution of a statute or regulation,
4 whether or not such statute or regulation be valid, or based upon the
5 exercise or performance or the failure to exercise or perform a dis-
6 cretionary function or duty on the part of a state agency or an em-
7 ployee of the state, whether or not the discretion be abused.

8 2. Any claim arising in respect to the assessment or collection of
9 any tax or fee, or the detention of any goods or merchandise by any
10 law enforcement officer.

11 3. Any claim for damages caused by the imposition or establishment
12 of a quarantine by the state, whether such quarantine relates to per-
13 sons or property.

14 4. Any claim arising out of assault, battery, false imprisonment,
15 false arrest, malicious prosecution, abuse or process, libel, slander,
16 misrepresentation, deceit, or interference with contract rights.

17 5. Any claim by an employee of the state which is covered by the

18 Iowa workmen's compensation law or the Iowa occupational disease
19 law.

1 SEC. 15. The court rendering a judgment for the claimant under
2 this Act, or the state appeal board, with the advice and approval of
3 the attorney general, making an award under section three (3) of this
4 Act, or the attorney general making an award under section nine (9)
5 of this Act, as the case may be, shall, as a part of the judgment or
6 award, determine and allow reasonable attorney's fees and expenses,
7 to be paid out of but not in addition to the amount of judgment or
8 award recovered, to the attorneys representing the claimant. Any
9 attorney who charges, demands, receives, or collects for services rendered
10 in connection with such claim any amount in excess of that
11 allowed under this section, if recovery be had, shall be guilty of a
12 misdemeanor, and shall, upon conviction thereof, be subject to a fine
13 of not more than one thousand (1,000) dollars or imprisonment for
14 not more than one (1) year, or both.

1 SEC. 16. From and after the effective date of this Act, the author-
2 ity of any state agency to sue or be sued in its own name shall not be
3 construed to authorize suits against such state agency on claims as
4 defined in this Act. The remedies provided by this Act in such cases
5 shall be exclusive.

1 SEC. 17. Nothing contained herein shall be deemed to repeal any
2 provision of law authorizing any state agency to consider, ascertain,
3 adjust, compromise, settle, determine, allow, or pay any claim other
4 than a claim as defined in this Act.

1 SEC. 18. If a claim is made or a suit is begun under this Act, and
2 if a determination is made by the state appeal board or by the court
3 that the claim or suit is not permitted under this Act for any reason
4 other than lapse of time, the time to make a claim or to begin a suit
5 under any other applicable law of this state shall be extended for a
6 period of six (6) months from the date of the court order making
7 such determination or the date of mailing of notice to the claimant of
8 such determination by the state appeal board, if the time to make the
9 claim or begin the suit under such other law would otherwise expire
10 before the end of such period.

1 SEC. 19. Upon the effective date of this Act, all claims as defined
2 in this Act which have been filed with the clerk of the house of repre-
3 sentatives and the secretary of the senate under section twenty-five
4 point two (25.2) of the Code shall be returned to and processed by
5 the state appeal board in accordance with this Act.

1 SEC. 20. Section twenty-five point seven (25.7) of the Code shall
2 not apply to claims as defined in this Act, except as expressly pro-
3 vided in section one (1) of this Act. The other provisions of chapter
4 twenty-five (25) of the Code shall not apply to claims as defined in
5 this Act. However, any or all of the provisions of sections twenty-
6 five point one (25.1), twenty-five point four (25.4), and twenty-five
7 point five (25.5) of the Code may be made applicable to claims as
8 defined in this Act by agreement between the attorney general and
9 the state appeal board from time to time.

1 SEC. 21. Whenever a claim or suit against the state is covered by
 2 liability insurance, the provisions of the liability insurance policy on
 3 defense and settlement shall be applicable notwithstanding any incon-
 4 sistent provisions of this Act. The attorney general and the state
 5 appeal board shall cooperate with the insurance company.

1 SEC. 22. Section five hundred seventeen A point one (517A.1),
 2 Code 1962, is hereby amended by adding the following at the end
 3 thereof:

4 "The form and liability limits of any such liability insurance policy
 5 purchased by any commission, department, board, or agency of the
 6 state of Iowa shall be subject to the approval of the attorney general."

1 SEC. 23. This Act, being deemed of immediate importance, shall
 2 be in full force and effect from and after its publication in The Mus-
 3 catine Journal, a newspaper published at Muscatine, Iowa, and the
 4 Cedar Rapids Gazette, a newspaper published at Cedar Rapids, Iowa.

Approved March 26, 1965.

I hereby certify that the foregoing Act, Senate File 322, was published in The Muscatine Journal, Muscatine, Iowa, March 30, 1965, and in the Cedar Rapids Gazette, Cedar Rapids, Iowa March 30, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 80

IOWA DEVELOPMENT PLANNING ASSISTANCE

H. F. 632

AN ACT to authorize the Iowa development commission to perform or provide for planning assistance to Iowa governmental units and agencies to insure the economic and orderly development of the state.

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

1 SECTION 1. Section twenty-eight point ten (28.10), Code 1962, is
 2 hereby repealed and the following enacted in lieu thereof:

3 "To insure the economic and orderly development of the state, the
 4 Iowa development commission is authorized to:

5 1. Perform state and interstate comprehensive planning and related
 6 activities.

7 2. Perform planning for metropolitan or regional areas or areas of
 8 rapid urbanization including interstate areas.

9 3. Provide planning assistance to cities, other municipalities, coun-
 10 ties, groups of adjacent communities, metropolitan and regional areas,
 11 and official governmental planning agencies.

12 4. To assist public or private universities and colleges and urban
 13 centers to:

14 a. Organize, initiate, develop, and expand programs which will pro-
 15 vide special training in skills needed for economic and efficient com-
 16 munity development.

17 b. Support state and local research that is needed in connection with
 18 community development.

19 5. Apply for, receive, contract for, and expend federal funds and
20 grants and funds and grants from other sources."

Approved May 26, 1965.

CHAPTER 81

CIVIL DEFENSE

S. F. 575

AN ACT to amend chapter 28A, Code 1962, as amended, relating to civil defense in the state of Iowa.

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

1 SECTION 1. Section twenty-eight A point one (28A.1), Code 1962,
2 is hereby repealed and the following enacted in lieu thereof:

3 "The state civil defense agency shall be a division within the depart-
4 ment of public defense of the state government and shall be styled and
5 known as the "civil defense division, department of public defense".

6 The civil defense division shall be responsible for the administration
7 of civil defense matters, to include emergency resource planning, in the
8 state of Iowa and coordinate available services in the event of major
9 man-made disasters or in the event of natural disasters including, but
10 not limited to, hurricanes, tornadoes, windstorms or floods".

1 SEC. 2. Section twenty-eight A point two (28A.2), Code 1962, is
2 hereby repealed and the following enacted in lieu thereof:

3 "There is hereby created a civil defense advisory council, hereinafter
4 referred to as the "council", the members of which shall be composed
5 of nine (9) residents of the state of Iowa appointed by the governor
6 for three (3) year terms. Membership in the council shall be repre-
7 sentative of counties, municipalities and rural areas, shall be non-
8 partisan, and the members shall be appointed without reference to
9 their political affiliation.

10 The governor shall appoint one of the members as chairman and one
11 as vice-chairman.

12 As the terms of the members so appointed shall expire, their suc-
13 cessors shall be appointed, each for a term of three years; provided,
14 however, that upon the death, disability or resignation of any member,
15 the governor shall appoint a person to serve for the unexpired term.
16 Beginning on July 4, 1965, overlapping terms are hereby created,
17 three members to be appointed for a one year term to expire on July
18 4, 1966, three members to be appointed for a two year term to expire
19 on July 4, 1967, and three members to be appointed for a three year
20 term to expire on July 4, 1968, such appointments then to be made each
21 year thereafter as the terms expire.

22 The council shall advise the governor, the executive director of the
23 department of public defense, and the director, on all matters pertain-
24 ing to civil defense and emergency planning.

25 The members of the council shall serve without compensation, except
26 that they shall be reimbursed for their actual and necessary expenses
27 incurred in performing their duties as members of the council.

1 SEC. 3. Section twenty-eight A point three (28A.3), Code 1962, is
2 hereby repealed and the following enacted in lieu thereof:

3 1. This chapter shall be construed liberally so as to effect the maxi-
4 mum cooperation and coordination of the affairs of the civil defense
5 division with the federal government, with other states, with political
6 subdivisions of the state, and with private agencies in all matters per-
7 taining to the civil defense and emergency planning of this state and
8 of the nation.

9 2. In performing his duties under this Act and to effect its policy
10 and purpose, the governor is authorized and empowered:

11 a. To make, amend, and rescind the necessary orders, rules, and
12 regulations to carry out the provisions of this Act within the limits of
13 the authority conferred upon him herein, and on behalf of the state,
14 to enter into agreements with the federal government in conformance
15 with plans and policies of the federal civil defense agency and the office
16 of emergency planning.

17 b. On behalf of this state, to enter into mutual aid arrangements
18 with other states and to coordinate mutual aid plans between political
19 subdivisions of this state.

20 c. To delegate any administrative authority vested in him under this
21 Act, and to provide for the subdelegation of any such authority.

22 d. To cooperate with the president and the heads of the armed
23 forces, the civil defense and emergency planning agencies of the
24 United States and other appropriate federal officers and agencies, and
25 with the officers and agencies of other states in matters pertaining to
26 the civil defense and emergency planning of the state and nation,
27 including the direction and control of:

28 (1) Blackouts and practice blackouts, air raid drills, mobilization
29 of civil defense and emergency planning forces, and other tests and
30 exercises; (2) warnings and signals for drills or attacks and the
31 mechanical devices to be used in connection therewith; (3) the effec-
32 tive screening or extinguishing of all lights and lighting devices and
33 appliances; (4) shutting off water mains, gas mains, electric power
34 connections and the suspension of all other utility services; (5) the
35 conduct of civilians and the movement and cessation of movement of
36 pedestrians and vehicular traffic during, prior, and subsequent to drills
37 or attack; (6) public meetings or gatherings; and (7) the evacuation
38 and reception of the civilian population.

39 3. The adjutant general as the executive director of the department
40 of public defense, and under the direction and control of the governor,
41 shall have general direction and control of the civil defense division
42 and shall be responsible to the governor for the carrying out of the
43 provisions of this Act, and in the event of disaster beyond local con-
44 trol, may assume direct operational control over all or any part of the
45 civil defense and emergency planning functions within this state.

1 SEC. 4. Section twenty-eight A point four (28A.4), Code 1962, is
2 hereby repealed and the following enacted in lieu thereof:

3 1. The civil defense division shall be under the management of a
4 civil defense director who shall be appointed by the governor, upon
5 the recommendation of the council, for a four (4) year term. The
6 governor shall fix his compensation out of funds hereafter appropri-

7 ated to or otherwise available to the department of public defense for
8 such purpose.

9 2. The director shall be vested with the authority to administer
10 civil defense and emergency planning affairs in this state, including
11 man-made or natural disasters, as provided for herein, and shall be
12 responsible for preparing and executing the civil defense and emer-
13 gency planning programs of this state, subject to the direction of the
14 governor and supervisory control of the executive director of the de-
15 partment of public defense and assistance of the council.

16 3. The director, upon the direction of the governor and supervisory
17 control of the executive director of the department of public defense,
18 and with the advice of the council shall:

19 *a.* Prepare a comprehensive plan and program for the civil defense
20 and emergency resource management of this state, such plan and pro-
21 gram to be integrated into and coordinated with the civil defense plans
22 and emergency planning of the federal government and of other states
23 to the fullest possible extent, and to coordinate the preparation of
24 plans and programs for civil defense and emergency planning by the
25 political subdivisions and various state departments of this state,
26 such plans to be integrated into and coordinated with a comprehensive
27 state emergency program for this state as coordinated by the director
28 of public defense, to the fullest possible extent.

29 *b.* Make such studies and surveys of the industries, resources and
30 facilities in this state as may be necessary to ascertain the capabilities
31 of the state for civil defense and emergency resource management and
32 to plan for the most efficient emergency use thereof.

1 SEC. 5. Section twenty-eight A point five (28A.5), Code 1962, is
2 hereby amended as follows:

3 1. By striking in line two (2) the word "administration" and in-
4 serting in lieu thereof the words "executive director, department of
5 public defense and upon the recommendation of the council".

6 2. By striking in line seven (7) the word "administration" and in-
7 serting in lieu thereof the words "department of public defense".

8 3. By inserting in line eight (8) after the word "defense" the fol-
9 lowing: "and emergency planning".

1 SEC. 6. Section twenty-eight A point six (28A.6), Code 1962, is
2 hereby amended by striking in line two (2) the word "administration"
3 and inserting in lieu thereof the words "civil defense division, depart-
4 ment of public defense".

1 SEC. 7. Section twenty-eight A point seven (28A.7), Code 1962, is
2 hereby amended as follows:

3 1. By striking in line four (4) the word "administration" and in-
4 serting in lieu thereof the words "civil defense division, department of
5 public defense".

6 2. By striking in line five (5) the word "may" and inserting in lieu
7 thereof the word "shall".

1 SEC. 8. Section one (1) of house file four hundred seventeen (417),
2 Acts of the sixtieth general assembly, is hereby amended as follows:

3 1. By inserting in line five (5) after the word "defense" the follow-
4 ing: "and emergency planning".

- 5 2. By inserting in line nine (9) after the word "county" the follow-
6 ing: "and the sheriff of such county."
- 7 3. By inserting in line thirteen (13) after the word "defense" the
8 following: "and emergency planning".
- 9 4. By striking in lines fifteen (15) and sixteen (16) the words "its
10 own general fund" and inserting in lieu thereof the following: "any
11 funds that are not restricted".
- 12 5. By inserting in line seventeen (17) after the word "defense" the
13 following: "and emergency planning".
- 14 6. By inserting in line nineteen (19) after the word "the" the fol-
15 lowing: "county and".
- 16 7. By inserting in line twenty-one (21) after the word "defense"
17 the following: "and emergency planning".
- 18 8. By inserting in line twenty-five (25) before the word "program"
19 the following: "and emergency planning".
- 20 9. By striking in line twenty-six (26) the words "and used for civil
21 defense purposes."
- 22 10. By striking in line twenty-six (26) the word "withdrawals" and
23 all of lines twenty-seven (27), twenty-eight (28), twenty-nine (29),
24 and thirty (30), and inserting in lieu thereof the following: "With-
25 drawal of monies from the joint county-municipal civil defense and
26 emergency planning account maintained by the office of the county
27 treasurer to reimburse both county and city governments for their
28 share of funds received by the joint county-municipal civil defense
29 and emergency planning agency, and deposited with the county treas-
30 urer, may be made on warrants drawn by the county auditor, sup-
31 ported by claims from the county or city government concerned, and
32 these claims verified and vouchers signed by the chairman or vice
33 chairman of the joint administration and the director of the joint
34 county-municipal civil defense and emergency planning administra-
35 tion."
- 36 11. By striking in line thirty-eight (38) the words "a nuclear at-
37 tack" and inserting in lieu thereof the words "acts of aggression."
- 38 12. By inserting in line forty (40) after the word "defense" the
39 following: "and emergency planning".
- 40 13. By inserting in line fifty (50) after the word "defense" the fol-
41 lowing: "and emergency planning".
- 42 14. By inserting in line fifty-two (52) after the word "defense" the
43 following: "and emergency planning".
- 44 15. By inserting in line sixty-two (62) after the word "defense" the
45 following: "and emergency planning".
- 46 16. By striking in line sixty-three (63) the word "direct" and in-
47 serting in lieu thereof the word "coordinate".
- 48 17. By inserting in line seventy (70) after the word "defense" the
49 following: "and emergency planning".
- 50 18. By inserting in line seventy-two (72) after the word "each" the
51 following: "county board of supervisors and".
- 52 19. By inserting in line seventy-two (72) after the word "defense"
53 the following: "and emergency planning".
- 54 20. By inserting in line seventy-three (73) after the word "that"
55 the word "county".

56 21. By inserting in line seventy-four (74) after the word "defense"
57 the following: "and emergency planning".

58 22. By adding thereto the following:

59 "The county boards of supervisors in any two (2) or more adjacent
60 counties, may by mutual agreement act as a joint board to appoint one
61 (1) director who shall be the official director of civil defense and emer-
62 gency planning for each of the counties, shall work with any joint
63 county-municipal defense and emergency planning administrations
64 which may have been formed within any of the counties, and who shall
65 provide such services as may be carried on jointly to the mutual bene-
66 fit of all counties involved. Such agreement shall be in writing, shall
67 be approved by the state civil defense director, and shall be entered in
68 the respective minutes of each county board. The director so appointed
69 shall be appointed for a term of one (1) to three (3) years but in no
70 event longer than the period of time the mutual agreement by the
71 boards is to be in effect. The written agreement shall provide for the
72 determination of the cost of the joint program and the manner of
73 allocation of such cost to each board for inclusion in the budget of the
74 respective boards. For the payment of the salary and expenses of the
75 director and such other necessary expenses as may be incurred, the
76 boards shall designate one (1) board to make such payments and be
77 reimbursed by the other board or boards pursuant to the joint agree-
78 ment. The boards are hereby authorized to meet together for the
79 transaction of joint business."

80 The director employed by the county boards of supervisors may
81 further serve as a joint county-municipal civil defense director for any
82 joint county-municipal civil defense administration if a joint admin-
83 istration has been formed in any of the counties in which the director
84 is serving. Where the director also serves as a joint county-municipal
85 civil defense director, any city or town included in the joint adminis-
86 tration may appropriate funds for the payment of the salary and
87 expenses of the director in the same manner the city or town may
88 appropriate money under the joint administration.

1 SEC. 9. Section twenty-eight A point eight (28A.8), Code 1962, is
2 hereby amended as follows:

3 1. By striking in line three (3) the words "director of the adminis-
4 tration" and inserting in lieu thereof the words "executive director,
5 department of public defense, and the director, civil defense division,".

6 2. By striking all of lines ten (10) and eleven (11) and inserting in
7 lieu thereof after the word "subdivisions" in line nine (9) the follow-
8 ing: "at their respective levels of responsibility."

1 SEC. 10. Chapter twenty-eight A (28A), Code 1962, is hereby
2 amended by adding the following new section immediately after sec-
3 tion twenty-eight A point eight (28A.8).

4 1. Each political subdivision shall have the power to make appropri-
5 ations in the manner provided by law for making appropriations for
6 the expenses and salaries of such political subdivisions for the pay-
7 ment of expenses and salaries of its local organization for civil defense
8 and emergency planning.

9 Whenever the federal government or any agency or officer thereof
10 shall offer to the state, or through the state to any political subdivision

11 thereof, services, equipment, supplies, materials, or funds by way of
 12 gift, grant or loan, for purposes of civil defense and emergency plan-
 13 ning, the state, acting through the governor, or such political subdivi-
 14 sion, acting with the consent of the governor and through its executive
 15 officer or governing body, may authorize any officer of the state or of
 16 the political subdivision, as the case may be, to receive such services,
 17 equipment, supplies, materials, or funds on behalf of the state or such
 18 political subdivision, and subject to the terms of the offer and the rules
 19 and regulations, if any, of the agency making the offer.

20 Whenever any person, firm, or corporation shall offer to the state or
 21 to any political subdivision thereof, services, equipment, supplies,
 22 materials, or funds by way of gift, grant, or loan, for purposes of civil
 23 defense and emergency planning, the state, acting through its execu-
 24 tive officer or governing body, may accept such offer and upon such
 25 acceptance the governor of the state or executive officer or governing
 26 body of such political subdivision may authorize any officer of the state
 27 or of the political subdivision, as the case may be, to receive such serv-
 28 ices, equipment, supplies, materials, or funds on behalf of the state of*
 29 such political subdivision, and subject to the terms of the offer.

1 SEC. 11. Section twenty-eight A point nine (28A.9), Code 1962, is
 2 hereby amended by striking in line seven (7) the word "administra-
 3 tion" and inserting in lieu thereof the words "civil defense division
 4 and executive director, department of public defense."

1 SEC. 12. Section twenty-eight A point eleven (28A.11), Code 1962,
 2 is hereby amended as follows:

3 1. By inserting in line two (2) after the word "defense" the follow-
 4 ing: "or emergency resources management".

5 2. By striking in line three (3) the words "the administration" and
 6 inserting in lieu thereof the words "this chapter".

1 SEC. 13. Section twenty-eight A point twelve (28A.12), Code 1962,
 2 is hereby amended as follows:

3 1. By striking in line three (3) the word "administration" and in-
 4 serting in lieu thereof the word "chapter,".

5 2. By inserting in line twenty-nine (29) after the word "nor" the
 6 following: "have ever advocated, nor".

1 SEC. 14. Section twenty-eight A point thirteen (28A.13), Code
 2 1962, is hereby amended as follows:

3 1. By inserting in line one (1) after the word "employees" the fol-
 4 lowing: "other than the director and assistant director".

5 2. By striking in line two (2) the word "administration" and insert-
 6 ing in lieu thereof the words "civil defense division".

1 SEC. 15. Chapter twenty-eight A (28A), Code 1962, is hereby
 2 further amended by adding the following new sections immediately
 3 after section twenty-eight A point thirteen (28A.13):

4 1. If any provision of this Act or the application thereof to any per-
 5 son or circumstance is held invalid, such invalidity shall not affect
 6 other provisions or applications of the Act which can be given effect

*According to enrolled Act.

7 without the invalid provision or application, and to this end the pro-
8 visions of this Act are declared to be severable.

9 2. It shall be the duty of every organization for civil defense and
10 emergency planning established pursuant to this Act and of the officers
11 thereof to execute and enforce such orders, rules and regulations as
12 may be made by the governor under authority of this Act. Each such
13 organization shall have available for inspection at its office all orders,
14 rules and regulations made by the governor, or under his authority and
15 those made by subordinate organizations and not contrary or incon-
16 sistent with those of the governor.

17 3. A peace officer, when in full and distinctive uniform or display-
18 ing a badge or other insignia of authority, may arrest without a war-
19 rant any person violating or attempting to violate in such officer's
20 presence any order, rule, or regulation made pursuant to this Act.
21 This authority shall be limited to those rules and regulations which
22 affect the public generally.

1 SEC. 16. Section twenty-eight A point fourteen (28A.14), Code
2 1962, is hereby amended by striking in line two (2) the following:
3 "of 1959".

Approved July 1, 1965.

CHAPTER 82

INTERCHANGE OF GOVERNMENT EMPLOYEES

S. F. 554

AN ACT to permit the interchange of federal, state and local government employees.

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

1 SECTION 1. **Declaration of policy.** The state of Iowa recognizes
2 that intergovernmental co-operation is an essential factor in resolving
3 problems affecting this state and that the interchange of personnel
4 between and among governmental agencies at the same or different
5 levels of government is a significant factor in achieving such co-
6 operation.

1 SEC. 2. **Definitions.** For the purposes of this Act:

2 1. "Sending agency" means any department or agency of the fed-
3 eral government or a state or local government which sends any em-
4 ployee thereof to another government agency under this Act.

5 2. "Receiving agency" means any department or agency of the fed-
6 eral government or a state or local government which receives an
7 employee of another government under this Act.

1 SEC. 3. **Authority to interchange employees.**

2 1. Any department, agency, or instrumentality of the state, county,
3 city, municipality, land-grant college, or college or university operated
4 by the state or any local government is authorized to participate in a
5 program of interchange of employees with departments, agencies, or
6 instrumentalities of the federal government, another state or locality,

7 or other agencies, municipalities, or instrumentalities of this state as
8 a sending or receiving agency.

9 2. The period of individual assignment or detail under an inter-
10 change program shall not exceed twelve months, nor shall any person
11 be assigned or detailed for more than twelve months during any
12 thirty-six month period. No employee shall be assigned or detailed
13 without his expressed consent or by using undue coercion to obtain
14 said consent. Details relating to any matter covered in this Act may
15 be the subject of an agreement between the sending and receiving
16 agencies. Elected officials shall not be assigned from a sending agency
17 nor detailed to a receiving agency.

1 **SEC. 4. Status of employees of this state.**

2 1. Employees of a sending agency participating in an exchange of
3 personnel as authorized in section three (3) may be considered during
4 such participation to be

5 a. on detail to regular work assignments of the sending agency, or
6 b. in a status of leave of absence from their positions in the sending
7 agency.

8 2. Employees who are on detail shall be entitled to the same salary
9 and benefits to which they would otherwise be entitled and shall re-
10 main employees of the sending agency for all other purposes except
11 that the supervision of their duties during the period of detail may be
12 governed by agreement between the sending agency and the receiving
13 agency.

14 3. Employees who are in a leave of absence status as provided herein
15 shall be carried on leave without pay; except they may be granted
16 annual leave or other time off with pay to the extent authorized by law
17 and may be granted authorized sick leave in circumstances considered
18 by the sending agency to justify such leave. Except as otherwise pro-
19 vided in this Act, employees who are in a leave of absence status shall
20 have the same rights, benefits, and obligations as employees generally
21 who are in such leave status but notwithstanding any other provision
22 of law such employees may be entitled to credit the period of such
23 assignment toward benefits as employees of the sending agency.

24 4. Any employee who participates in an exchange under the terms
25 of this section who suffers disability or death as a result of personal
26 injury arising out of and in the course of an exchange, or sustained in
27 performance of duties in connection therewith, shall be treated, for
28 the purposes of the sending agency's employee compensation program,
29 as an employee, as defined in such Act, who has sustained such injury
30 in the performance of such duty, but shall not receive benefits under
31 that Act for any period for which he is entitled to and elects to receive
32 similar benefits under the receiving agency's employee compensation
33 program.

1 **SEC. 5. Travel expenses of employees of this state.** A sending

2 agency in this state may, in accordance with the travel regulations of
3 such agency, pay the travel expenses of employees assigned to a re-
4 ceiving agency on either a detail or leave basis, but shall not pay the
5 travel expenses of such employees incurred in connection with their
6 work assignments at the receiving agency. If the assignment or detail
7 will be for a period of time exceeding eight months, travel expenses

8 may include expenses of transportation of immediate family, house-
9 hold goods, and personal effects to and from the location of the receiv-
10 ing agency. If the period of assignment is less than eight months, the
11 sending agency may pay a per diem allowance to the employee on
12 assignment or detail.

1 **SEC. 6. Status of employees of other governments.**

2 1. When any unit of government of this state acts as a receiving
3 agency, employees of the sending agency who are assigned under
4 authority of this Act may be given appointments in the receiving
5 agency covering the periods of such assignments, with compensation
6 to be paid from receiving agency funds or without compensation, or
7 be considered to be on detail to the receiving agency.

8 2. Appointments of persons so assigned may be made without
9 regard to the laws or regulations governing the selection of employees
10 of the receiving agency.

11 3. Employees who are detailed to the receiving agency shall not by
12 virtue of such detail be considered to be employees thereof, except as
13 provided in subsection four (4), nor shall they be paid a salary or
14 wage by the receiving agency during the period of their detail. The
15 supervision of the duties of such employees during the period of detail
16 may be governed by agreement between the sending agency and the
17 receiving agency.

18 4. Any employee of a sending agency assigned in this state who
19 suffers disability or death as a result of personal injury arising out of
20 and in the course of such assignment, or sustained in the performance
21 of duties in connection therewith, shall be treated for the purpose of
22 receiving agency's employee compensation program, as an employee,
23 as defined in such Act, who has sustained such injury in the perform-
24 ance of such duty, but shall not receive benefits under that Act for any
25 period for which he elects to receive similar benefits as an employee
26 under the sending agency's employee compensation program.

1 **SEC. 7. Travel expenses of employees of other governments.** A
2 receiving agency in this state may, in accordance with the travel regu-
3 lations of such agency, pay travel expenses of persons assigned thereto
4 under this Act during the period of such assignments on the same
5 basis as if they were regular employees of the receiving agency.

1 **SEC. 8. Administration.** The state personnel director is hereby
2 directed to explore means of implementing this Act and to assist de-
3 partments, agencies, and instrumentalities of the state and its political
4 subdivisions in participating in employee interchange programs.

1 **SEC. 9. Effective date.** This Act, being deemed of immediate im-
2 portance, shall take effect and be in force from and after its publica-
3 tion in the New Hampton Tribune, a newspaper published in New
4 Hampton, Iowa and The West Des Moines Express, a newspaper pub-
5 lished in West Des Moines, Iowa.

Approved May 26, 1965.

I hereby certify that the foregoing Act, Senate File 554, was published in the New Hampton Tribune, New Hampton, Iowa, June 3, 1965, and in The West Des Moines Express, West Des Moines, Iowa, June 3, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 83

JOINT GOVERNMENTAL POWERS

H. F. 188

AN ACT to authorize joint exercise of governmental powers by public agencies.

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

1 SECTION 1. The purpose of this Act is to permit state and local
2 governments in Iowa to make efficient use of their powers by enabling
3 them to provide joint services and facilities with other agencies and to
4 cooperate in other ways of mutual advantage. This Act shall be liber-
5 ally construed to that end.

1 SEC. 2. For the purposes of this Act, the term "public agency" shall
2 mean any political subdivision of this state; any agency of the state
3 government or of the United States; and any political subdivision of
4 another state. The term "state" shall mean a state of the United States
5 and the District of Columbia. The term "private agency" shall mean
6 an individual and any form of business organization authorized under
7 the laws of this or any other state.

1 SEC. 3. Any power or powers, privileges or authority exercised or
2 capable of exercise by a public agency of this state may be exercised
3 and enjoyed jointly with any other public agency of this state having
4 such power or powers, privilege or authority, and jointly with any
5 public agency of any other state or of the United States to the extent
6 that laws of such other state or of the United States permit such joint
7 exercise or enjoyment. Any agency of the state government when
8 acting jointly with any public agency may exercise and enjoy all of
9 the powers, privileges and authority conferred by this Act upon a
10 public agency.

1 SEC. 4. Any public agency of this state may enter into an agree-
2 ment with one (1) or more public or private agencies for joint or
3 cooperative action pursuant to the provisions of this Act, including
4 the creation of a separate entity to carry out the purpose of the agree-
5 ment. Appropriate action by ordinance, resolution or otherwise pur-
6 suant to law of the governing bodies involved shall be necessary before
7 any such agreement may enter into force.

1 SEC. 5. Any such agreement shall specify the following:

2 1. Its duration.

3 2. The precise organization, composition and nature of any separate
4 legal or administrative entity created thereby together with the
5 powers delegated thereto, provided such entity may be legally created.

6 3. Its purpose or purposes.

7 4. The manner of financing the joint or cooperative undertaking
8 and of establishing and maintaining a budget therefor.

9 5. The permissible method or methods to be employed in accom-
10 plishing the partial or complete termination of the agreement and for
11 disposing of property upon such partial or complete termination.

12 6. Any other necessary and proper matters.

1 SEC. 6. If the agreement does not establish a separate legal entity
2 to conduct the joint or cooperative undertaking, the agreement shall
3 also include:

4 1. Provision for an administrator or a joint board responsible for
5 administering the joint or cooperative undertaking. In the case of a
6 joint board, public agencies party to the agreement shall be repre-
7 sented.

8 2. The manner of acquiring, holding and disposing of real and per-
9 sonal property used in the joint or cooperative undertaking.

1 SEC. 7. No agreement made pursuant to this Act shall relieve any
2 public agency of any obligation or responsibility imposed upon it by
3 law except that to the extent of actual and timely performance thereof
4 by a joint board or other legal or administrative entity created by an
5 agreement made hereunder, said performance may be offered in satis-
6 faction of the obligation or responsibility.

1 SEC. 8. Before entry into force, an agreement made pursuant to
2 this Act shall be filed with the secretary of state and recorded with the
3 county auditor.

1 SEC. 9. If an agreement entered into pursuant to this Act is be-
2 tween or among one (1) or more public agencies of this state and one
3 (1) or more public agencies of another state or of the United States said
4 agreement shall have the status of an interstate compact. Such agree-
5 ments shall, before entry into force, be approved by the attorney gen-
6 eral who shall determine whether the agreement is in proper form and
7 compatible with the laws of this state.

8 In any case or controversy involving performance or interpretation
9 thereof or liability thereunder, the public agencies party thereto shall
10 be real parties in interest, and the state may maintain an action to
11 recoup or otherwise make itself whole for any damages or liability
12 which it may incur by reason of being joined as a party therein. Such
13 action shall be maintainable against any public agency or agencies
14 whose default, failure of performance, or other conduct caused or con-
15 tributed to the incurring of damage or liability by the state.

1 SEC. 10. If an agreement made pursuant to this Act shall deal in
2 whole or in part with the provision of services or facilities with regard
3 to which an officer or agency of the state has constitutional or statu-
4 tory powers of control, the agreement shall, as a condition precedent
5 to its entry into force, be submitted to the state officer or agency hav-
6 ing such power of control and shall be approved or disapproved by him
7 or it as to all matters within his or its jurisdiction.

1 SEC. 11. Any public agency entering into an agreement pursuant
2 to this Act may appropriate funds and may sell, lease, give, or other-
3 wise supply the administrative joint board or other legal or adminis-
4 trative entity created to operate the joint or cooperative undertaking
5 by providing such personnel or services therefor as may be within its
6 legal power to furnish.

1 SEC. 12. Any one (1) or more public agencies may contract with
2 any one (1) or more other public agencies to perform any govern-
3 mental service, activity, or undertaking which any of the public agen-

4 cies entering into the contract is authorized by law to perform, pro-
 5 vided that such contract shall be authorized by the governing body of
 6 each party to the contract. Such contract shall set forth fully the pur-
 7 poses, powers, rights, objectives, and responsibilities of the contract-
 8 ing parties.

1 SEC. 13. The powers granted by this Act shall be in addition to
 2 any specific grant for intergovernmental agreements and contracts.

1 SEC. 14. Any contract or agreement authorized by this Act shall
 2 not be limited as to period of existence, except as may be limited by
 3 the agreement or contract itself.

Approved April 22, 1965.

CHAPTER 84

SALE OF MILITARY LANDS

S. F. 548

AN ACT relating to the sale or exchange of state military lands by the executive council on recommendation of the armory board.

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

1 SECTION 1. Section twenty-nine point fifty-seven (29.57), Code
 2 1962, is hereby amended by inserting in line twenty-nine (29) after
 3 the word "sold" the following "or exchanged".

1 SEC. 2. This Act, being deemed of immediate importance, shall be
 2 in full force and effect from and after its publication in The Osceola
 3 Sentinel, a newspaper published at Osceola, Iowa, and the Winterset
 4 Madisonian, a newspaper published at Winterset, Iowa.

Approved May 19, 1965.

I hereby certify that the foregoing Act, Senate File 548, was published in The Osceola Sentinel, Osceola, Iowa, May 27, 1965, and in the Winterset Madisonian, Winterset, Iowa, May 26, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 85

CODE OF MILITARY JUSTICE

H. F. 560

AN ACT to establish a Code of Military Justice in Iowa.

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

1 Sections twenty-nine point sixty-one (29.61), twenty-nine point
 2 sixty-two (29.62), twenty-nine point sixty-three (29.63), twenty-nine
 3 point sixty-four (29.64), twenty-nine point sixty-five (29.65), twenty-
 4 nine point sixty-six (29.66), twenty-nine point sixty-seven (29.67),

5 twenty-nine point sixty-eight (29.68), twenty-nine point sixty-nine
6 (29.69), twenty-nine point seventy (29.70), twenty-nine point seven-
7 ty-one (29.71), twenty-nine point seventy-two (29.72), twenty-nine
8 point seventy-three (29.73), twenty-nine point seventy-four (29.74),
9 twenty-nine point seventy-five (29.75), twenty-nine point seventy-six
10 (29.76), twenty-nine point seventy-seven (29.77), and twenty-nine
11 point seventy-nine (29.79) Code 1962, as amended, are hereby re-
12 pealed and the following enacted in lieu thereof.

1 SECTION 1. This chapter applies to all members of the state mili-
2 tary forces who are not in federal service.

1 SEC. 2. Each person discharged from the state military forces who
2 is later charged with having fraudulently obtained his discharge is,
3 subject to section forty-four (44), subject to trial by court-martial on
4 that charge and is after apprehension subject to this Code while in the
5 custody of the military for that trial. Upon conviction of that charge
6 he is subject to trial by court-martial for all offenses under this Code
7 committed before the fraudulent discharge.

8 No person who has deserted from the state military forces may be
9 relieved from amenability to the jurisdiction of this Code by virtue of
10 a separation from any later period of service.

1 SEC. 3. This Code applies throughout the state. It also applies to
2 all persons otherwise subject to this Code while they are serving out-
3 side the state, and while they are going to and returning from such
4 service outside the state, in the same manner and to the same extent
5 as if they were serving inside the state.

6 Courts-martial and courts of inquiry may be convened and held in
7 units of the state military forces while those units are serving outside
8 the state with the same jurisdiction and powers as to persons subject
9 to this Code as if the proceedings were held inside the state and of-
10 fenses committed outside the state may be tried and punished either
11 inside or outside the state.

1 SEC. 4. Apprehension is the taking of a person into custody. Any
2 person authorized by this Code, or by regulations issued under it, to
3 apprehend persons subject to this Code, any marshal of a court-martial
4 appointed pursuant to the provisions of this Code, and any peace officer
5 authorized to do so by law, may do so upon reasonable belief that an
6 offense has been committed and that the person apprehended commit-
7 ted it.

8 Commissioned officers, warrant officers, petty officers, and noncom-
9 missioned officers have authority to quell quarrels, frays, and disorders
10 among persons subject to this Code and to apprehend persons subject
11 to this Code who take part therein.

1 SEC. 5. Any civil officer having authority to apprehend offenders
2 under the laws of the United States or of a state, territory, common-
3 wealth, or possession, or the District of Columbia may summarily ap-
4 prehend a deserter from the state military forces and deliver him into
5 the custody of the state military forces. If an offender is apprehended
6 outside the state his return to the area must be in accordance with
7 normal extradition procedures or reciprocal agreement.

1 SEC. 6. Arrest is the restraint of a person by an order, not imposed
2 as a punishment for an offense, directing him to remain within certain
3 specified limits. Confinement is the physical restraint of a person.

4 An enlisted member may be ordered into arrest or confinement by
5 any commissioned officer by an order, oral or written, delivered in
6 person or through other persons subject to this Code or through any
7 person authorized by this Code to apprehend persons.

8 A commanding officer may authorize warrant officers, petty officers
9 or noncommissioned officers to order enlisted members of his command
10 or subject to his authority into arrest or confinement.

11 A commissioned officer or a warrant officer may be ordered appre-
12 hended or into arrest or confinement only by a commanding officer to
13 whose authority he is subject, by an order, oral or written, delivered
14 in person or by another commissioned officer. The authority to order
15 such persons apprehended or into arrest or confinement may not be
16 delegated.

1 SEC. 7. No person may be ordered apprehended or into arrest or
2 confinement except for probable cause.

3 This section does not limit the authority of persons authorized to
4 apprehend offenders to secure the custody of an alleged offender until
5 proper authority may be notified.

1 SEC. 8. Any person subject to this Code charged with an offense
2 under this Code shall be ordered into arrest or confinement, as circum-
3 stances may require; but when charged only with an offense normally
4 tried by a summary court-martial, such person shall not ordinarily be
5 placed in confinement. When any person subject to this Code is placed
6 in arrest or confinement prior to trial, after charges are placed against
7 him, immediate steps shall be taken to inform him of the specific
8 wrong of which he is accused and to try him within sixty (60) days
9 of informing the accused or to dismiss the charges and release him.

1 SEC. 9. The accused may post bond in the amount ordered by the
2 convening authority but not to exceed twice the authorized fine for
3 such offense, however, no bond is permitted for capital offenses.

1 SEC. 10. Persons confined other than in a guard house, whether
2 before, during or after trial by a military court, shall be confined in
3 civil jails, penitentiaries, or prisons.

1 SEC. 11. Every commander of a guard, master-at-arms, warden,
2 keeper, or officer of a city or county jail or of any other jail, peni-
3 tentiary, or prison, to whose charge a prisoner is committed shall,
4 within twenty-four (24) hours after that commitment or as soon as
5 he is relieved from guard, report to the commanding officer of the
6 prisoner the name of the prisoner, the offense charged against him,
7 and the name of the person who ordered or authorized the commit-
8 ment.

1 SEC. 12. Subject to section fifty-eight (58), no person, while being
2 held for trial or the result of a trial, may be subjected to punishment
3 or penalty other than arrest or confinement upon the charges pending
4 against him, nor shall the arrest or confinement imposed upon him be
5 any more rigorous than the circumstances require to insure his pres-

6 ence, but he may be subjected to minor punishment during that period
7 for infractions of discipline.

1 SEC. 13. Under such regulations as may be prescribed under this
2 Code a person subject to this Code who is on active state duty who is
3 accused of an offense against civil authority may be delivered, upon
4 request, to the civil authority for trial.

5 When delivery under this section is made to any civil authority of a
6 person undergoing sentence of a court-martial, the delivery, if fol-
7 lowed by conviction in a civil tribunal, shall be held to interrupt the
8 execution of the sentence of the court-martial, and the offender after
9 having answered to the civil authorities for his offense shall, upon the
10 request of competent military authority, be returned to military cus-
11 tody for the completion of his sentence.

1 SEC. 14. Under such regulations as the adjutant general may pre-
2 scribe any commanding officer may, in addition to or in lieu of ad-
3 monition or reprimand, impose one of the following disciplinary
4 punishments for minor offenses without the intervention of a court-
5 martial:

6 1. Upon officer of his command:

7 a. Withholding of privileges for not more than two (2) consecutive
8 weeks;

9 b. Restriction to certain specified limits, with or without suspension
10 from duty, for not more than two consecutive weeks; or

11 c. If imposed by a commanding officer of the state military forces of
12 field grade or above, a fine or forfeiture of pay and allowances of not
13 more than twenty-five (25) dollars;

14 2. Upon other military personnel of his command:

15 a. Withholding of privileges for not more than two (2) consecutive
16 weeks,

17 b. Restriction to certain specified limits, with or without suspension
18 from duty, for not more than two (2) consecutive weeks,

19 c. Extra duties for not more than fourteen (14) days, which need
20 not be consecutive, and for not more than two (2) hours per day, holi-
21 days included.

22 d. Reduction to the lowest or any intermediate grade within his
23 promotion authority.

24 e. If imposed by an officer exercising special court-martial juris-
25 diction over the offender, a fine or forfeiture of pay and allowances of
26 not more than ten (10) dollars.

27 A person punished under this section who considers his punishment
28 unjust or disproportionate to the offense may, through the proper
29 channel, appeal to the next superior authority. The appeal shall be
30 promptly forwarded and decided, but the person punished may in the
31 meantime be required to undergo the punishment adjudged. The
32 officer who imposes the punishment, his successor in command, or
33 superior authority may suspend, set aside, or remit any part or amount
34 of the punishment and restore all rights, privileges and property af-
35 fected.

36 The imposition and enforcement of disciplinary punishment under
37 this section for any act or omission is not a bar to trial by court-
38 martial for a serious crime or offense growing out of the same act or

39 omission, and not properly punishable under this section, but the fact
 40 that a disciplinary punishment has been enforced may be shown by
 41 the accused upon trial, and when so shown shall be considered in
 42 determining the measure of punishment to be adjudged in the event
 43 of a finding of guilty.

44 Whenever a punishment of forfeiture of pay and allowances is im-
 45 posed under this section, the forfeiture may apply to pay or allowances
 46 accruing on or after that punishment is imposed and to any pay and
 47 allowances accrued before that date.

1 SEC. 15. In the state military forces not in federal service, there
 2 are general, special, and summary courts-martial constituted like sim-
 3 ilar courts of the armed forces of the United States. They have the
 4 jurisdiction and powers, except as to punishments, and shall follow
 5 the forms and procedures provided for those courts.

6 The three kinds of courts-martial are:

- 7 1. General courts-martial, consisting of a law officer and not less
 8 than five (5) members;
- 9 2. Special courts-martial, consisting of not less than three (3) mem-
 10 bers; and
- 11 3. Summary courts-martial, consisting of one (1) commissioned
 12 officer.

1 SEC. 16. Each force of the state military forces has court-martial
 2 jurisdiction over all persons subject to this Code.

1 SEC. 17. Subject to section sixteen (16), general courts-martial
 2 have jurisdiction to try persons subject to this Code for any offense
 3 made punishable by this Code and may, under such limitations as the
 4 adjutant general may prescribe, adjudge any of the following punish-
 5 ments:

- 6 1. A fine of not more than two (2) hundred dollars;
- 7 2. Forfeiture of pay and allowances not to exceed one thousand dol-
 8 lars (\$1,000.00).
- 9 3. A reprimand;
- 10 4. Dismissal or dishonorable discharge;
- 11 5. Reduction of a noncommissioned officer to the ranks; or
- 12 6. Any combination of these punishments.

1 SEC. 18. Subject to section sixteen (16), special courts-martial
 2 have jurisdiction to try persons subject to this Code for any offense
 3 for which they may have been punished under this Code. A special
 4 court-martial has the same powers of punishment as a general court-
 5 martial except that a fine imposed by a special court-martial may not
 6 be more than one (1) hundred dollars for a single offense.

7 Subject to section sixteen (16), summary courts-martial have juris-
 8 diction to try persons subject to this Code, except officers, for any
 9 offense made punishable by this Code.

10 No person with respect to whom summary courts-martial have juris-
 11 diction may be brought to trial before a summary court-martial if he
 12 objects thereto, unless under section fourteen (14) he has been per-
 13 mitted and has elected to refuse punishment under that section. If
 14 objection to trial by summary court-martial is made by an accused
 15 who has not been permitted to refuse punishment under section four-

16 teen (14), trial shall be ordered by special or general court-martial,
17 as may be appropriate.

18 A summary court-martial may sentence to a fine of not more than
19 twenty-five (25) dollars for a single offense, to forfeiture of pay and
20 allowances, not to exceed two-thirds ($\frac{2}{3}$) of one month's pay, and to
21 reduction of a noncommissioned officer to the ranks.

1 SEC. 19. In the organized militia not in federal service, no sentence
2 of dismissal or dishonorable discharge may be executed until it is
3 approved by the governor.

1 SEC. 20. A dishonorable discharge, bad conduct discharge or dis-
2 missal may not be adjudged by any court-martial unless a complete
3 record of the proceedings and testimony before the court has been
4 made.

1 SEC. 21. In the state military forces, not in federal service, a
2 court-martial may, instead of imposing a fine, sentence to confinement
3 for not more than one (1) day for each three (3) dollars of the author-
4 ized fine.

1 SEC. 22. The adjutant general shall appoint an active or retired
2 officer of the state military forces as state judge advocate. To be eli-
3 gible for appointment, an officer must be a member of the bar of the
4 highest court of the state and must have been a member of the bar of
5 the state for at least five (5) years.

6 The adjutant general may appoint as many assistant state judge
7 advocates as he considers necessary. To be eligible for appointment,
8 assistant state judge advocates must be active officers of the state mili-
9 tary forces and members of the bar of the highest court of the state.

10 Convening authorities shall at all times communicate directly with
11 their staff judge advocates in matters relating to the administration
12 of military justice; and the staff judge advocate of any command may
13 communicate directly with the staff judge advocate of a superior or
14 subordinate command, or with the state judge advocate.

15 No person who has acted as member, law officer, trial counsel, as-
16 sistant trial counsel, defense counsel, assistant defense counsel, or
17 investigating officer, or who has been a witness for either the prose-
18 cution or defense, in any case may later act as staff judge advocate or
19 legal officer to any reviewing authority upon the same case.

1 SEC. 23. In the state military forces not in federal service, general
2 courts-martial may be convened by the governor, or by the adjutant
3 general of the state of Iowa.

1 SEC. 24. In the state military forces not in federal service, the
2 commanding officer of a garrison, fort, post, camp, air base, auxiliary
3 air base, or other place where troops are on duty, or of a division,
4 brigade, regiment, wing, group, detached battalion, separate squadron,
5 or other detached command, may convene special courts-martial.
6 When any such officer is an accuser, the court shall be convened by
7 superior competent authority.

8 A special court-martial may not try a commissioned officer.

1 SEC. 25. In the state military forces not in federal service, the
2 commanding officer of a garrison, fort, post, camp, air base, auxiliary
3 air base, or other place where troops are on duty, or of a division,
4 brigade, regiment, wing, group, detached battalion, detached squadron,
5 detached company, or other detachment, may convene a summary
6 court-martial consisting of an assistant state judge advocate. The
7 proceedings shall be informal.

8 When only one commissioned officer is present with a command or
9 detachment he shall be the summary court officer of that command or
10 detachment and shall hear and determine all summary court martial
11 cases brought before him.

1 SEC. 26. Any commissioned officer of or on duty with the state
2 military forces is eligible to serve on all courts-martial for the trial of
3 any person who may lawfully be brought before such courts for trial.

4 Any warrant officer of or on duty with the state military forces is
5 eligible to serve on general and special courts-martial for the trial of
6 any person, other than a commissioned officer, who may lawfully be
7 brought before such courts for trial.

8 Any enlisted member of the state military forces who is not a mem-
9 ber of the same unit as the accused is eligible to serve on general and
10 special courts-martial for the trial of any enlisted member who may
11 lawfully be brought before such courts for trial, but he shall serve as
12 a member of a court only if, before the convening of the court, the
13 accused personally has requested in writing that enlisted members
14 serve on it. After such a request, the accused may not be tried by a
15 general or special court-martial the membership of which does not
16 include enlisted members in a number comprising at least one-third
17 ($\frac{1}{3}$) of the total membership of the court, unless eligible members
18 cannot be obtained on account of physical conditions or military exi-
19 gencies. If such members cannot be obtained, the court may be con-
20 vened and the trial held without them, but the convening authority
21 shall make a detailed written statement, to be appended to the record,
22 stating why they could not be obtained.

23 In this section, the word "unit" means any regularly organized body
24 of the state military forces not larger than a company, a squadron, or
25 a body corresponding to one of them.

26 When it can be avoided, no person subject to this Code may be tried
27 by a court-martial any member of which is junior to him in rank or
28 grade.

29 When convening a court-martial, the convening authority shall de-
30 tail as members thereof such members as, in his opinion, are best
31 qualified for the duty by reason of age, education, training, experience,
32 length of service, and judicial temperament. No member is eligible to
33 serve as a member of a general or special court-martial when he is the
34 accuser or a witness for the prosecution or has acted as investigating
35 officer, staff judge advocate, or as counsel in the same case. If within
36 the command of the convening authority there is present and not
37 otherwise disqualified a commissioned officer who is a member of the
38 bar of the highest court of the state and of appropriate rank and grade,
39 the convening authority shall appoint him as president of a special
40 court-martial. Although this requirement is binding on the convening

41 authority, failure to meet it in any case does not divest a military court
42 of jurisdiction.

1 SEC. 27. The authority convening a general court-martial shall
2 detail as law officer thereof a commissioned officer who is a member
3 of the bar of the highest court of the state, or a member of the bar of
4 a federal court, and who is certified to be qualified for such duty by the
5 state judge advocate. No person is eligible to act as law officer in a
6 case if he is the accuser of a witness or has acted as investigating
7 officer or as counsel in the same case.

8 The law officer may not consult with the members of the court, other
9 than on the form of the findings as provided in section forty (40),
10 except in the presence of the accused, trial counsel, and defense coun-
11 sel, nor may he vote with the members of the court.

1 SEC. 28. For each general and special court-martial the authority
2 convening the court shall detail trial counsel and defense counsel and
3 such assistants as he considers appropriate. No person who has acted
4 as investigating officer, law officer, or court member in any case may
5 act later as trial counsel, assistant trial counsel, or, unless expressly
6 requested by the accused, as defense counsel, or assistant defense
7 counsel in the same case. No person who has acted for the prosecution
8 may act later in the same case for the defense, nor may any person
9 who has acted for the defense act later in the same case for the prose-
10 cution.

11 Trial counsel or defense counsel detailed for a general court-martial
12 must be a person who is a member of the bar of the highest court of
13 the state, or a member of the bar of a federal court.

14 In the case of a special court-martial:

15 1. If the trial counsel is qualified to act as counsel before a general
16 court-martial, the defense counsel detailed by the convening authority
17 must be a person similarly qualified; and

18 2. If the trial counsel is a member of the bar of the highest court of
19 the state, the defense counsel detailed by the convening authority must
20 also be a member of the bar of the highest court of the state.

1 SEC. 29. Under such regulations as the adjutant general may pre-
2 scribe, the convening authority of a general or special court-martial or
3 court of inquiry shall detail or employ certified court reporters, who
4 shall record the proceedings of and testimony taken before that court.
5 Under like regulations, the convening authority of a military court
6 may detail or employ interpreters who shall interpret for the court.

1 SEC. 30. No member of a general or special court-martial may be
2 absent or excused after the accused has been arraigned except for
3 physical disability or as the result of a challenge or by order of the
4 convening authority for good cause.

5 Whenever a general court-martial is reduced below five (5) mem-
6 bers, the trial may not proceed unless the convening authority details
7 new members sufficient in number to provide not less than five (5)
8 members. When the new members have been sworn, the trial shall
9 proceed as if no evidence has been previously introduced, unless a ver-
10 batim record of the testimony of previously examined witnesses or a

11 stipulation thereof is read to the court in the presence of the accused
12 and counsel.

1 SEC. 31. Charges and specifications shall be signed by a person
2 subject to this Code under oath before a person authorized by this
3 Code to administer oaths and shall state:

4 1. That the signer has personal knowledge of, or has investigated,
5 the matters set forth therein; and

6 2. That they are true in fact to the best of his knowledge and be-
7 lief.

8 Upon the preferring of charges, the proper authority shall take im-
9 mediate steps to determine what disposition should be made thereof
10 in the interest of justice and discipline, and the person accused shall
11 be informed of the charges against him as soon as practicable.

1 SEC. 32. No person subject to this Code may compel any person to
2 incriminate himself or to answer any question the answer to which
3 may tend to incriminate him.

4 No person subject to this Code may interrogate, or request any
5 statement from, an accused or a person suspected of an offense with-
6 out first informing him of the nature of the accusation and advising
7 him that he does not have to make any statement regarding the of-
8 fense of which he is accused or suspected and that any statement made
9 by him may be used as evidence against him in a trial by court-martial.

10 No person subject to this Code may compel any person to make a
11 statement or produce evidence before any military tribunal if the
12 statement or evidence is not material to the issue and may tend to
13 degrade him.

14 No statement obtained from any person in violation of this section,
15 or through the use of coercion, unlawful influence, or unlawful induce-
16 ment may be received in evidence against him in a trial by court-
17 martial.

1 SEC. 33. No charge or specification may be referred to a general
2 court-martial for trial until a thorough and impartial investigation of
3 all the matters set forth therein has been made. This investigation
4 shall include inquiry as to the truth of the matter set forth in the
5 charges, consideration of the form of charges, and a recommendation
6 as to the disposition which should be made of the case in the interest
7 of justice and discipline.

8 The accused shall be advised of the charges against him and of his
9 right to be represented at that investigation by counsel. Upon his own
10 request he shall be represented by civilian counsel if provided by him,
11 or military counsel of his own selection if such counsel is reasonably
12 available, or by counsel detailed by the officer exercising general court-
13 martial jurisdiction over the command. At that investigation full
14 opportunity shall be given to the accused to cross-examine witnesses
15 against him if they are available and to present anything he may
16 desire in his own behalf, either in defense or mitigation, and the in-
17 vestigating officer shall examine witnesses requested by the accused.
18 If the charges are forwarded after the investigation, they shall be
19 accompanied by a statement of the substance of the testimony taken
20 on both sides and a copy thereof shall be given to the accused.

21 If an investigation of the subject matter of an offense has been con-
22 ducted before the accused is charged with the offense, and if the ac-
23 cused was present at the investigation and afforded the opportunities
24 for representation, cross-examination, and presentation prescribed
25 above, no further investigation of that charge is necessary under this
26 section unless it is demanded by the accused after he is informed of
27 the charge. A demand for further investigation entitles the accused
28 to recall witnesses for further cross-examination and to offer any new
29 evidence in his own behalf.

30 The requirements of this section are binding on all persons admin-
31 istering this Code but failure to follow them does not divest a military
32 court of jurisdiction.

1 SEC. 34. When a person is held for trial by general court-martial
2 the commanding officer shall, within eight (8) days after the accused
3 is ordered into arrest or confinement, if practicable, forward the
4 charges to the adjutant general direct, together with the investigation
5 and allied papers. If that is not practicable, he shall report in writing
6 to the adjutant general the reasons for delay.

1 SEC. 35. Before directing the trial of any charge by general court-
2 martial, the convening authority shall refer it to the state judge advo-
3 cate for consideration and advice. The convening authority may not
4 refer a charge to a general court-martial for trial unless he has found
5 that the charge alleges an offense under this Code and is warranted
6 by evidence indicated in the report of the investigation.

7 If the charges or specifications are not formally correct or do not
8 conform to the substance of the evidence contained in the report of
9 the investigating officer, formal corrections, and such changes in the
10 charges and specifications as are needed to make them conform to the
11 evidence may be made.

1 SEC. 36. The trial counsel to whom court-martial charges are re-
2 ferred for trial shall cause to be served upon the accused a copy of the
3 charges upon which trial is to be had. In time of peace no person may,
4 against his objection, be brought to trial before a general court-martial
5 within a period of five (5) days after the service of the charges upon
6 him, or before a special court-martial within a period of three (3)
7 days after the service of the charges upon him.

1 SEC. 37. The procedures, including modes of proof, in cases before
2 military courts and other military tribunals may be prescribed by the
3 adjutant general by regulations, which shall, so far as he considers
4 practicable, apply the principles of law and the rule of evidence gen-
5 erally recognized in the trial of criminal cases in the courts of the
6 state, but which may not be contrary to or inconsistent with this Code.

1 SEC. 38. No authority convening a general, special, or summary
2 court-martial nor any other commanding officer, or officer serving on
3 the staff thereof, may censure, reprimand, or admonish the court or
4 any member, law officer, or counsel thereof, with respect to the find-
5 ings or sentence adjudged by the court, or with respect to any other
6 exercise of its or his functions in the conduct of the proceeding. No
7 person subject to this Code may attempt to coerce or, by any unauthor-

8 ized means, influence the action of the court-martial or any other mili-
9 tary tribunal or any member thereof, in reaching the findings or sen-
10 tence in any case, or the action of any convening, approving, or re-
11 viewing authority with respect to his judicial acts. Any violation of
12 this section shall be punished as a court-martial may direct.

1 SEC. 39. The trial counsel of a general or special court-martial
2 shall prosecute in the name of the state, and shall, under the direction
3 of the court, prepare the record of the proceedings.

4 The accused has the right to be represented in his defense before a
5 general or special court-martial by civilian counsel if provided by him,
6 or by military counsel of his own selection if reasonably available,
7 or by the defense counsel detailed under section twenty-eight (28).
8 Should the accused have counsel of his own selection, the defense
9 counsel, and assistant defense counsel, if any, who were detailed,
10 shall, if the accused so desires, act as his associate counsel; otherwise
11 they shall be excused by the president of the court.

12 In every court-martial proceeding, the defense counsel may, in the
13 event of conviction, forward for attachment to the record of proceed-
14 ings a brief of such matters he feels should be considered in behalf of
15 the accused on review, including any objection to the contents of the
16 record which he considers appropriate.

17 An assistant trial counsel of a general court-martial may, under the
18 direction of the trial counsel or when he is qualified to be a trial coun-
19 sel as required by section twenty-eight (28), perform any duty im-
20 posed by law, regulation, or the custom of the service upon the trial
21 counsel of the court. An assistant trial counsel of a special court-
22 martial may perform any duty of the trial counsel.

23 An assistant defense counsel of a general or special court-martial
24 may, under the direction of the defense counsel or when he is qualified
25 to be the defense counsel as required by section twenty-eight (28),
26 perform any duty imposed by law, regulation, or the custom of the
27 service upon counsel for the accused.

1 SEC. 40. Whenever a general or special court-martial deliberates
2 or votes, only the members of the court may be present. After a gen-
3 eral court-martial has finally voted on the findings, the court may
4 request the law officer and the reporter to appear before the court to
5 put the findings in proper form, and those proceedings shall be on the
6 record. All other proceedings, including any other consultation of the
7 court with counsel or the law officer, shall be made a part of the record,
8 and shall be in the presence of the accused, the defense counsel, the
9 trial counsel, and in general court-martial cases, the law officer.

1 SEC. 41. A court-martial may, for reasonable cause, grant a con-
2 tinuance to any party for such time, and as often, as may appear to be
3 just.

1 SEC. 42. Members of a general or special court-martial and the law
2 officer of a general court-martial may be challenged by the accused or
3 the trial counsel for cause stated to the court. The court shall deter-
4 mine the relevancy and validity of challenges for cause, and may not
5 receive a challenge to more than one person at a time. Challenges by

6 the trial counsel shall ordinarily be presented and decided before those
7 by the accused are offered.

8 Each accused and the trial counsel is entitled to one peremptory
9 challenge, but the law officer may not be challenged except for cause,
10 as outlined in rules of civil procedure one hundred eighty-seven (187)
11 (f) and stated to the court.

1 SEC. 43. The law officer, interpreters, and, in general and special
2 courts-martial, members, trial counsel, assistant trial counsel, defense
3 counsel, assistant defense counsel, and reporters shall take an oath or
4 affirmation in the presence of the accused to perform their duties
5 faithfully.

6 Each witness before a military court shall be examined on oath or
7 affirmation.

1 SEC. 44. A person charged with desertion or absence without leave
2 in time of war, or with aiding the enemy or with mutiny may be tried
3 and punished at any time without limitation.

4 Except as otherwise provided in this section, a person charged with
5 desertion in time of peace or with the offense punishable under section
6 one hundred twelve (112) is not liable to be tried by court-martial if
7 the offense was committed more than three (3) years before the re-
8 ceipt of sworn charges and specifications by an officer exercising sum-
9 mary court-martial jurisdiction over the command.

10 Except as otherwise provided in this section, a person charged with
11 any offense is not liable to be tried by court-martial or punished under
12 section fourteen (14) if the offense was committed more than two (2)
13 years before the receipt of sworn charges and specifications by an
14 officer exercising summary court-martial jurisdiction over the com-
15 mand or before the imposition of punishment under section fourteen
16 (14).

17 Periods in which the accused was absent from territory in which the
18 state has the authority to apprehend him, or in the custody of civil
19 authorities, or in the hands of the enemy, shall be excluded in com-
20 puting the period of limitation prescribed in this section.

1 SEC. 45. No person may, without his consent, be tried a second
2 time in any military court of the state for the same offense.

3 No proceeding in which an accused has been found guilty by a court-
4 martial upon any charge or specification is a trial in the sense of this
5 section until the finding of guilty has become final after review of the
6 case has been fully completed.

7 A proceeding which, after the introduction of evidence but before a
8 finding, is dismissed or terminated by the convening authority or on
9 motion of the prosecution for failure of available evidence or witnesses
10 without any fault of the accused is a trial in the sense of this section.

1 SEC. 46. If an accused arraigned before a court-martial makes an
2 irregular pleading, or after a plea of guilty sets up matter inconsistent
3 with the plea, or if it appears that he has entered the plea of guilty
4 improvidently or through lack of understanding of its meaning and
5 effect, or if he fails or refuses to plead, a plea of not guilty shall be
6 entered in the record, and the court shall proceed as though he had
7 pleaded not guilty.

1 SEC. 47. The trial counsel, the defense counsel, and the court-
 2 martial shall have equal opportunity to obtain witnesses and other
 3 evidence in accordance with such regulations as the adjutant general
 4 may prescribe.

5 The president of a court-martial or a summary court officer may :

6 1. Issue a warrant for the arrest of any accused person who having
 7 been served with a warrant and a copy of the charges, disobeys a writ-
 8 ten order by the convening authority to appear before the court;

9 2. Issue subpoenas duces tecum and other subpoenas;

10 3. Enforce by attachment the attendance of witnesses and the pro-
 11 duction of books and papers; and

12 4. Sentence for refusal to be sworn or to answer, as provided in
 13 actions before civil courts of the state.

14 Process issued in court-martial cases to compel witnesses to appear
 15 and testify and to compel the production of other evidence shall run
 16 to any part of the state and shall be executed by civil officers as pre-
 17 scribed by laws of the state.

1 SEC. 48. Any person not subject to this Code who :

2 1. Has been duly subpoenaed to appear as a witness or to produce
 3 books and records before a military court or before any military or
 4 civil officer and designated to take a deposition to be read in evidence
 5 before such a court;

6 2. Has been duly paid or tendered the fees and mileage of a witness
 7 at the rates allowed to witnesses attending the courts of the state; and

8 3. Willfully neglects or refuses to appear, or refuses to qualify as a
 9 witness or to testify or to produce any evidence which that person may
 10 have been legally subpoenaed to produce; is guilty of an offense against
 11 the state and a military court may punish him in the same manner as
 12 the civil courts of the state.

1 SEC. 49. A military court may punish for contempt any person
 2 who uses any menacing word, sign, or gesture in its presence, or who
 3 disturbs its proceedings by any riot or disorder. The punishment may
 4 not exceed confinement for thirty (30) days or a fine of one hundred
 5 dollars (\$100.00), or both.

1 SEC. 50. At any time after charges have been signed, as provided
 2 in section thirty-one (31), any party may take depositions under the
 3 procedure set forth in Iowa rules of civil procedure number one hun-
 4 dred forty through one hundred sixty-six (140-166) inclusive.

1 SEC. 51. In any case not extending to the dismissal of a commis-
 2 sioned officer, the sworn testimony, contained in the duly authenticated
 3 record of proceedings of a court of inquiry, of a person whose oral
 4 testimony cannot be obtained, may, if otherwise admissible under the
 5 rules of evidence, be read in evidence by any party before a court-mar-
 6 tial if the accused was a party before the court of inquiry, and if the
 7 same issue was involved or if the accused consents to the introduction
 8 of such evidence.

9 Such testimony may be read in evidence only by the defense in cases
 10 extending to the dismissal of a commissioned officer.

11 Such testimony may also be read in evidence before a court of in-
 12 quiry or a military board.

1 SEC. 52. Voting by members of a general or special court-martial
2 upon questions or challenge, on the findings, and on the sentence shall
3 be by secret written ballot. The junior member of the court shall in
4 each case count the votes. The count shall be checked by the president,
5 who shall forthwith announce the results of the ballot to the members
6 of the court.

7 The law officer of a general court-martial and the president of a
8 special court-martial shall rule upon interlocutory questions, other
9 than challenge, arising during the proceedings. Any such ruling made
10 by the law officer of a general court-martial or by the president of a
11 special court-martial upon any interlocutory question other than a
12 motion for a finding of not guilty, or the question of the accused's
13 sanity, is final and constitutes the ruling of the court. However, the
14 law officer or president may change the ruling at any time during the
15 trial except a ruling on a motion for a finding of not guilty that was
16 granted. Unless a ruling is final, if any member objects thereto, the
17 court shall be cleared and closed and the question decided by a voice
18 vote as provided in section fifty-three (53) beginning with the junior
19 in rank.

20 Before a vote is taken on the findings, the law officer of a general
21 court-martial and the president of a special court-martial shall, in the
22 presence of the accused and counsel, instruct the court as to the ele-
23 ments of the offense and charge the court:

24 1. That the accused must be presumed to be innocent until his guilt
25 is established by legal and competent evidence beyond a reasonable
26 doubt;

27 2. That in the case being considered, if there is a reasonable doubt
28 as to the guilt of the accused, the doubt must be resolved in favor of
29 the accused and he must be acquitted;

30 3. That, if there is a reasonable doubt as to the degree of guilt, the
31 finding must be in a lower degree as to which there is no reasonable
32 doubt; and

33 4. That the burden of proof of establishing the guilt of the accused
34 beyond reasonable doubt is upon the state.

1 SEC. 53. No person may be convicted of an offense, except by the
2 concurrence of two-thirds ($\frac{2}{3}$) of the members present at the time the
3 vote is taken.

4 All sentences shall be determined by the concurrence of two-thirds
5 ($\frac{2}{3}$) of the members present at the time that the vote is taken.

6 All other questions to be decided by the members of a general or
7 special court-martial shall be determined by a majority vote. A tie
8 vote on a challenge disqualifies the member challenged. A tie vote on
9 a motion for a finding of not guilty or on a motion relating to the ques-
10 tion of the accused's sanity is a determination against the accused.
11 A tie vote on any other question is a determination in favor of the
12 accused.

1 SEC. 54. A court-martial shall announce its findings and sentence
2 to the parties as soon as determined.

1 SEC. 55. Each court-martial shall keep a separate record of the
2 proceedings of the trial of each case brought before it and the record
3 shall be authenticated by the signatures of the president and the law

4 officer. If the record cannot be authenticated by either the president
 5 or the law officer, by reason of his death, disability or absence, it shall
 6 be signed by a member in lieu of him. If both the president and the
 7 law officer are unavailable, the record shall be authenticated by two
 8 members. A record of the proceedings of a trial in which the sentence
 9 adjudged includes a bad-conduct discharge or is more than that which
 10 could be adjudged by a special court-martial shall contain a verbatim
 11 account of the proceedings and testimony before the court. All other
 12 records of trial shall contain such matter and be authenticated in such
 13 manner as the adjutant general may by regulation prescribe.

14 A copy of the record of the proceedings of each general and special
 15 court-martial shall be given to the accused as soon as it is authenti-
 16 cated. If a verbatim record of trial by general court-martial is not
 17 required, but has been made, the accused may buy such a record under
 18 such regulations as the adjutant general may prescribe.

1 SEC. 56. Punishment by cruel or unusual punishment may not be
 2 adjudged by any court-martial or inflicted upon any person subject to
 3 this Code.

1 SEC. 57. The punishment which a court-martial may direct for an
 2 offense may not exceed limits prescribed by this Code.

1 SEC. 58. Whenever a sentence of a court-martial as lawfully ad-
 2 judged and approved includes a forfeiture of pay or allowances in
 3 addition to confinement not suspended, the forfeiture may apply to pay
 4 or allowances becoming due on or after the date the sentence is ap-
 5 proved by the convening authority. No forfeiture may extend to any
 6 pay or allowances accrued before that date.

7 Any period of confinement included in a sentence of a court-martial
 8 begins to run from the date the sentence is adjudged by the court-
 9 martial but periods during which the sentence to confinement is sus-
 10 pended shall be excluded in computing the service of the term of con-
 11 finement, provided however that credit be given for confinement served
 12 prior to trial. Regulations prescribed by the adjutant general may
 13 provide that sentences of confinement may not be executed until ap-
 14 proved by designated officers.

15 All other sentences of courts-martial are effective on the date or-
 16 dered executed.

1 SEC. 59. A sentence of confinement adjudged by a military court,
 2 whether or not the sentence includes discharge or dismissal, and
 3 whether or not the discharge or dismissal has been executed, may be
 4 carried into execution by confinement in any place of confinement
 5 under the control of any of the forces of the state military forces or in
 6 any jail, penitentiary, or prison designated for that purpose. Persons
 7 so confined in a jail, penitentiary, or prison are subject to the same
 8 discipline and treatment as persons confined or committed to the jail,
 9 penitentiary or prison by the courts of the state or of any political
 10 subdivision thereof.

11 The omission of the words "hard labor" from any sentence or pun-
 12 ishment of a court-martial adjudging confinement does not deprive the
 13 authority executing that sentence or punishment of the power to re-
 14 quire hard labor as a part of the punishment.

15 The keepers, officer, and wardens of city or county jails and of other
16 jails, penitentiaries, or prisons shall receive persons ordered into con-
17 finement before trial and persons committed to such confinement by
18 a military court and shall confine them according to law. No such
19 keeper, officer or warden may require payment of any fee or charge
20 for so receiving or confining a person.

1 SEC. 60. Except as provided in sections twenty (20) and sixty-five
2 (65) of this Code, a court-martial sentence, unless suspended, may be
3 ordered executed by the convening authority when approved by him.
4 He shall approve the sentence or such part, amount, or commuted form
5 of the sentence as he sees fit, and may suspend the execution of the sen-
6 tence as approved by him.

1 SEC. 61. After a trial by court-martial the record shall be for-
2 warded to the convening authority, as reviewing authority, and action
3 thereon may be taken by the person who convened the court, a commis-
4 sioned officer commanding for the time being, a successor in command,
5 or by the adjutant general.

1 SEC. 62. The convening authority shall refer the record of each
2 general court-martial to the state judge advocate, who shall submit
3 his written opinion thereon to the convening authority. If the final
4 action of the court has resulted in an acquittal of all charges and speci-
5 fications, the opinion shall be limited to questions of jurisdiction.

1 SEC. 63. If a specification before a court-martial has been dis-
2 missed on motion and the ruling does not amount to a finding of not
3 guilty, the convening authority may return the record to the court for
4 reconsideration of the ruling and any further appropriate action.

5 Where there is an apparent error or omission in the record or where
6 the record shows improper or inconsistent action by a court-martial
7 with respect to a finding or sentence which can be rectified without
8 material prejudice to the substantial rights of the accused, the conven-
9 ing authority may return the record to the court for appropriate
10 action. In no case, however, may the record be returned:

11 1. For reconsideration of a finding of not guilty, or a ruling which
12 amounts to a finding of not guilty;

13 2. For reconsideration of a finding of not guilty of any charge, un-
14 less the record shows a finding of guilty under a specification laid
15 under that charge, which sufficiently alleges a violation of some section
16 of this Code; or

17 3. For increasing the severity of the sentence unless the sentence
18 prescribed for the offense is mandatory.

1 SEC. 64. If the convening authority disapproves the findings and
2 sentence of a court-martial he may, except where there is lack of suffi-
3 cient evidence in the record to support the findings, order a rehearing.
4 In such case he shall state the reasons for disapproval. If he disap-
5 proves the findings and sentence and does not order a rehearing, he
6 shall dismiss the charges.

7 Each rehearing shall take place before a court-martial composed of
8 members not members of the court-martial which first heard the case.
9 Upon a rehearing the accused may not be tried for any offense of
10 which he was found not guilty by the first court-martial, and no sen-

11 tence in excess of or more severe than the original sentence may be
12 imposed, unless the sentence is based upon a finding of guilty of an
13 offense not considered upon the merits in the original proceedings, or
14 unless the sentence prescribed for the offense is mandatory.

1 SEC. 65. If the convening authority is the governor or adjutant
2 general, his action on the review of any record of trial is final.

3 In all other cases not covered by this section, if the sentence of a
4 special court-martial as approved by the convening authority includes
5 a bad-conduct discharge, whether or not suspended, the entire record
6 shall be sent to the appropriate staff judge advocate of the state force
7 concerned to be reviewed in the same manner as a record of trial by
8 general court-martial. The record and the opinion of the staff judge
9 advocate or legal officer shall then be sent to the state judge advocate
10 for review.

11 All other special and summary court-martial records shall be sent
12 to the staff judge advocate of the appropriate force of the state mili-
13 tary forces and shall be acted upon, transmitted, and disposed of as
14 may be prescribed by regulations prescribed by the adjutant general.

15 The state judge advocate shall review the record of trial in each case
16 sent to him for review as provided under this section. If the final
17 action of the court-martial has resulted in an acquittal of all charges
18 and specifications, the opinion of the state judge advocate is limited to
19 questions of jurisdiction.

20 The state judge advocate shall take final action in any case review-
21 able by him.

22 In a case reviewable by the appropriate state judge advocate under
23 this section, the state judge advocate may act only with respect to the
24 findings and sentence as approved by the convening authority. He may
25 affirm only such findings of guilty, and the sentence or such part or
26 amount of the sentence, as he finds correct in law and fact and deter-
27 mines, on the basis of the entire record, should be approved. In
28 consideration of the record, he may weigh the evidence, judge the
29 credibility of witnesses, and determine controverted questions of fact,
30 recognizing that the trial court saw and heard the witnesses. If the
31 state judge advocate sets aside the findings and sentence, he may,
32 except where the setting aside is based on lack of sufficient evidence
33 in the record to support the findings, order a rehearing. If he sets
34 aside the findings and sentence and does not order a rehearing, he shall
35 order that the charges be dismissed.

36 In a case reviewable by the state judge advocate under this section,
37 he shall instruct the convening authority to act in accordance with his
38 decision on the review. If he has ordered a rehearing but the conven-
39 ing authority finds a rehearing impracticable, he may dismiss the
40 charges.

41 The state judge advocate may order one or more boards of review
42 each composed of not less than three (3) commissioned officers of the
43 state military forces, each of whom must be a member of the bar of
44 the highest court of the state. Each board of review shall review the
45 record of any trial by special court-martial including a sentence to a
46 bad-conduct discharge, referred to it by the state judge advocate.
47 Boards of review have the same authority on review as the state judge
48 advocate has under this section.

1 SEC. 66. A finding or sentence of a court-martial may not be held
2 incorrect on the ground of an error of law unless the error materially
3 prejudices the substantial rights of the accused.

4 Any reviewing authority with the power to approve or affirm a find-
5 ing of guilty may approve or affirm so much of the finding as includes
6 a lesser included offense.

1 SEC. 67. Upon the final review of a sentence of a general court-
2 martial or of a sentence to a bad-conduct discharge, the accused has
3 the right to be represented by counsel before the reviewing authority,
4 before the staff judge advocate, and before the appropriate state judge
5 advocate.

6 Upon the request of an accused entitled to be so represented, the
7 state judge advocate shall appoint a lawyer who is a member of the
8 state military forces and who has the qualifications prescribed in sec-
9 tion twenty-eight (28), if available, to represent the accused before
10 the reviewing authority, before the staff judge advocate, and before
11 the appropriate state judge advocate, in the review of cases specified in
12 this section.

13 If provided by him, an accused entitled to be so represented may be
14 represented by civilian counsel before the reviewing authority, before
15 the staff judge advocate and before the appropriate state judge advo-
16 cate.

1 SEC. 68. Before the vacation of the suspension of a special court-
2 martial sentence which as approved includes a bad-conduct discharge,
3 or of any general court-martial sentence, the officer having special
4 court-martial jurisdiction over the probationer shall hold a hearing on
5 the alleged violation of probation. The probationer shall be repre-
6 sented at the hearing by counsel if he so desires.

7 The record of the hearing and the recommendation of the officer
8 having special court-martial jurisdiction shall be sent for action to the
9 adjutant general in cases involving a general court-martial sentence
10 and to the commanding officer of the force of the state military forces
11 of which the probationer is a member in all other cases covered by this
12 section. If the adjutant general or commanding officer vacates the
13 suspension, any unexecuted part of the sentence except a dismissal
14 shall be executed.

15 The suspension of any other sentence may be vacated by any author-
16 ity competent to convene, for the command in which the accused is
17 serving or assigned, a court of the kind that imposed the sentence.

1 SEC. 69. At any time within two (2) years after approval by the
2 convening authority of a court-martial sentence which extends to dis-
3 missal, dishonorable or bad-conduct discharge, the accused may peti-
4 tion the governor for a new trial on ground of newly discovered evi-
5 dence of fraud on the court-martial.

1 SEC. 70. A convening authority may remit or suspend any part or
2 amount of the unexecuted part of any sentence, including all uncol-
3 lected forfeitures.

4 The governor may, for good cause, substitute an administrative
5 form of discharge for a discharge or dismissal executed in accordance
6 with the sentence of a court-martial.

1 SEC. 71. Under such regulations as the adjutant general may pre-
 2 scribe, all rights, privileges, and property affected by an executed part
 3 of a court-martial sentence which has been set aside or disapproved,
 4 except an executed dismissal or discharge, shall be restored unless a
 5 new trial or rehearing is ordered and such executed part is included
 6 in a sentence imposed upon a new trial or rehearing.

7 If a previously executed sentence of dishonorable or bad-conduct
 8 discharge is not imposed on a new trial, the adjutant general shall
 9 substitute therefor a form of discharge authorized for administrative
 10 issuance unless the accused is to serve out the remainder of his enlist-
 11 ment.

12 If a previously executed sentence of dismissal is not imposed on a
 13 new trial, the adjutant general shall substitute therefor a form of
 14 discharge authorized for administrative issue, and the commissioned
 15 officer dismissed by that sentence may be reappointed by the governor
 16 alone to such commissioned grade and with such rank as in the opinion
 17 of the governor that former officer would have attained had he not
 18 been dismissed. The reappointment of such a former officer may be
 19 made if a position vacancy is available under applicable tables of
 20 organization. All times between the dismissal and reappointment
 21 shall be considered as service for all purposes.

1 SEC. 72. The proceedings, findings, and sentences of court-martial
 2 as reviewed and approved, as required by this Code, and all dismissals
 3 and discharges carried into execution under sentences by courts-
 4 martial following review and approval, as required by this Code, are
 5 final and conclusive. Orders publishing the proceedings are binding
 6 upon all departments, courts, agencies, and officers of the state, sub-
 7 ject only to action upon a petition for a new trial as provided in section
 8 sixty-nine (69) of this Code.

1 SEC. 73. No person may be tried or punished for any offense pro-
 2 vided for in this Code unless it was committed while he was in a duty
 3 status.

1 SEC. 74. Any person subject to this Code who:

2 1. Commits an offense punishable by this Code, or aids, abets, coun-
 3 sels, commands, or procures its commission; or

4 2. Causes an act to be done which if directly performed by him
 5 would be punishable by this Code;
 6 is a principal.

1 SEC. 75. Any person subject to this Code who, knowing that an
 2 offense punishable by this Code has been committed, receives, com-
 3 forts, or assists the offender in order to hinder or prevent his appre-
 4 hension, trial or punishment shall be punished as a court-martial may
 5 direct.

1 SEC. 76. An accused may be found guilty of an offense necessarily
 2 included in the offense charged or of an attempt to commit either the
 3 offense charged or an offense necessarily included therein.

1 SEC. 77. An act, done with specific intent to commit an offense
 2 under this Code, amounting to more than mere preparation and tend-

3 ing, even though failing, to effect its commission, is an attempt to
4 commit that offense.

5 Any person subject to this Code who attempts to commit any offense
6 punishable by this Code shall be punished as a court-martial may
7 direct, unless otherwise specifically prescribed.

8 Any person subject to this Code may be convicted of an attempt to
9 commit an offense although it appears on the trial that the offense was
10 consummated.

1 SEC. 78. Any person subject to this Code who conspires with any
2 other person to commit an offense under this Code shall, if one or more
3 of the conspirators does an act to effect the object of the conspiracy,
4 be punished as a court-martial may direct.

1 SEC. 79. Any person subject to this Code who solicits or advises
2 another or others to desert in violation of section eighty-two (82) of
3 this Code or mutiny in violation of section ninety-one (91) of this Code
4 shall, if the offense solicited or advised is attempted or committed, be
5 punished with the punishment provided for the commission of the
6 offense, but, if the offense solicited or advised is not committed or
7 attempted, he shall be punished as a court-martial may direct.

8 Any person subject to this Code who solicits or advises another or
9 others to commit an act of misbehavior before the enemy in violation
10 of section ninety-six (96) of this Code or sedition in violation of sec-
11 tion ninety-one (91) of this Code shall, if the offense solicited or
12 advised is committed, be punished with the punishment provided for
13 the commission of the offense, but, if the offense solicited or advised is
14 not committed, he shall be punished as a court-martial may direct.

1 SEC. 80. Any person who:

2 1. Procures his own enlistment or appointment in the state military
3 forces by knowingly false representation or deliberate concealment as
4 to his qualifications for that enlistment or appointment and receives
5 pay or allowances thereunder; or

6 2. Procures his own separation from the state military forces by
7 knowingly false representation or deliberate concealment as to his
8 eligibility for that separation;
9 shall be punished as a court-martial may direct.

1 SEC. 81. Any person subject to this Code who effects an enlistment
2 or appointment in or a separation from the state military forces of
3 any person who is known to him to be ineligible for that enlistment,
4 appointment, or separation because it is prohibited by law, regulation,
5 or order shall be punished as a court-martial may direct.

1 SEC. 82. Any member of the state military forces who:

2 1. Without authority goes or remains absent from his unit, organi-
3 zation, or place of duty with intent to remain away therefrom perma-
4 nently;

5 2. Quits his unit, organization or place of duty with intent to avoid
6 hazardous duty or to shirk important services; or

7 3. Without being regularly separated from one of the state military
8 forces enlists or accepts an appointment in the same or another one of
9 the state military forces, or in one of the armed forces of the United

10 States, without duly disclosing the fact that he has not been regularly
 11 separated;
 12 is guilty of desertion.

13 Any commissioned officer of the state military forces who, after
 14 tender of his resignation and before notice of its acceptance, quits his
 15 post or proper duties without leave and with intent to remain away
 16 therefrom permanently is guilty of desertion.

17 Any person found guilty of desertion or attempt to desert shall be
 18 punished as a court-martial may direct.

1 SEC. 83. Any person subject to this Code who, without authority:

2 1. Fails to go to his appointed place of duty at the time prescribed;

3 2. Goes from that place; or

4 3. Absents himself or remains absent from his unit, organization,
 5 or place of duty at which he is required to be at the time prescribed;

6 shall be punished as a court-martial may direct.

1 SEC. 84. Any person subject to this Code who through neglect or
 2 design misses the movement of a ship, aircraft, or unit with which he
 3 is required in the course of duty to move shall be punished as a court-
 4 martial may direct.

1 SEC. 85. Any person subject to this Code who uses contemptuous
 2 words against the president, the governor, or the governor of any other
 3 state, territory, commonwealth, or possession in which that person
 4 may be serving, shall be punished as a court-martial may direct.

1 SEC. 86. Any person subject to this Code who behaves with dis-
 2 respect towards* his superior commissioned officer shall be punished
 3 as a court-martial may direct.

1 SEC. 87. Any person subject to this Code who:

2 1. Strikes his superior commissioned officer or draws or lifts up any
 3 weapon or offers any violence against him while he is in the execution
 4 of his office; or

5 2. Willfully disobeys a lawful command of his superior commis-
 6 sioned officer;

7 shall be punished as a court-martial may direct.

1 SEC. 88. Any warrant officer or enlisted member who:

2 1. Strikes or assaults a warrant officer, noncommissioned officer or
 3 petty officer, while that officer is in the execution of his office;

4 2. Willfully disobeys the lawful order of a warrant officer, noncom-
 5 missioned officer, or petty officer; or

6 3. Treats with contempt or is disrespectful in language or deport-
 7 ment toward a warrant officer, noncommissioned officer, or petty offi-
 8 cer, while that officer is in the execution of his office;

9 shall be punished as a court-martial may direct.

1 SEC. 89. Any person subject to this Code who:

2 1. Violates or fails to obey any lawful general order or regulation;

3 2. Having knowledge of any other lawful order issued by a member
 4 of the state military forces which it is his duty to obey, fails to obey

5 the order; or

*According to enrolled Act.

6 3. Is derelict in the performance of his duties ;
7 shall be punished as a court-martial may direct.

1 SEC. 90. Any person subject to this Code who is guilty of cruelty
2 toward, or oppression or maltreatment of, any person subject to his
3 orders shall be punished as a court-martial may direct.

1 SEC. 91. Any person subject to this Code who :

2 1. With intent to usurp or override lawful military authority re-
3 fuses, in concert with any other person, to obey orders or otherwise
4 do his duty or creates any violence or disturbance against that author-
5 ity is guilty of mutiny ;

6 2. With intent to cause the overthrow or destruction of lawful civil
7 authority, creates, in concert with any other person, revolt, violence,
8 or other disturbance against that authority is guilty of sedition ;

9 3. Fails to do his utmost to prevent and suppress a mutiny or sedi-
10 tion being committed in his presence, or fails to take all reasonable
11 means to inform his superior commissioned officer or commanding
12 officer of a mutiny or sedition which he knows or has reason to believe
13 is taking place, is guilty of a failure to suppress or report a mutiny or
14 sedition.

15 A person who is found guilty of attempted mutiny, mutiny, sedition,
16 or failure to suppress or report a mutiny or sedition shall be punished
17 as a court-martial may direct.

1 SEC. 92. Any person subject to this Code who resists apprehension
2 or breaks arrest or who escapes from physical restraint lawfully im-
3 posed shall be punished as a court-martial may direct.

1 SEC. 93. Any person subject to this Code who, without proper
2 authority, releases any prisoner committed to his charge, or who
3 through neglect or design suffers any such prisoner to escape, shall be
4 punished as a court-martial may direct, whether or not the prisoner
5 was committed in strict compliance with law.

1 SEC. 94. Any person subject to this Code who, except as provided
2 by law or regulation, apprehends, arrests, or confines any person shall
3 be punished as a court-martial may direct.

1 SEC. 95. Any person subject to this Code who :

2 1. Is responsible for unnecessary delay in the disposition of any
3 case of a person accused of an offense under this Code ; or

4 2. Knowingly and intentionally fails to enforce or comply with any
5 provisions of this Code regulating the proceedings before, during, or
6 after trial of an accused ;

7 shall be punished as a court-martial may direct.

1 SEC. 96. Any person subject to this Code who before or in the
2 presence of the enemy :

3 1. Runs away ;

4 2. Shamefully abandons, surrenders, or delivers up any command,
5 unit, place, or military property which it is his duty to defend ;

6 3. Through disobedience, neglect, or intentional misconduct endan-
7 gers the safety of any such command, unit, place, or military property ;

8 4. Casts away his arms or ammunition ;

- 9 5. Is guilty of cowardly conduct ;
 10 6. Quits his place of duty to plunder or pillage ;
 11 7. Causes false alarms in any command, unit, or place under control
 12 of the armed forces of the United States or the state military forces ;
 13 8. Willfully fails to do his utmost to encounter, engage, capture, or
 14 destroy any enemy troops, combatants, vessels, aircraft, or any other
 15 thing, which it is his duty so to encounter, engage, capture or destroy ;
 16 or
 17 9. Does not afford all practicable relief and assistance to any troops,
 18 combatants, vessels, or aircraft of the armed forces belonging to the
 19 United States or their allies, to the state, or to any other state, when
 20 engaged in battle ;
 21 shall be punished as a court-martial may direct.

1 SEC. 97. Any person subject to this Code who compels or attempts
 2 to compel the commander of any of the state military forces of the
 3 state, or of any other state, to give it up to an enemy or to abandon it,
 4 or who strikes the colors or flag to an enemy without proper authority,
 5 shall be punished as a court-martial may direct.

1 SEC. 98. Any person subject to this Code who in time of war dis-
 2 closes the parole or countersign to any person not entitled to receive
 3 it, or who gives to another who is entitled to receive and use the parole
 4 or countersign a different parole or countersign from that which, to
 5 his knowledge, he was authorized and required to give, shall be pun-
 6 ished as a court-martial may direct.

1 SEC. 99. Any person subject to this Code who forces a safeguard
 2 shall be punished as a court-martial may direct.

1 SEC. 100. All persons subject to this Code shall secure all public
 2 property taken from the enemy for the service of the United States,
 3 and shall give notice and turn over to the proper authority without
 4 delay all captured or abandoned property in their possession, custody
 5 or control.

6 Any person subject to this Code who :

7 1. Fails to carry out the duties prescribed herein ;

8 2. Buys, sells, trades, or in any way deals in or disposes of captured
 9 or abandoned property, whereby he receives or expects any profit,
 10 benefit or advantage to himself or another directly or indirectly con-
 11 nected with himself ; and

12 3. Engages in looting or pillaging ;
 13 shall be punished as a court-martial may direct.

1 SEC. 101. Any person subject to this Code who :

2 1. Aids, or attempts to aid, the enemy with arms, ammunition, sup-
 3 plies, money, or other things ; or

4 2. Without proper authority, knowingly harbors or protects or gives
 5 intelligence to, or communicates or corresponds with or holds any
 6 intercourse with the enemy, either directly or indirectly ;
 7 shall be punished as a court-martial may direct.

1 SEC. 102. Any person subject to this Code who, while in the hands
 2 of the enemy in time of war ;

3 1. For the purpose of securing favorable treatment by his captors

4 acts without proper authority in a manner contrary to law, custom, or
5 regulation, to the detriment of others of whatever nationality held by
6 the enemy as civilian or military prisoners; or

7 2. While in a position of authority over such persons maltreats them
8 without justifiable cause;
9 shall be punished as a court-martial may direct.

1 SEC. 103. Any person subject to this Code who, with intent to
2 deceive, signs any false record, return, regulation, order, or other
3 official document, knowing it to be false, or makes any other false
4 official statement knowing it to be false, shall be punished as a court-
5 martial may direct.

1 SEC. 104. Any person subject to this Code who, while in a duty
2 status, willfully or recklessly wastes, spoils, or otherwise willfully and
3 wrongfully destroys or damages any property other than military
4 property of the United States or of the state shall be punished as a
5 court-martial may direct.

1 SEC. 105. Any person subject to this Code who willfully and
2 wrongfully hazards or suffers to be hazarded any vessel of the armed
3 forces of the United States or of the state military forces shall be pun-
4 ished as a court-martial may direct.

5 Any person subject to this Code who negligently hazards or suffers
6 to be hazarded any vessel of the armed forces of the United States or
7 of the state military forces shall be punished as a court-martial may
8 direct.

1 SEC. 106. Any person subject to this Code who operates any ve-
2 hicle while drunk, or in a reckless or wanton manner, shall be punished
3 as a court-martial may direct.

1 SEC. 107. Any person subject to this Code who is found drunk on
2 duty or sleeping upon his post, or who leaves his post before he is
3 regularly relieved, shall be punished as a court-martial may direct.

1 SEC. 108. Any person subject to this Code who fights or promotes,
2 or is concerned in or connives at fighting a duel, or who, having knowl-
3 edge of a challenge sent or about to be sent, fails to report the fact
4 promptly to the proper authority, shall be punished as a court-martial
5 may direct.

1 SEC. 109. Any person subject to this Code who for the purpose of
2 avoiding work, duty or service in the state military forces:

3 1. Feigns illness, physical disablement, mental lapse or derange-
4 ment; or

5 2. Intentionally inflicts self-injury; shall be punished as a court-
6 martial may direct.

1 SEC. 110. Any person subject to this Code who causes or partici-
2 pates in any riot or breach of the peace shall be punished as a court-
3 martial may direct.

1 SEC. 111. Any person subject to this Code who uses provoking or
2 reproachful words or gestures towards* any other person subject to

*According to enrolled Act.

3 this Code shall be punished as a court-martial may direct.

1 SEC. 112. Any person subject to this Code who in a judicial pro-
 2 ceeding or in a court of justice conducted under this Code willfully
 3 and corruptly gives, upon a lawful oath or in any form allowed by law
 4 to be substituted for an oath, any false testimony material to the issue
 5 or matter of inquiry is guilty of perjury and shall be punished as a
 6 court-martial may direct.

1 SEC. 113. Any person subject to this Code:

2 Who, knowing it to be false or fraudulent:

3 1. Makes any claim against the United States, the state, or any
 4 officer thereof; or

5 2. Presents to any person in the civil or military service thereof, for
 6 approval or payment any claim against the United States, the state, or
 7 any officer thereof;

8 Who, for the purpose of obtaining the approval, allowance, or pay-
 9 ment of any claim against the United States, the state, or any officer
 10 thereof:

11 1. Makes or uses any writing or other paper knowing it to contain
 12 any false or fraudulent statements;

13 2. Makes any oath to any fact or to any writing or other paper
 14 knowing the oath to be false; or

15 3. Forges or counterfeits any signature upon any writing or other
 16 paper, or uses any such signature knowing it to be forged or counter-
 17 feited;

18 Who, having charge, possession, custody, or control of any money,
 19 or other property of the United States or the state, furnished or in-
 20 tended for the armed forces of the United States or the state military
 21 forces, knowingly delivers to any person having authority to receive
 22 it, any amount thereof less than that for which he receives a certificate
 23 or receipt; or

24 Who, being authorized to make or deliver any paper certifying the
 25 receipt of any property of the United States or the state, furnished or
 26 intended for the armed forces of the United States or the state military
 27 forces, makes or delivers to any person such writing without having
 28 full knowledge of the truth of the statements therein contained and
 29 with intent to defraud the United States or the state; shall, upon con-
 30 viction, be punished as a court-martial may direct.

1 SEC. 114. Any person subject to this Code who wrongfully takes,
 2 obtains, or withholds, by any means, from the possession of the owner
 3 or of any other person any money, personal property, or article of
 4 value of any kind:

5 1. With intent permanently to deprive or defraud another person of
 6 the use and benefit of property or to appropriate it to his own use or
 7 the use of any person other than the owner, steals that property and
 8 is guilty of larceny; or

9 2. With intent temporarily to deprive or defraud another person of
 10 the use and benefit of property or to appropriate it to his own use or
 11 the use of any person other than the owner, is guilty of wrongful
 12 appropriation.

13 Any person found guilty of larceny or wrongful appropriation shall
14 be punished as a court-martial may direct.

1 SEC. 115. Any commissioned officer who is convicted of conduct
2 unbecoming an officer and a gentleman shall be punished as a court-
3 martial may direct.

1 SEC. 116. Though not specifically mentioned in this Code, all dis-
2 orders and neglects to the prejudice of good order and discipline in the
3 organized militia, of which persons subject to this Code may be guilty,
4 shall be taken cognizance of by a general, special or summary court-
5 martial, according to the nature and degree of the offense, and shall be
6 punished at the discretion of that court. However, cognizance may not
7 be taken of, and jurisdiction may not be extended to, the crimes of
8 murder, manslaughter, rape, robbery, maiming, sodomy, arson, extor-
9 tion, assault, burglary, or housebreaking, jurisdiction of which is re-
10 served to civil courts.

1 SEC. 117. Courts of inquiry to investigate any matter may be con-
2 vened by the adjutant general or by any other person designated by
3 the adjutant general for that purpose, whether or not the persons in-
4 volved have requested such an inquiry.

5 A court of inquiry consists of three or more commissioned officers.
6 For each court of inquiry the convening authority shall also appoint
7 counsel for the court.

8 Any person subject to this Code whose conduct is subject to inquiry
9 shall be designated as a party. Any person subject to this Code who
10 has a direct interest in the subject of inquiry has the right to be desig-
11 nated as a party upon request to the court. Any person designated as
12 a party shall be given due notice and has the right to be present, to be
13 represented by counsel, to cross-examine witnesses, and to introduce
14 evidence.

15 Members of a court of inquiry may be challenged by a party, but
16 only for cause stated to the court.

17 The members, counsel, the reporter, and interpreters of courts of
18 inquiry shall take an oath or affirmation to faithfully perform their
19 duties.

20 Witnesses may be summoned to appear and testify and be examined
21 before courts of inquiry, as provided for courts-martial.

22 Courts of inquiry shall make findings of fact but may not express
23 opinions or make recommendations unless required to do so by the
24 convening authority.

25 Each court of inquiry shall keep a record of its proceedings, which
26 shall be authenticated by the signatures of the president and counsel
27 for the court and forwarded to the convening authority. If the record
28 cannot be authenticated by the president, it shall be signed by a mem-
29 ber in lieu of the president. If the record cannot be authenticated by
30 the counsel for the court, it shall be signed by a member in lieu of the
31 counsel.

1 SEC. 118. Any member of the state military forces who believes
2 himself wronged by his commanding officer, and who, upon due appli-
3 cation to that commanding officer, is refused redress, may complain

4 to any superior commissioned officer, who shall forward the complaint
5 to the governor or adjutant general.

1 SEC. 119 Whenever complaint is made to any commanding officer
2 that willful damage has been done to the property of any person or
3 that his property has been wrongfully taken by members of the state
4 military forces, he may, subject to such regulations as the adjutant
5 general may prescribe, convene a board to investigate the complaint.
6 The board shall consist of from one to three commissioned officers and,
7 for the purpose of that investigation, it has power to summon wit-
8 nesses and examine them upon oath or affirmation, to receive deposi-
9 tions or other documentary evidence, and to assess the damages sus-
10 tained against the responsible parties. The assessment of damages
11 made by the board is subject to the approval of the commanding offi-
12 cer, and in the amount approved by him shall be charged against the
13 pay of the offenders. The order of the commanding officer directing
14 charges herein authorized is conclusive, except as provided herein, on
15 any disbursement officer for the payment by him to the injured parties
16 of the damages so assessed and approved.

17 Any person subject to this Code who is accused of causing willful
18 damage to property has the right to be represented by counsel, to sum-
19 mon witnesses in his behalf, and to cross-examine those appearing
20 against him. He has the right of appeal to the next higher commander.

1 SEC. 120. Military courts may issue any process or mandate neces-
2 sary to carry into effect their powers. Such a court may issue sub-
3 poenas and subpoenas *duces tecum* and enforce by attachment attend-
4 ance of witnesses and production of books and records, when it is
5 sitting within the state and the witnesses, books and records sought
6 are also so located.

7 Process and mandates may be issued by summary courts-martial,
8 provost courts, or the president of other military courts and may be
9 directed to and may be executed by the marshals of the military court
10 or any peace officer and shall be in such form as may be prescribed by
11 regulations issued under this Code.

12 All officers to whom process or mandates may be so directed shall
13 execute them and make return of their acts thereunder according to
14 the requirements of those documents. Except as otherwise specifically
15 provided in this Code, no such officer may demand or require payment
16 of any fee or charge for receiving, executing, or returning such a
17 process or mandate or for any service in connection therewith.

Approved May 4, 1965.

CHAPTER 86

STATE MILITARY FORCES

S. F. 576

AN ACT to amend chapter 29, Code 1962, as amended, relating to the state military forces.

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

1 SECTION 1. There shall be an agency of the state government to
2 be known as the department of public defense of the state of Iowa,
3 which shall be composed of the military agency as provided in the laws
4 of this state and the civil defense agency as provided in the laws of the
5 state. The adjutant general, state of Iowa, shall be executive director
6 of the department of public defense.

1 SEC. 2. There shall be within the department of public defense,
2 as a division thereof, a state military agency which shall be styled and
3 known as the "military division, department of public defense", with
4 the adjutant general as the executive director thereof. The term mili-
5 tary division shall include the office of the adjutant general and all
6 functions, responsibilities, powers and duties of the adjutant general
7 of the state of Iowa and the military forces of the state of Iowa as
8 provided in the laws of the state.

1 SEC. 3. There shall be within the department of public defense of
2 the state government, as a division thereof, a state civil defense agency
3 which shall be styled and known as the "civil defense division, depart-
4 ment of public defense", with a director of civil defense who shall be
5 the head thereof. The adjutant general, as the executive director of
6 the department of public defense shall exercise supervisory authority
7 over the division.

Approved June 7, 1965.

CHAPTER 87

MEMORIAL HALLS AND MONUMENTS

S. F. 177

AN ACT relating to memorial halls and monument usages.

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

1 SECTION 1. Section thirty seven point eighteen (37.18), Code
2 1962, is hereby amended by adding thereto the following new sub-
3 section: "5. Athletic contests, sport and entertainment spectaculars,
4 expositions, meetings, conventions and all food and beverage services
5 incident thereto."

Approved May 13, 1965.

CHAPTER 88

APPORTIONMENT OF REPRESENTATION IN THE LEGISLATURE

S. F. 568

AN ACT to provide for representation in the senate and house of representatives in the Sixty-second General Assembly and thereafter.

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

1 SECTION 1. Chapter one (1), Acts of the Sixtieth General Assem-
2 bly in Extraordinary Session, is hereby repealed.

1 SEC. 2. The general assembly hereby determines that in order to
2 provide fair representation for all citizens of Iowa in the interim
3 period before a constitutional amendment becomes effective, the
4 apportionment of the general assembly shall be based upon the fol-
5 lowing principles:

6 1. The house of representatives shall be apportioned on a popula-
7 tion basis.

8 2. The senate shall be apportioned on a fair and reasonable basis,
9 taking into account population to guarantee citizens of the state fair
10 and equal representation. In order to give proper recognition to such
11 principles, the following shall apply:

12 a. Any county having more than thirty-five thousand (35,000)
13 population shall be a senatorial district and shall be entitled to one
14 (1) senator. In addition, each county having a population of seventy
15 thousand (70,000) or more shall be entitled to such additional sena-
16 tors as shall guarantee fair and equal representation to the citizens
17 of such counties.

18 b. No county having less than thirty-five thousand (35,000) pop-
19 ulation shall be joined in a senatorial district with any county having
20 more than thirty-five thousand (35,000) population.

21 c. No senatorial district shall contain more than four (4) counties.

22 d. The counties having less than thirty-five thousand (35,000)
23 population shall be joined in senatorial districts of two (2) counties,
24 three (3) counties, or four (4) counties. In forming such districts,
25 counties whose people have a high degree of common interests shall
26 be joined together when practicable.

27 The general assembly hereby declares that the foregoing principles
28 have been followed in this Act and that the provisions of this Act are
29 necessary and reasonable in order to provide fair representation in
30 the general assembly for all citizens of Iowa.

1 SEC. 3. The number of senators in the general assembly is hereby
2 fixed at sixty-one (61) and they are hereby apportioned among the
3 several counties as follows:

4 1. Lee county shall constitute the first district with one (1) sen-
5 ator.

6 2. Davis county, Jefferson county, and Van Buren county shall con-
7 stitute the second district with one (1) senator.

8 3. Appanoose county, Lucas county, and Monroe county shall con-
9 stitute the third district with one (1) senator.

10 4. Clarke county, Decatur county, Ringgold county, and Wayne
11 county shall constitute the fourth district with one (1) senator.

- 12 5. Adams county, Montgomery county, Taylor county, and Union
13 county shall constitute the fifth district with one (1) senator.
- 14 6. Fremont county, Mills county, and Page county shall constitute
15 the sixth district with one (1) senator.
- 16 7. Des Moines county shall constitute the seventh district with one
17 (1) senator.
- 18 8. Henry county, Louisa county, and Washington county shall con-
19 stitute the eighth district with one (1) senator.
- 20 9. Wapello county shall constitute the ninth district with one (1)
21 senator.
- 22 10. Keokuk county and Mahaska county shall constitute the tenth
23 district with one (1) senator.
- 24 11. Marion county and Warren county shall constitute the eleventh
25 district with one (1) senator.
- 26 12. Adair county, Cass county, and Madison county shall constitute
27 the twelfth district with one (1) senator.
- 28 13. Pottawattamie county shall constitute the thirteenth district
29 with two (2) senators.
- 30 14. Cedar county and Muscatine county shall constitute the four-
31 tenth district with one (1) senator.
- 32 15. Scott county shall constitute the fifteenth district with two (2)
33 senators.
- 34 16. Clinton county shall constitute the sixteenth district with one
35 (1) senator.
- 36 17. Johnson county shall constitute the seventeenth district with
37 one (1) senator.
- 38 18. Iowa county and Poweshiek county shall constitute the eigh-
39 teenth district with one (1) senator.
- 40 19. Jasper county shall constitute the nineteenth district with one
41 (1) senator.
- 42 20. Polk county shall constitute the twentieth district with five (5)
43 senators.
- 44 21. Audubon county, Dallas county, and Guthrie county shall con-
45 stitute the twenty-first district with one (1) senator.
- 46 22. Harrison county, Monona county, and Shelby county shall con-
47 stitute the twenty-second district with one (1) senator.
- 48 23. Jackson county and Jones county shall constitute the twenty-
49 third district with one (1) senator.
- 50 24. Linn county shall constitute the twenty-fourth district with
51 three (3) senators.
- 52 25. Benton county and Tama county shall constitute the twenty-
53 fifth district with one (1) senator.
- 54 26. Marshall county shall constitute the twenty-sixth district with
55 one (1) senator.
- 56 27. Story county shall constitute the twenty-seventh district with
57 one (1) senator.
- 58 28. Boone county and Greene county shall constitute the twenty-
59 eighth district with one (1) senator.
- 60 29. Carroll county and Crawford county shall constitute the twen-
61 ty-ninth district with one (1) senator.
- 62 30. Dubuque county shall constitute the thirtieth district with two
63 (2) senators.

- 64 31. Buchanan county and Delaware county shall constitute the
65 thirty-first district with one (1) senator.
- 66 32. Black Hawk county shall constitute the thirty-second district
67 with three (3) senators.
- 68 33. Franklin county, Grundy county, and Hardin county shall consti-
69 tute the thirty-third district with one (1) senator.
- 70 34. Hamilton county and Wright county shall constitute the thirty-
71 fourth district with one (1) senator.
- 72 35. Webster county shall constitute the thirty-fifth district with
73 one (1) senator.
- 74 36. Calhoun county, Ida county, and Sac county shall constitute the
75 thirty-sixth district with one (1) senator.
- 76 37. Woodbury county shall constitute the thirty-seventh district
77 with two (2) senators.
- 78 38. Allamakee county and Clayton county shall constitute the thir-
79 ty-eighth district with one (1) senator.
- 80 39. Fayette county and Winneshiek county shall constitute the
81 thirty-ninth district one (1) senator.
- 82 40. Bremer county, Chickasaw county, and Howard county shall
83 constitute the fortieth district with one (1) senator.
- 84 41. Butler county, Floyd county, and Mitchell county shall consti-
85 tute the forty-first district with one (1) senator.
- 86 42. Cerro Gordo county shall constitute the forty-second district
87 with one (1) senator.
- 88 43. Hancock county, Winnebago county, and Worth county shall
89 constitute the forty-third district with one (1) senator.
- 90 44. Humboldt county and Kossuth county shall constitute the forty-
91 fourth district with one (1) senator.
- 92 45. Emmet county, Palo Alto county, and Pocahontas county shall
93 constitute the forty-fifth district with one (1) senator.
- 94 46. Buena Vista county and Clay county shall constitute the forty-
95 sixth district with one (1) senator.
- 96 47. Cherokee county and Plymouth county shall constitute the for-
97 ty-seventh district with one (1) senator.
- 98 48. Dickinson county, O'Brien county, and Osceola county shall
99 constitute the forty-eighth district with one (1) senator.
- 100 49. Lyon county and Sioux county shall constitute the forty-ninth
101 district with one (1) senator.
- 102 This Act shall be effective as to the nomination and election of one
103 (1) senator, except as otherwise indicated, from each of the follow-
104 ing districts in the year 1966 and thereafter for four-year terms
105 each:
- 106 First (1st)
107 Sixth (6th)
108 Seventh (7th)
109 Eighth (8th)
110 Ninth (9th)
111 Thirteenth (13th)
112 Fourteenth (14th)
113 Fifteenth (15th)
114 Sixteenth (16th)
115 Eighteenth (18th)

- 116 Nineteenth (19th)
117 Twentieth (20th) (three to be elected)
118 Twenty-second (22nd)
119 Twenty-third (23rd)
120 Twenty-fourth (24th) (two to be elected)
121 Twenty-fifth (25th)
122 Twenty-seventh (27th)
123 Twenty-ninth (29th)
124 Thirtieth (30th) (two to be elected)
125 Thirty-second (32nd) (two to be elected)
126 Thirty-third (33rd)
127 Thirty-fourth (34th)
128 Thirty-sixth (36th)
129 Thirty-seventh (37th)
130 Fortieth (40th)
131 This Act shall be effective as to the nomination and election of one
132 (1) senator from the following district in the year 1966 for a two-
133 year term:
134 Twentieth (20th)
135 The terms of senators elected in 1964 for terms of four (4) years
136 or elected subsequently to fill a vacancy in any such term shall con-
137 tinue until December 31, 1968. In the year 1968 and thereafter one
138 (1) senator, except as otherwise indicated, shall be nominated and
139 elected from each of the following districts for four-year terms each:
140 Second (2nd)
141 Third (3rd)
142 Fourth (4th)
143 Fifth (5th)
144 Tenth (10th)
145 Eleventh (11th)
146 Twelfth (12th)
147 Thirteenth (13th)
148 Fifteenth (15th)
149 Seventeenth (17th)
150 Twentieth (20th) (two to be elected)
151 Twenty-first (21st)
152 Twenty-fourth (24th)
153 Twenty-sixth (26th)
154 Twenty-eighth (28th)
155 Thirty-first (31st)
156 Thirty-second (32nd)
157 Thirty-fifth (35th)
158 Thirty-seventh (37th)
159 Thirty-eighth (38th)
160 Thirty-ninth (39th)
161 Forty-first (41st)
162 Forty-second (42nd)
163 Forty-third (43rd)
164 Forty-fourth (44th)
165 Forty-fifth (45th)
166 Forty-sixth (46th)
167 Forty-seventh (47th)

- 168 Forty-eighth (48th)
 169 Forty-ninth (49th)
 170 For the legislative session in 1967 and at any special session there-
 171 after prior to 1969 the following counties are hereby attached for the
 172 purpose of representation in the senate to the present districts desig-
 173 nated opposite the name of the county :
 174 Jefferson to the second (2nd)
 175 Appanoose to the third (3rd)
 176 Clarke and Wayne to the fourth (4th)
 177 Union to the fifth (5th)
 178 Cass to the thirteenth (13th)
 179 Audubon to the twenty-ninth (29th)
 180 Mitchell and Floyd to the forty-second (42nd)
 181 Worth to the forty-seventh (47th)
 182 Pocahontas to the forty-eighth (48th)
 183 Dickinson to the forty-ninth (49th)
 184 Buena Vista to the fifty-first (51st).

- 1 SEC. 4. The house of representatives shall be apportioned on a
 2 population basis as follows and representatives shall be elected in
 3 1966 and each two (2) years thereafter :
 4 The counties of Lyon and Osceola shall comprise one (1) district
 5 and elect one (1) representative.
 6 The counties of Dickinson and Clay shall comprise one (1) district
 7 and elect one (1) representative.
 8 The counties of Emmet and Palo Alto shall comprise one (1) dis-
 9 trict and elect one (1) representative.
 10 The counties of Winnebago and Worth shall comprise one (1) dis-
 11 trict and elect one (1) representative.
 12 The counties of Mitchell and Howard shall comprise one (1) dis-
 13 trict and elect one (1) representative.
 14 The counties of Pocahontas and Humboldt shall comprise one (1)
 15 district and elect one (1) representative.
 16 The counties of Ida and Sac shall comprise one (1) district and
 17 elect one (1) representative.
 18 The counties of Audubon and Guthrie shall comprise one (1) dis-
 19 trict and elect one (1) representative.
 20 The counties of Adair and Madison shall comprise one (1) district
 21 and elect one (1) representative.
 22 The counties of Mills and Fremont shall comprise one (1) district
 23 and elect one (1) representative.
 24 The counties of Montgomery and Adams shall comprise one (1)
 25 district and elect one (1) representative.
 26 The counties of Taylor and Ringgold shall comprise one (1) dis-
 27 trict and elect one (1) representative.
 28 The counties of Union and Clarke shall comprise one (1) district
 29 and elect one (1) representative.
 30 The counties of Decatur and Wayne shall comprise one (1) district
 31 and elect one (1) representative.
 32 The counties of Lucas and Monroe shall comprise one (1) district
 33 and elect one (1) representative.
 34 The counties of Appanoose and Davis shall comprise one (1) dis-
 35 trict and elect one (1) representative.

- 36 The counties of Jefferson and Van Buren shall comprise one (1)
 37 district and elect one (1) representative.
 38 The counties of Louisa and Muscatine shall comprise one (1) dis-
 39 trict and elect two (2) representatives.
 40 The counties of Cerro Gordo, Webster, Story, Jasper, Johnson,
 41 Clinton, Wapello, Marshall, Des Moines, and Lee shall comprise one
 42 (1) district each and each shall elect two (2) representatives.
 43 The county of Dubuque shall comprise one (1) district and shall
 44 elect three (3) representatives.
 45 The county of Pottawattamie shall comprise one (1) district and
 46 shall elect four (4) representatives.
 47 The counties of Scott, Woodbury, and Black Hawk shall comprise
 48 one (1) district each and each shall elect five (5) representatives.
 49 The county of Linn shall comprise one (1) district and shall elect
 50 six (6) representatives.
 51 The county of Polk shall comprise one (1) district and shall elect
 52 eleven (11) representatives.
 53 All other counties shall comprise one (1) district each and each
 54 shall elect one (1) representative.

Approved June 3, 1965.

CHAPTER 89

PRIMARY ELECTIONS

H. F. 541

AN ACT relating to primary elections, vacancies, precinct caucuses and county and state conventions.

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

1 SECTION 1. Section forty-three point one (43.1), Code 1962, is
 2 hereby amended by striking all of such section after the word "by"
 3 in line three (3) and inserting in lieu thereof the following: "the
 4 members of various political parties for the purpose of placing in
 5 nomination candidates for public office."

1 SEC. 2. Section forty-three point four (43.4), Code 1962, as
 2 amended by section four (4) of chapter seventy-eight (78), Acts of
 3 the Sixtieth General Assembly, is hereby repealed.

1 SEC. 3. Section forty-three point seven (43.7), Code 1962, is here-
 2 by amended by striking all of lines four (4) and five (5) and inserting
 3 in lieu thereof the words "the first (1st) Tuesday after the first (1st)
 4 Monday in September in each even numbered year."

1 SEC. 4. Section forty-three point fourteen (43.14), Code 1962, is
 2 hereby amended by striking from line twelve (12) the word "June"
 3 and inserting in lieu thereof the word "September".

1 SEC. 5. Section forty-three point eighteen (43.18), Code 1962, is
 2 hereby amended by striking from line thirteen (13) the word "June"
 3 and inserting in lieu thereof the word "September".

1 SEC. 6. Section forty-three point twenty-one (43.21), Code 1962,
2 is hereby amended by striking from lines three (3) and four (4) the
3 words “, including the office of party committeeman,”.

1 SEC. 7. Section forty-three point twenty-six (43.26), Code 1962,
2 as amended by section five (5) of chapter seventy-eight (78), Acts of
3 the Sixtieth General Assembly, is hereby amended as follows:

4 1. By striking from line eleven (11) the word “June” and inserting
5 in lieu thereof the word “September”.

6 2. By striking lines fifty-two (52) through fifty-nine (59).

1 SEC. 8. Section forty-three point forty-nine (43.49), Code 1962, is
2 hereby amended by striking from line two (2) the words “second Tues-
3 day” and inserting in lieu thereof the word “Friday”.

1 SEC. 9. Section forty-three point fifty-six (43.56), Code 1962, is
2 hereby amended by striking from line nine (9) the word “Monday”
3 and inserting in lieu thereof the word “Wednesday”.

1 SEC. 10. Section forty-three point fifty-nine (43.59), Code 1962, as
2 amended by section six (6) of chapter seventy-eight (78), Acts of the
3 Sixtieth General Assembly, is hereby repealed.

1 SEC. 11. Section forty-three point sixty-three (43.63), Code 1962,
2 is hereby amended by striking from line two (2) the words “Monday
3 after the June” and inserting in lieu thereof the words “Wednesday
4 after the September”.

1 SEC. 12. Section forty-three point seventy-three (43.73), Code
2 1962, is hereby amended by striking from line one (1) the word “fifty-
3 five” and inserting in lieu thereof the word “forty-five (45)”.

1 SEC. 13. Section forty-three point seventy-five (43.75), Code 1962,
2 is hereby amended by striking from lines two (2) and three (3) the
3 words “or election of delegates or party committeemen,”.

1 SEC. 14. Section forty-three point eighty-one (43.81), Code 1962,
2 is hereby amended as follows:

3 1. By striking from lines four (4) and five (5) the words “, and
4 before the holding of the county, district, or state convention,”.

5 2. By inserting in line eight (8) after the word “question” the fol-
6 lowing:

7 “if the convention has not previously been held. If the county or
8 state convention having jurisdiction has been held prior to the va-
9 cancy, the vacancy shall be filled by the party central committee for
10 the county or state as the case may be”.

1 SEC. 15. Section forty-three point eighty-nine (43.89), Code 1962,
2 is hereby repealed.

1 SEC. 16. Section forty-three point ninety (43.90), Code 1962, as
2 amended by section seven (7) of chapter seventy-eight (78), Acts of
3 the Sixtieth General Assembly, is hereby amended by striking from
4 line one (1) the word “Said” and inserting in lieu thereof the word
5 “The”.

1 SEC. 17. Section forty-three point ninety-two (43.92), Code 1962,
2 as amended by section nine (9) of chapter seventy-eight (78), Acts of

3 the Sixtieth General Assembly, and section forty-three point ninety-
4 three (43.93), Code 1962, as amended by section ten (10) of chapter
5 seventy-eight (78), Acts of the Sixtieth General Assembly, are hereby
6 repealed.

1 SEC. 18. Section forty-three point ninety-five (43.95), Code 1962,
2 is hereby amended by striking from line nine (9) the word “, and”
3 and inserting in lieu thereof the following:

4 “If the convention is being held after the primary election, the
5 chairman shall also present”.

1 SEC. 19. Section forty-three point ninety-seven (43.97), Code
2 1962, as amended by sections two (2) and three (3) of chapter two
3 hundred ninety-six (296), Acts of the Fifty-ninth General Assembly,
4 is hereby amended as follows:

5 1. By inserting in line eight (8) of subsection one (1) of such sec-
6 tion after the word “therefor” the following:

7 “if such convention is held following the primary election. If the
8 county convention was held preceding the primary election, the dele-
9 gates to the last preceding county convention shall be reconvened
10 within five (5) days following the certification of the official election
11 results for the purpose of making such nominations as may be re-
12 quired by this subsection”.

13 2. By inserting in line four (4) of subsection two (2) of such sec-
14 tion after the word “convention” the words “if such convention is held
15 following the primary election”.

16 3. By inserting in line three (3) of subsection three (3) of such sec-
17 tion after the word “election” the words “if such convention is held
18 following the primary election”.

1 SEC. 20. Section forty-three point ninety-eight (43.98), Code 1962,
2 is hereby repealed and the following enacted in lieu thereof:

3 “The county convention, if the convention is held following the pri-
4 mary election, may make nominations for any offices for which no
5 nomination exists due to the failure of any candidate to receive the
6 number of votes required for nomination by section forty-three point
7 sixty-six (43.66) of the Code. If the county convention was held pre-
8 ceding the primary election, the party county central committee may
9 make such nominations or may reconvene the delegates of the last
10 preceding county convention for such purpose.”

1 SEC. 21. Section forty-three point ninety-nine (43.99), Code 1962,
2 is hereby amended by striking from line four (4) the words “said
3 primary election” and inserting in lieu thereof the words “the pre-
4 cinct caucuses”.

1 SEC. 22. Section forty-three point one hundred (43.100), Code
2 1962, is hereby amended by striking from lines two (2) and three (3)
3 the words “elected in the primary election”.

1 SEC. 23. Section forty-three point one hundred one (43.101), Code
2 1962, as amended by section six (6) of chapter three (3), Acts of the
3 Sixtieth General Assembly in Extraordinary Session, is hereby amend-
4 ed by adding the following subsection:

5 “When a vacancy exists due to a candidate nominated in the pri-

6 mary election withdrawing from the nomination prior to forty (40)
7 days preceding the general election.”

1 SEC. 24. Section forty-three point one hundred six (43.106), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:

3 “A district convention of a party may be held to nominate candidates
4 for any office for which no nomination exists due to the failure of a
5 candidate to file nomination papers for such office, due to the failure
6 of any candidate to receive the number of votes required for nomina-
7 tion by section forty-three point sixty-six (43.66) of the Code, or to
8 place a name on the ballot as authorized under subsection one (1) of
9 section twenty-eight (28) of this Act.”

1 SEC. 25. Section forty-three point one hundred seven (43.107),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:

4 “Each political party shall hold a state convention either preceding
5 or following the primary election but such convention shall be held no
6 later than fifteen (15) days following the primary election. The state
7 central committee of each political party shall designate the time and
8 place of the state convention.”

1 SEC. 26. Section forty-three point one hundred nine (43.109),
2 Code 1962, is hereby amended as follows:

3 1. By inserting in line six (6) of subsection one (1) of such section
4 after the word “therefor” the following:

5 “if such convention is held following the primary election. If the
6 state convention was held preceding the primary election, the delegates
7 to the last preceding state convention shall be reconvened within five
8 (5) days following the certification of the official election results for
9 the purpose of making such nominations as may be required by this
10 subsection”.

11 2. By inserting in line two (2) of subsection two (2) of such section
12 after the word “election” the words “if such convention is held follow-
13 ing the primary election”.

14 3. By inserting in line five (5) of subsection three (3) of such sec-
15 tion after the word “papers” the words “if such convention is held fol-
16 lowing the primary election”.

1 SEC. 27. Section forty-three point one hundred ten (43.110), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:

3 “The state convention of a party, if the convention is held following
4 the primary election, may make nominations for any office for which
5 no nomination exists due to the failure of a candidate to file nomina-
6 tion papers for such office or due to the failure of any candidate to
7 receive the number of votes required for nomination by section forty-
8 three point sixty-six (43.66) of the Code. If the state convention was
9 held preceding the primary election, the party state central committee
10 may make such nominations or may reconvene the delegates of the last
11 preceding state convention for such purpose.”

1 SEC. 28. Chapter forty-three (43), Code 1962, as amended by
2 chapter seventy-eight (78), Acts of the Sixtieth General Assembly, is
3 hereby amended by adding the following new sections:

4 1. "When any primary candidate dies or resigns between the date
5 for filing nomination papers and the holding of the primary election,
6 the appropriate county or state central committee or district conven-
7 tion may place one (1) additional name on the ballot."

8 2. "Candidates nominated in primary elections may withdraw their
9 names from the nominations any time prior to forty (40) days pre-
10 ceding the general election and the appropriate county or state central
11 committee or district convention shall designate a person to fill such
12 vacancy. Vacancies shall be filled by the appropriate central commit-
13 tee within five (5) days following the day of such withdrawal."

1 SEC. 29. Section fifty-three point thirty-nine (53.39), Code 1962,
2 is hereby amended as follows:

3 1. By striking from line fifteen (15) the word "forty" and inserting
4 in lieu thereof the word "thirty (30)".

5 2. By striking from line eighteen (18) the word "forty" and insert-
6 ing in lieu thereof the word "thirty (30)".

1 SEC. 30. Section fifty-three point forty (53.40), Code 1962, is
2 hereby amended as follows:

3 1. By striking from line eleven (11) the word "seventy" and insert-
4 ing in lieu thereof the word "fifty-five (55)".

5 2. By striking from line thirty-seven (37) the word "fortieth" and
6 inserting in lieu thereof the word "thirtieth (30th)".

1 SEC. 31. Section fifty-three point forty-two (53.42), Code 1962, is
2 hereby amended by striking from line seven (7) the word "forty" and
3 inserting in lieu thereof the word "thirty (30)".

1 SEC. 32. Section fifty-three point forty-five (53.45), Code 1962, is
2 hereby amended by striking from line nine (9) the word "January"
3 and inserting in lieu thereof the word "March".

1 SEC. 33. Chapter seventy-eight (78), section one (1), Acts of the
2 Sixtieth General Assembly, is hereby amended as follows:

3 1. By inserting in line one (1) after the word "parties" the words
4 "and party committeemen".

5 2. By striking from lines two (2) and three (3) the words "held not
6 later than the second Monday in May of each election year".

7 3. By inserting in line six (6) after the word "caucuses." the fol-
8 lowing:
9 "The county chairman shall file with the county auditor the meeting
10 place of each precinct caucus at least seven (7) days prior to the date
11 of holding such caucus."

1 SEC. 34. Chapter seventy-eight (78), section two (2), Acts of the
2 Sixtieth General Assembly, is hereby amended by striking all of line
3 three (3) and inserting in lieu thereof the words "county central com-
4 mittee and the county auditor the names of those elected as party
5 committeemen and delegates to".

1 SEC. 35. Chapter seventy-eight (78), section three (3), Acts of
2 the Sixtieth General Assembly, is hereby amended as follows:

3 1. By inserting in line two (2) after the word "delegates" the words
4 "and committeemen".

5 2. By inserting in line three (3) after the word "convention." the
6 following:

7 "Such conventions shall be held either preceding or following the
8 primary election but no later than ten (10) days following the pri-
9 mary election and shall be held on the same day throughout the state."

1 SEC. 36. Any person voting at a precinct caucus must be an eli-
2 gible voter and resident of the precinct.

3 1. A list of the names and addresses of each person to whom a bal-
4 lot was delivered or who was allowed to vote in each precinct caucus
5 shall be prepared by the caucus chairman and secretary who shall cer-
6 tify such list to the county auditor at the same time as the names of
7 those elected as delegates and party committeemen are so certified.

1 SEC. 37. The date, time, and place of each precinct caucus of a
2 political party shall be published at least twice in at least one news-
3 paper of general circulation in the precinct. Such publication shall be
4 made not more than thirty (30) days and not less than five (5) days
5 before the date of the caucus. Such publication shall also state in sub-
6 stance that each voter affiliated with the specified political party may
7 attend the precinct caucus. Publication in a news item or advertise-
8 ment in such newspaper shall constitute publication for the purposes
9 of this section. The cost of such publication, if any, shall be paid by
10 the political party.

Approved May 10, 1965.

CHAPTER 90

BALLOTS AND SUPPLIES

S. F. 134

AN ACT relating to the cost of the printing of ballots and printed supplies for voting machines.

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

1 SECTION 1. Section forty-three point twenty-nine (43.29), Code
2 1962, is hereby amended as follows:

3 1. By striking in subsection two (2), line one (1), the word "ballot"
4 and inserting in lieu thereof the words "ballots and printed supplies
5 for voting machines".

6 2. By striking in subsection two (2) all after the word "be" in line
7 four (4) and inserting in lieu thereof the words "in an amount deter-
8 mined by the state printing board."

Approved March 26, 1965.

CHAPTER 91
MUNICIPAL NOMINATIONS

H. F. 194

AN ACT relating to nominations for municipal office.

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

1 SECTION 1. Section forty-four point four (44.4), Code 1962, is
2 amended as follows:

3 1. By inserting in line eleven (11) after the word "election." the
4 following:

5 "Such nominations for municipal office shall be filed with the city or
6 town clerk at least four (4) weeks prior to the municipal election."

7 2. By striking from line one (1) of subsection two (2) the words
8 "other officers" and inserting in lieu thereof the words "the county
9 auditor".

10 3. By adding to subsection two (2) the following:

11 "Those with the city or town clerk, at least twenty-three (23) days
12 prior to the municipal election."

1 SEC. 2. Section forty-four point nine (44.9), Code 1962, is
2 amended as follows:

3 1. By striking from line two (2) of subsection three (3) the word
4 "twelve" and inserting in lieu thereof the word "twenty-three (23)".

5 2. By striking from line three (3) of subsection five (5) the word
6 "twelve" and inserting in lieu thereof the word "twenty-three (23)".

1 SEC. 3. Section forty-four point fourteen (44.14), Code 1962, is
2 amended by striking subsection two (2) and inserting in lieu thereof
3 the following:

4 "2. For municipal office, with the city or town clerk at least four
5 (4) weeks prior to the municipal election."

Approved May 24, 1965.

CHAPTER 92
JUDICIAL NOMINATING COMMISSIONS

S. F. 116

AN ACT to clarify the provisions of Act relating to judicial nominating commissions and judges of courts of record and to remove the temporary provisions therefrom.

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

1 SECTION 1. Section five (5) of chapter eighty (80), Acts 60th
2 General Assembly is hereby repealed and the following enacted in lieu
3 thereof:

4 "When a vacancy occurs in the office of appointive judicial nominat-
5 ing commissioner, the chairman of the particular commission shall
6 promptly notify the governor in writing of such fact. Vacancies in
7 the office of appointive judicial nominating commissioner shall be filled
8 by appointment by the governor. The term of state judicial nominat-

9 ing commissioners so appointed shall commence upon their appoint-
10 ment pending confirmation by the senate at the then session of the
11 general assembly or at its next session if it is not then in session. The
12 term of district judicial nominating commissioners so appointed shall
13 commence upon their appointment.

14 "Except where the term has less than ninety days remaining, vacan-
15 cies in the office of elective member of the state judicial nominating
16 commission shall be filled by a special election within the congressional
17 district where the vacancy occurs, such election to be conducted as
18 provided in sections nine (9) and ten (10) of chapter eighty (80) of
19 the Acts of the 60th General Assembly.

20 "Vacancies in the office of elective judicial nominating commissioner
21 of district judicial nominating commissions shall be filled by majority
22 vote of the authorized number of elective members of the particular
23 commission, at a meeting of such members called in the manner pro-
24 vided in section thirteen (13), chapter eighty (80), Acts of the 60th
25 General Assembly. The term of judicial nominating commissioners so
26 chosen shall commence upon their selection.

27 "If a vacancy occurs in the office of chairman of a judicial nominat-
28 ing commission, or in the absence of the chairman, the members of the
29 particular commission shall elect a temporary chairman from their
30 own number."

1 SEC. 2. Section eight (8) of chapter eighty (80), Acts 60th Gen-
2 eral Assembly is amended by striking from lines five (5) and ten (10)
3 the words and figures ", 1963, and every two years thereafter," and
4 inserting in lieu thereof in each instance the words "of each odd-
5 numbered year,".

1 SEC. 3. Section eight (8) of chapter eighty (80), Acts 60th Gen-
2 eral Assembly is further amended by striking from line nineteen (19)
3 the words "(specifying 1963 the first year)".

1 SEC. 4. Section eight (8) of chapter eighty (80), Acts 60th Gen-
2 eral Assembly is further amended by striking from line twenty-three
3 (23) the words and figures ", 1963, and every two years thereafter,"
4 and inserting in lieu thereof the words "of each odd-numbered year,".

1 SEC. 5. Section nine (9) of chapter eighty (80), Acts 60th Gen-
2 eral Assembly is amended by striking from line twenty (20) the words
3 and figures "specifying June 30, 1963, the first year,".

1 SEC. 6. Section twelve (12) of chapter eighty (80), Acts 60th Gen-
2 eral Assembly is amended by adding at the end thereof the following:
3 "When a judge of the supreme court or district court resigns, he
4 shall submit a copy of his resignation to the secretary of state at the
5 time he submits his resignation to the governor; and when a judge of
6 the supreme court or district court dies, the clerk of district court of
7 the county of his residence shall in writing forthwith notify the sec-
8 retary of state of such fact."

1 SEC. 7. Section fourteen (14) of chapter eighty (80), Acts 60th
2 General Assembly is amended as follows:

3 1. Add at the end of said section the words "The chairman of the

4 commission shall promptly certify the names of the nominees, in
5 alphabetical order, to the governor and the chief justice”.

1 SEC. 8. Section sixteen (16) of chapter eighty (80), Acts 60th
2 General Assembly is amended as follows:

3 1. Lines three (3) to eleven (11), inclusive, are stricken effective
4 January 1, 1967.

5 2. Line thirteen (13) is amended by striking the words and figures
6 “appointed after June 30, 1963,” effective January 1, 1967.

Approved April 29, 1965.

CHAPTER 93

VOTING REGISTRATION PROCEDURES

S. F. 341

AN ACT to change voting registration procedures and facilitate the procurement of absentee ballots.

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

1 SECTION 1. Chapter forty-eight (48), Code 1962, is hereby amend-
2 ed by adding thereto the following new sections:

3 1. “The commissioner of registration shall establish a permanent
4 registration place in the office of the city clerk or elsewhere in the city
5 hall. The permanent registration place shall be open at all times as
6 are other city offices and at such other times as the branch registration
7 places are open as provided in this section. If petitioned by one or by
8 both of the official county chairmen of the two (2) political parties
9 polling the highest vote in the jurisdiction at the last preceding gen-
10 eral election, the commissioner of registration shall establish at least
11 two (2) branch registration places in his jurisdiction, taking into
12 consideration the convenience of the voters. If petitioned by one or
13 by both of the official county chairmen of the two (2) political parties
14 polling the highest vote in the jurisdiction at the last preceding gen-
15 eral election, the commissioner shall provide for additional branch
16 registration places for each ten thousand (10,000) inhabitants in the
17 jurisdiction in excess of thirty thousand (30,000) and for such addi-
18 tional branch registration places as the commissioner deems necessary.
19 All branch registration places shall be opened the first (1st) Monday
20 in October preceding any general election and shall remain open Mon-
21 day through Friday from noon until 8:00 p.m. and Saturday from 8:00
22 a.m. until 5:00 p.m. for one (1) week. The commissioner of registration
23 shall appoint two (2) persons to act as deputy registrars in each
24 branch registration place. Such appointments shall be made from lists
25 supplied for that purpose by the official county chairmen of the two
26 (2) political parties polling the highest vote in the jurisdiction at the
27 last preceding general election. Such lists shall be provided not later
28 than August fifteen (15) preceding the appointments. The commis-
29 sioner shall appoint one (1) deputy from each list for each branch.
30 Where the county chairmen fail to provide lists by the date specified
31 in this section, the commissioner shall make such appointments to

32 persons known to be registered as members of the appropriate political
33 party."

34 2. "The commissioner of registration shall appoint at least six (6)
35 persons for each ten thousand (10,000) inhabitants, or major fraction
36 thereof, within his jurisdiction as mobile deputy registrars. An equal
37 number of these appointees shall be appointed from lists supplied for
38 that purpose from the county chairmen of the two (2) political parties
39 polling the highest vote in the jurisdiction in the last preceding gen-
40 eral election. Mobile deputy registrars are authorized to secure regis-
41 tration of eligible voters anywhere in the jurisdiction and shall make
42 such reports of new registrations and changes as the commissioner of
43 registration requests. Mobile deputy registrars shall be appointed
44 before the first (1st) of August preceding any general election and the
45 appointments shall expire when registration closes for that election.
46 Mobile deputy registrars shall serve without pay from the municipal-
47 ity."

1 SEC. 2. Section forty-eight point one (48.1), Code 1962, is hereby
2 amended by striking from lines four (4) and five (5) the words "one
3 hundred twenty-five" and inserting in lieu thereof the word "ten
4 (10)".

1 SEC. 3. Section forty-eight point five (48.5), Code 1962, is hereby
2 amended by adding thereto the following paragraph:

3 "The commissioner of registration shall also prepare lists of newly
4 registered voters, indicating the name, address, precinct number and
5 party affiliation of such voters. The lists shall be prepared weekly
6 from July first (1st) until September fifteen (15) and daily thereafter
7 except Saturdays and Sundays during the calendar months preceding
8 any general election until registrations are closed. The lists shall be
9 available to public inspection at all reasonable times and duplicate lists
10 shall be prepared upon request for the county chairman of any political
11 party polling in excess of two (2) per cent of the popular vote in the
12 jurisdiction in the last preceding general election."

1 SEC. 4. Section forty-eight point six (48.6), Code 1962, is hereby
2 amended by adding thereto the following new subsection:

3 "Party affiliation. (No Party if preferred.)"

1 SEC. 5. Section forty-eight point seven (48.7), Code 1962, is here-
2 by repealed and the following enacted in lieu thereof:

3 "Removal notices shall be provided for the use of any registered
4 voter moving to a new location. Removal notices shall provide space
5 for the previous address of the voter, the address of the exact location
6 to which he is moving, and his signature. Any written notification
7 from the voter containing the required information and signature
8 shall be sufficient to validate his registration. If the commissioner of
9 registration receives written notification of removal from any regis-
10 tered voter and the notification does not contain the required informa-
11 tion, the commissioner shall immediately mail to the voter at his last
12 known address notice that his registration is defective. Upon receipt
13 of any valid removal notice, but not later than ten (10) days before
14 any election, the commissioner of registration shall make entry of any
15 change on the original and duplicate registration lists and the voter

16 shall be qualified to vote in the new election precinct. Any voter who
 17 changes his residence within ten (10) days preceding an election shall
 18 be entitled to vote in the precinct where he is registered."

1 SEC. 6. Section forty-eight point fourteen (48.14), Code 1962, is
 2 hereby amended by adding the following:

3 "The commissioner of registration shall make, on August first (1st)
 4 of each year, a report to the secretary of state showing the number of
 5 registered voters by party affiliation for his jurisdiction."

1 SEC. 7. Section fifty-three point two (53.2), Code 1962, is hereby
 2 amended by adding thereto the following sentence:

3 "Such application may be made in person or in writing as provided
 4 in section fifty-three point ten (53.10) of the Code."

1 SEC. 8. Section fifty-three point ten (53.10), Code 1962, is hereby
 2 repealed and the following enacted in lieu thereof:

3 "If the voter requests said application by card or letter addressed to
 4 the auditor, the auditor shall send him both application and ballot at
 5 the same time."

1 SEC. 9. Section forty-eight point six (48.6), Code 1962, is amended
 2 by adding after the period in line thirty-five (35) thereof the follow-
 3 ing: "Except that the signature shall be required only on the original
 4 registration list where the duplicate registration list is prepared by
 5 electrical, mechanical or similar data process."

1 SEC. 10. Section forty-eight point eight (48.8), Code 1962, is
 2 amended by adding after the period in line nineteen (19) thereof the
 3 following: "Duplicate registration lists may be prepared by electrical,
 4 mechanical or similar data process."

1 SEC. 11. Section forty-eight point twenty-one (48.21), Code 1962,
 2 is amended by adding after the period in line twenty-four (24) thereof
 3 the following: "However, in cities using duplicate registration lists
 4 prepared by electrical, mechanical or similar data process the certifi-
 5 cate of registration shall be approved by a judge or clerk of the elec-
 6 tion if the person signing the certificate of registration and the person
 7 on the registry list appear to be the same."

Approved April 29, 1965.

CHAPTER 94

ELECTION JUDGES AND CLERKS

H. F. 223

AN ACT to repeal section forty-nine point fourteen (49.14), Code 1962, as being in conflict with other Code sections.

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

1 SECTION 1. Section forty-nine point fourteen (49.14), Code 1962,
 2 is hereby repealed.

Approved June 4, 1965.

CHAPTER 95

BALLOTS AND SUPPLIES

S. F. 135

AN ACT relating to the cost of printing ballots and supplies for voting machines.

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

- 1 SECTION 1. Chapter five (5), Acts of the 60th General Assembly
 2 in Extraordinary Session, is hereby amended as follows:
 3 1. By inserting after the word "ballots" in section two (2), line
 4 three (3), the words "and printed supplies for voting machines".
 5 2. By striking all after the period in line four (4) of section two
 6 (2).

Approved March 26, 1965.

CHAPTER 96

LOCKING VOTING MACHINES

H. F. 195

AN ACT relating to locking of voting machines.

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

- 1 SECTION 1. Section fifty-two point twenty-two (52.22), Code 1962,
 2 is amended by inserting in line six (6) after the word "election" the
 3 words ", except that it shall remain locked only ten (10) days after a
 4 primary election, including a city primary election, if such election is
 5 not contested".
- 1 SEC. 2. Section three hundred sixty-three point twenty-two
 2 (363.22), Code 1962, is amended by inserting in line eight (8) after
 3 the word "applicable" the words ", except that the written statement
 4 of intent to contest a primary election must be filed with the county
 5 auditor within ten (10) days of such election".

Approved June 2, 1965.

CHAPTER 97

ELECTION CONTESTS

S. F. 549

AN ACT to co-ordinate certain statutes with the judicial selection and tenure provisions of the constitution of Iowa.

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

- 1 SECTION 1. Section sixty-one point one (61.1), Code 1962, is
 2 amended by striking from lines six (6), seven (7) and eight (8) the

3 words “, except that when the chief justice is a party to the contest,
4 the governor shall select said district judges.”

1 SEC. 2. Section sixty-one point four (61.4), Code 1962, is amended
2 by striking from line three (3) the words “, or governor, as the case
3 may be,”.

4 Further amend said section by striking from the end thereof the
5 words “, or governor, as the case may be.”

1 SEC. 3. Section sixty-one point seven (61.7), Code 1962, is hereby
2 repealed.

1 SEC. 4. Section sixty-one point fourteen (61.14), Code 1962, is
2 amended by striking from line three (3) the word “six” and inserting
3 in lieu thereof the word “twelve”.

1 SEC. 5. Section sixty-three point six (63.6), Code 1962, is amended
2 by striking from lines two (2) and three (3) the words “by the first
3 day of January following the election,” and inserting in lieu thereof
4 the words “before taking office following appointment,”.

1 SEC. 6. Section sixty-three point twelve (63.12), Code 1962, is
2 amended by adding at the end thereof the words “, but a judge re-
3 tained at a judicial election need not requalify.”

1 SEC. 7. Section fifty-six point one (56.1), Code 1962, is amended
2 by adding at the end thereof the following:

3 “This section shall have no application to a judge standing for re-
4 tention at a judicial election.”

1 SEC. 8. Section sixty-one point six (61.6), Code 1962, is amended
2 by striking from lines two (2) and three (3) the words “, in cases of
3 contest over offices other than district judge,”.

Approved June 3, 1965.

CHAPTER 98

COMMERCE COMMISSION EXAMINERS

S. F. 511

AN ACT amending and revising chapter seventy-eight (78), Code 1962, to empower examiners appointed by the state commerce commission to administer oaths and take affirmations.

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

1 SECTION 1. Section seventy-eight point two (78.2), Code 1962, is
2 hereby amended by adding the following subsection:

3 “Examiners appointed by the state commerce commission under the
4 provisions of section 474.19.”

Approved May 13, 1965.

CHAPTER 99

VACATION BENEFITS FOR STATE EMPLOYEES

H. F. 113

AN ACT relating to vacation benefits for employees of the state of Iowa.

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

1 SECTION 1. Section seventy-nine point one (79.1), Code of Iowa,
 2 1962, is hereby amended by striking the words "all subsequent years
 3 of employment", in line sixteen (16) and seventeen (17) and inserting
 4 in lieu thereof the following: "through the fifteenth (15) year of
 5 employment, and four (4) weeks vacation after the fifteenth (15) year
 6 and all subsequent years of employment".

Approved June 4, 1965.

CHAPTER 100

STATE EMPLOYEES VACATION PAY

S. F. 524

AN ACT to amend section seventy-nine point one (79.1), Code 1962, relating to the payment of accrued vacation pay to employees of the state whose employment is terminated.

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

1 SECTION 1. Section seventy-nine point one (79.1), Code 1962, is
 2 hereby amended by adding the following after the word "commission."
 3 in line twenty-one (21) of said section:

4 In the event that the employment of an employee of the state who
 5 has been in such employ for more than one (1) year shall be termi-
 6 nated for any reason other than a discharge for good cause, he shall
 7 be paid a vacation allowance for any vacation which may have accrued
 8 to him during the twelve (12) months immediately prior to such ter-
 9 mination, and which he has not yet taken. For the purposes of this
 10 section, death of an employee shall be considered a termination of
 11 employment which shall require payment of such vacation allowances
 12 as might be payable for any other termination.

13 Vacation allowances for any period of less than one (1) year shall
 14 be computed as having accrued at the rate of two and one-half (2½)
 15 days pay for each completed calendar quarter during the second (2nd)
 16 and through the ninth (9th) year of employment, and at the rate of
 17 three and three-fourths (3¾) days pay for each completed calendar
 18 quarter through the tenth (10th) and all subsequent years of employ-
 19 ment.

20 If said termination of employment shall be by reason of the death
 21 of the employee, such vacation allowance shall be paid to the estate of
 22 the deceased employee if such estate shall be opened for probate. If
 23 no estate be opened, the allowance shall be paid to the surviving spouse,
 24 if any, or to the legal heirs if no spouse survives. The provisions of

25 this Act shall apply to any employee of the state terminated after
26 January 1, 1965.

1 SEC. 2. Payments authorized by this Act shall be approved by the
2 department and paid from the appropriation or fund of original cer-
3 tification of the claim.

Approved May 14, 1965.

CHAPTER 101

TRAVEL MILEAGE EXPENSE

S. F. 2

AN ACT relating to reimbursing public officers and employees for travel mileage.

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

1 SECTION 1. Section seventy-nine point nine (79.9), Code 1962, is
2 hereby amended by striking from line six (6) the word "seven (7)"
3 and inserting in lieu thereof the word "ten (10)".

1 SEC. 2. Section twenty-one point four (21.4), Code 1962, is amend-
2 ed by striking from the last line the word "seven (7)" and inserting in
3 lieu thereof the word "ten (10)".

1 SEC. 3. Section three hundred thirty-seven point eleven (337.11),
2 Code 1962, is amended by striking from lines two (2) and eighteen
3 (18) of subsection ten (10) the word "nine (9)" and inserting in lieu
4 thereof in each instance the word "ten (10)".

Approved June 3, 1965.

CHAPTER 102

PAYROLL DEDUCTIONS OF STATE EMPLOYEES

S. F. 386

AN ACT relating to the deduction from salaries or wages of state officers and employees of amounts of money designated by them for payment to the United Fund or other similar organizations.

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

1 SECTION 1. As used in this Act "United Fund" means the organi-
2 zation conducting the single, annual, consolidated effort to secure
3 funds for distribution to agencies engaged in charitable and public
4 health, welfare and service purposes, which commonly is known as
5 the United Fund, or the United Campaign, United Community Serv-
6 ices, Community Chest or other organization which serves in place of
7 the United Fund organization in communities where an organization
8 known as the United Fund is not organized.

1 SEC. 2. The State Comptroller may, upon personal written request
 2 of any state officer or employee, deduct each regular payroll period
 3 from the salary or wages of the officer or employee the amount speci-
 4 fied therein for payment to the united fund. The moneys so deducted
 5 shall be paid over promptly to the united fund designated by the officer
 6 or employee. Such deductions may be made notwithstanding that the
 7 compensation paid in cash to such officer or employee is thereby re-
 8 duced below the minimum prescribed by law. Payment to such officer
 9 or employee of compensation less such deduction shall constitute a full
 10 and complete discharge and acquittance of all claims and demands
 11 whatsoever for the services rendered by such employee during the
 12 period covered by such payment. Such request for deduction may be
 13 withdrawn at any time by filing a written notification of withdrawal
 14 with the State Comptroller.

Approved May 20, 1965.

CHAPTER 103

INCREASE IN HIGHWAY PATROL

H. F. 9

AN ACT relating to the members of the Iowa Highway Safety Patrol.

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

1 SECTION 1. Section eighty point four (80.4), Code 1962, is hereby
 2 amended by striking from line seven (7) the word "three" and insert-
 3 ing in lieu thereof the word "four (4)".

1 SEC. 2. This Act being of immediate importance shall be in full
 2 force and effect from and after its passage and publication in The
 3 Colfax Tribune, a newspaper published at Colfax, Iowa, and the Bur-
 4 lington Hawk-Eye, a newspaper published at Burlington, Iowa.

Approved February 25, 1965.

I hereby certify that the foregoing Act, House File 9, was published in The Colfax Tribune, Colfax, Iowa, March 4, 1965, and in the Burlington Hawk-Eye, Burlington, Iowa, March 1, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 104

WORKMEN'S COMPENSATION

H. F. 421

AN ACT to amend section eighty-five point one (85.1), Code 1962, relating to workmen's compensation so as to permit the voluntary election of exempt employers to come under the Act.

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

1 SECTION 1. Section eighty-five point one (85.1), Code 1962, is
 2 hereby amended by striking from line one (1) thereof the word "This"

3 and inserting in lieu thereof the following: "Except as provided in
4 subsection five (5) of this section, this".

1 SEC. 2. Section eighty-five point one (85.1), Code 1962, is hereby
2 amended by striking all of subsection three (3) following the word
3 "employer" in line five (5) and inserting in lieu thereof a period.

1 SEC. 3. Section eighty-five point one (85.1), Code 1962, is hereby
2 amended by adding a new subsection as follows:

3 "5. Employers, including employers of household or domestic serv-
4 ants, employers of persons whose employment is of a casual nature,
5 employers of persons engaged in agriculture, and employers of per-
6 sons not in the course of the employer's business, may assume with
7 respect to any such employee or person or classification of employees
8 not within the coverage of this chapter, as otherwise provided in sub-
9 sections 1, 2, 3 and 4 of this section, other than any such employee or
10 classification of employees with respect to whom a rule of liability or
11 a method of compensation has been or may be established by the Con-
12 gress of the United States, a liability for compensation imposed upon
13 employers by this chapter for the benefit of employees within the cov-
14 erage of this chapter. The purchase of and acceptance by any such
15 employer of valid workmen's compensation insurance applicable to
16 such employee or person or classification of employees shall constitute
17 as to such employer an assumption by such employer of such liability
18 without any further act on the part of such employer, but only with
19 respect to such employee or person or such classification of employees
20 as are within the coverage of the said workmen's compensation insur-
21 ance contract. Whenever under the provisions of this subsection an
22 employer voluntarily elects to assume the liability for the payment of
23 compensation to such employees or persons or such classification of
24 employees by the purchase of valid workmen's compensation insur-
25 ance, the liability of such employer shall take effect and continue from
26 the effective date of such workmen's compensation insurance contract
27 as long only as such insurance contract shall be in force. Upon such an
28 election, such employee or person or classification of employees shall
29 accept compensation in the manner provided by the chapter and the
30 employer shall be relieved from any other liability for recovery of
31 damage, or other compensation for such injury. An employer, upon
32 the election to assume liability by the purchase of workmen's compen-
33 sation insurance under the provisions of this subsection, shall give
34 notice thereof to the industrial commissioner by certified United States
35 mail."

Approved May 13, 1965.

CHAPTER 105

WORKMEN'S COMPENSATION

H. F. 73

AN ACT to amend section eighty-five point twenty-seven (85.27), Code 1962, regarding employee selecting his medical, surgical and hospital services under workmen's compensation.

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

1 SECTION 1. Amend section eighty-five point thirty-four (85.34)
 2 subsection two (2), Code 1962, by adding the following paragraph:
 3 "Whenever an evaluation of permanent disability has been made by
 4 a physician retained by the employer, and the employee believes this
 5 evaluation to be too low, he shall have the right, upon application to
 6 the commissioner and at the same time delivery of a copy thereof to
 7 the employer, to be reimbursed by the employer the reasonable fee for
 8 a subsequent examination by a physician of his own choice, and such
 9 physician chosen by the employee shall have the right to confer with
 10 and obtain from the employer retained physician sufficient history of
 11 the injury to make a proper examination."

Approved May 3, 1965.

CHAPTER 106

WORKMEN'S COMPENSATION BENEFITS

S. F. 538

AN ACT to raise the maximum benefits payable under workmen's compensation on death benefits, permanent partial disabilities, permanent total disabilities, temporary total disabilities, and healing period; also to raise the maximum amount allowable for healing period.

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

1 SECTION 1. Section eighty-five point thirty-one (85.31), Code
 2 1962, is hereby amended as follows:
 3 1. By striking from lines ten (10) and eleven (11) of subsection
 4 one (1) of said section, the words "twelve thousand (12,000)" and
 5 inserting in lieu thereof the words "fourteen thousand two hundred
 6 fifty (14,250)."
 7 2. By striking from line nine (9) of subsection four (4) of said
 8 section, the words "twelve thousand (12,000)" and inserting in lieu
 9 thereof the words "fourteen thousand two hundred fifty (14,250)".

1 SEC. 2. Amend section eighty-five point thirty-four (85.34) sub-
 2 section one (1), Code 1962, by striking everything following the word
 3 "section" in line twelve (12) and inserting a period (.) after the word
 4 "section" and adding thereto the following: "In the usual* case where
 5 it appears, upon competent medical evidence, that the actual healing
 6 period will substantially exceed the maximum established above, the

*According to enrolled Act.

7 commissioner may, upon application of the claimant, extend the heal-
8 ing period for such time as is necessary but not beyond a total of sixty
9 (60) percent for both the original healing period and such extended
10 period. However, in no event shall such payments for a healing period
11 be made for a period longer than the actual time the employee is in-
12 capacitated from work because of such injury."

1 SEC. 3. Section eighty-five point thirty-four (85.34), subsection
2 two (2), Code 1962, is hereby amended as follows:

3 1. Paragraph *a.* is amended by striking everything following the
4 word "of" in line three (3) of said paragraph and substituting in lieu
5 thereof the following: "two thousand eight hundred fifty dollars
6 (\$2,850.00)."

7 2. Paragraph *b.* is amended by striking everything following the
8 word "of" in line four (4) of said paragraph and substituting in lieu
9 thereof the following: "one thousand six hundred sixty-two and
10 50/100 dollars (\$1,662.50)."

11 3. Paragraph *c.* is amended by striking everything following the
12 word "of" in line three (3) of said paragraph and substituting in lieu
13 thereof the following: "one thousand four hundred twenty-five dollars
14 (\$1,425.00)."

15 4. Paragraph *d.* is amended by striking everything following the
16 word "of" in line three (3) of said paragraph and substituting in lieu
17 thereof the following: "one thousand one hundred eighty-seven and
18 50/100 dollars (\$1,187.50)."

19 5. Paragraph *e.* is amended by striking everything following the
20 word "of" in line four (4) of said paragraph and substituting in lieu
21 thereof the following: "nine hundred fifty dollars (\$950.00)."

22 6. Paragraph *h.* is amended by striking everything following the
23 word "of" in line three (3) of said paragraph and substituting in lieu
24 thereof the following: "one thousand nine hundred dollars (\$1,-
25 900.00)."

26 7. Paragraph *i.* is amended by striking everything following the
27 word "of" in line three (3) of said paragraph and substituting in lieu
28 thereof the following: "seven hundred twelve and 50/100 dollars
29 (\$712.50)."

30 8. Paragraph *l.* is amended by striking everything following the
31 word "of" in line three (3) of said paragraph and substituting in lieu
32 thereof the following: "eight thousand three hundred twelve and
33 50/100 dollars (\$8,312.50)."

34 9. Paragraph *m.* is amended by striking everything following the
35 word "of" in line six (6) of said paragraph and substituting in lieu
36 thereof the following: "ten thousand nine hundred twenty-five dollars
37 (\$10,925.00)."

38 10. Paragraph *n.* is amended by striking everything following the
39 word "of" in line three (3) of said paragraph and substituting in lieu
40 thereof the following: "seven thousand one hundred twenty-five dol-
41 lars (\$7,125.00)."

42 11. Paragraph *o.* is amended by striking everything following the
43 word "of" in line six (6) of said paragraph and substituting in lieu
44 thereof the following: "nine thousand five hundred dollars (\$9,-
45 500.00)."

46 12. Paragraph *p.* is amended by striking everything following the
47 word "of" in line three (3) of said paragraph and substituting in lieu
48 thereof the following: "five thousand nine hundred thirty-seven and
49 50/100 dollars (\$5,937.50)."

50 13. Paragraph *q.* is amended by striking everything following the
51 word "of" in line four (4) of said paragraph and substituting in lieu
52 thereof the following: "nine thousand five hundred dollars (\$9,-
53 500.00)."

54 14. Paragraph *r.* is amended by striking everything following the
55 word "of" in line three (3) of said paragraph and substituting in lieu
56 thereof the following: "two thousand three hundred seventy-five dol-
57 lars (\$2,375.00)", and for the loss of hearing in both ears, weekly
58 compensation during one hundred seventy-five (175) weeks but not to
59 exceed a total of eight thousand three hundred twelve and 50/100 dol-
60 lars (\$8,312.50)."

61 15. Paragraph *s.* is amended by striking everything following the
62 word "of" in line six (6) of said paragraph and substituting in lieu
63 thereof the following: "twenty-three thousand seven hundred fifty
64 dollars (\$23,750.00)."

65 16. Paragraph *t.* is amended by striking everything following the
66 word "of" in line nine (9) of said paragraph and substituting in lieu
67 thereof the following: "seven thousand one hundred twenty-five dol-
68 lars (\$7,125.00)."

69 17. Paragraph *u.* is amended by striking everything following the
70 word "of" in line nine (9) of said paragraph and substituting in lieu
71 thereof the following: "twenty-three thousand seven hundred fifty
72 dollars (\$23,750.00)."

1 SEC. 4. Section eighty-five point thirty-four (85.34), Code 1962,
2 subsection three (3) is amended by striking lines fifteen (15) and
3 sixteen (16) of said subsection three (3) and substituting in lieu
4 thereof the following: "payments exceed twenty-three thousand seven
5 hundred fifty dollars (\$23,750.00)."

1 SEC. 5. Chapter 87, Laws of the Sixtieth General Assembly is
2 hereby amended by striking lines five (5) to ten (10), inclusive, of
3 section five (5) thereof and substituting in lieu of said lines the fol-
4 lowing:

5 "Fifty-six (\$56.00) dollars per week for an employee who has four
6 (4) or more children;

7 "Fifty-two dollars (\$52.00) per week for an employee who has three
8 (3) children;

9 "Forty-eight dollars (\$48.00) per week for an employee who has
10 two (2) children;

11 "Forty-four dollars (\$44.00) per week for an employee who has one
12 (1) child;

13 "Forty dollars (\$40.00) per week for an employee who has no chil-
14 dren;"

Approved May 14, 1965.

CHAPTER 107

EMPLOYMENT SAFETY COMMISSION

S. F. 403

AN ACT relating to employment safety and providing for an employment safety commission.

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

1 **SECTION 1. Public policy.** It is the policy of this state that every
2 employer shall furnish and maintain a safe place of employment for
3 employees and shall cause all places of employment to be in all respects
4 constructed, equipped, arranged, operated and maintained so as to
5 provide reasonable and adequate protection for the lives, health, and
6 safety of all persons employed or working therein or frequenting the
7 same, taking into consideration the nature of the employment and
8 work.

1 **SEC. 2. Definitions.** Wherever used in this Act, unless the context
2 clearly requires a different meaning:

3 1. "Commission" means the employment safety commission created
4 by this Act.

5 2. "Labor commissioner" means the labor commissioner of the state
6 of Iowa.

7 3. "Person" includes individual, partnership, corporation, associa-
8 tion, organization, fiduciary, or legal representative.

9 4. "Place of employment" means any place, permanent or tempo-
10 rary, where any individual is employed or works for compensation.

11 5. "Employment safety" means all matters relating to safety and
12 health within the scope of this Act, (including but not limited to all
13 provisions of section one (1) of this Act) sections eighty-eight point
14 two (88.2) through eighty-eight point nine (88.9), inclusive, of the
15 Code, and chapter one hundred four (104) of the Code.

16 6. "Employment safety laws" includes this Act, (including but not
17 limited to all provisions of section one (1) of this Act) sections eighty-
18 eight point two (88.2) through eighty-eight point nine (88.9) of the
19 Code, and chapter one hundred four (104) of the Code.

20 7. "Rule" or "rules" includes any rules, regulations, and codes
21 adopted by the commission in accordance with section eleven (11) of
22 this Act. Such words do not include rules of procedure for the meet-
23 ings and activities of the commission.

24 8. "Amend" includes alter and rescind, and "amendment" includes
25 alteration and rescission.

26 9. The use of the singular includes the plural, and vice versa. The
27 use of any gender includes the appropriate gender.

1 **SEC. 3. Employment safety commission.** An employment safety
2 commission is hereby created. The commission shall consist of eight
3 (8) members. Four (4) members shall represent employers, and four
4 (4) members shall represent employees. Each member of the commis-
5 sion shall have had substantial experience in employment safety before
6 his appointment.

1 **SEC. 4. Appointment by governor.** The governor, with the ap-
2 proval of two-thirds ($\frac{2}{3}$) of the members of the senate, shall appoint
3 the members of the commission without regard to political affiliation.
4 Any organization of employers or employees, including but not limited
5 to the Iowa Federation of Labor and the Iowa Manufacturers Associ-
6 ation, may submit to the governor nominations for members of the
7 commission, together with information on the employment safety
8 experience of each nominee. The governor shall give due consideration
9 to such nominations when appointing members of the commission, but
10 shall not be bound by such nominations.

11 When appointing members of the commission, the governor shall
12 ascertain that each member has the qualifications stated in the Act,
13 that each employer member actually represents the interests of em-
14 ployers, and that each employee member actually represents the in-
15 terests of employees.

1 **SEC. 5. Terms.** Each member of the commission shall serve for
2 a term of six (6) years and until his successor is appointed and quali-
3 fies. However, the members first appointed shall be appointed within
4 thirty (30) days after the effective date of this Act and shall serve
5 for terms beginning when the members have been approved by the
6 senate and ending on the following dates: one (1) employer member
7 and one (1) employee member, June 30, 1967; two (2) employer mem-
8 bers and one (1) employee member, June 30, 1969; and one (1) em-
9 ployer member and two (2) employee members, June 30, 1971.

1 **SEC. 6. Vacancies.** Any vacancy in the commission occurring dur-
2 ing a session of the general assembly shall be filled in the same manner
3 as provided for original appointments and before the end of the ses-
4 sion, and for the unexpired part of the term. Any vacancy occurring
5 while the general assembly is not in session shall be filled by appoint-
6 ment by the governor, which appointment shall expire thirty (30)
7 days after the general assembly next convenes. Within said thirty
8 (30) days the governor shall transmit to the senate an appointment
9 for the unexpired part of the term. Vacancies shall not impair the
10 power of the remaining members to exercise all powers of the commis-
11 sion, subject to the requirements of this Act on quorum and number
12 of votes required for certain actions.

1 **SEC. 7. Compensation.** Members of the commission shall serve
2 without compensation, but shall be paid their reasonable expenses in
3 traveling to and from meetings of the commission and during such
4 meetings, and any other actual and necessary expenses incurred in the
5 performance of official duties of the commission.

1 **SEC. 8. Offices and meetings.** The commission shall have an office
2 at the seat of government. The executive council shall provide suitable
3 office space and necessary furniture, equipment, and supplies. The
4 commission may hold meetings and hearings anywhere in Iowa.

1 **SEC. 9. Organization and procedure.** The commission shall adopt
2 rules of procedure for its meetings and activities. The commission
3 shall elect one (1) of its members as chairman, who shall serve for a
4 term of two (2) years and until his successor is elected. The labor

5 commissioner shall serve as secretary of the commission without vote,
6 shall attend its meetings, shall furnish information and clerical and
7 other assistance requested by the commission, and may submit recom-
8 mendations to the commission. Six (6) members of the commission
9 shall constitute a quorum. The affirmative vote of five (5) members
10 of the commission shall be required in order to adopt or amend any
11 rule.

1 **SEC. 10. Duties and powers.** It shall be the duty of the commis-
2 sion and it shall have power, jurisdiction, and authority to:

- 3 1. Adopt and amend rules as hereinafter provided.
- 4 2. Hold hearings with respect to employment safety, proposed rules,
5 and proposed amendments.
- 6 3. Hear and decide appeals as hereinafter provided.
- 7 4. Administer oaths, subpoena witnesses, and take the testimony of
8 any person under oath, in connection with any hearing or appeal.
- 9 5. Advise and consult with the labor commissioner on employment
10 safety and safety education.
- 11 6. Appoint advisors who shall, without compensation, assist the
12 commission and the labor commissioner in the formulation of rules.
13 Upon request by the commission or the labor commissioner, any state
14 official or state agency shall furnish technical assistance and advice in
15 the formulation of rules.

1 **SEC. 11. Safety rules.** The commission shall adopt reasonable
2 rules, regulations, and codes to carry out and give effect to the policy
3 and provisions of the employment safety laws, including but not lim-
4 ited to section one (1) of this Act. The commission may amend the
5 rules from time to time.

6 The rules shall take into consideration and shall be based on appli-
7 cable and recognized safety codes, standards, and regulations, includ-
8 ing, without limiting the generality of the foregoing, any such codes,
9 standards, and regulations heretofore or hereafter adopted by the
10 American Standards Association, United States Bureau of Standards,
11 American Society of Mechanical Engineers, National Fire Prevention
12 Association, American Insurance Association, and other safety organi-
13 zations.

14 Rules shall be set forth in full; and incorporation of any code, stand-
15 ard, or regulation by reference thereto shall not be sufficient, except
16 that other rules of the commission may be incorporated by reference.

17 If any rule of the commission shall conflict with any applicable rule
18 or regulation adopted by any other state agency, board, bureau, officer,
19 or department, the rule or regulation requiring the higher standard
20 shall prevail if such rule or regulation is applicable to employment
21 safety and is authorized by law.

22 All rules shall be enforced as provided in this Act.

1 **SEC. 12. Public hearing and notice.** Before adopting or amending
2 any rule pursuant to section eleven (11) of this Act, the commission
3 shall hold a public hearing on the subject matter of the proposed rule
4 or amendment. Any interested person may appear and be heard at
5 such hearing, in person or by agent or counsel.

6 The labor commissioner shall maintain a mailing list for hearings,
7 and at least thirty (30) days before the hearing the labor commission-

8 er shall mail a notice of the hearing by ordinary mail to each person
9 on the mailing list. Such notice shall include a copy of the proposed
10 rule or amendment. When the labor commissioner receives a written
11 request from any person to be placed on the mailing list for hearings,
12 the labor commissioner shall add such person to the mailing list. At
13 the end of each calendar year, the labor commissioner may remove any
14 person from the mailing list if the labor commissioner has not received
15 from such person during the last three (3) months of such calendar
16 year a written request to be placed on the mailing list for the following
17 year. The commissioner shall also make a reasonable effort to give the
18 news media of the state notice of each hearing.

19 Failure to comply with the notice requirements of this section shall
20 not affect the validity of any rule unless such failure shall have been
21 willful.

22 The provisions of this section are in addition to the requirements of
23 chapter seventeen A (17A) of the Code.

1 SEC. 13. **Copies of rules.** The labor commissioner shall mail a
2 copy of any rule to any person requesting it, within ten (10) days
3 after receipt of such request. The labor commissioner shall cause all
4 rules to be published in a convenient form.

1 SEC. 14. **Enforcement and inspections.** It shall be the duty of the
2 labor commissioner to supervise the enforcement of the provisions of
3 the employment safety laws and all rules. The labor commissioner and
4 inspectors of the department of labor shall have the right and power
5 to enter and inspect any place of employment at any reasonable time
6 in order to determine compliance with, and aid in the enforcement of,
7 the employment safety laws and the rules, but in doing so shall not
8 unreasonably interfere with the operations, business, or work of any
9 employer or employee. The provisions of section ninety-one point ten
10 (91.10) of the Code shall be applicable to this Act.

11 The labor commissioner may accept, without cost to the state, in-
12 spections performed by insurance company inspectors or other quali-
13 fied inspectors when evidence of their qualifications satisfactory to the
14 labor commissioner has been furnished. No inspection of any place of
15 employment made by insurance company inspectors or other inspector
16 shall be the basis for the imposition of civil liability upon the inspector
17 or upon the insurance company or other person employing the inspec-
18 tor; but this provision refers only to liability arising out of the making
19 of an inspection and shall not be construed to deny or limit the liability
20 of any employer to his employees or the liability of any insurance car-
21 rier on its insurance policy.

1 SEC. 15. **Violations.** When the labor commissioner or his inspec-
2 tor shall discover or have reason to believe that any provision of the
3 employment safety laws or any rule is being violated, he shall cause
4 to be served on the person or persons violating the same, in the manner
5 provided in the rules of civil procedure, a written notice to comply with
6 the same within a reasonable time to be fixed in the notice, which time
7 shall be not less than seven (7) days nor more than thirty (30) days,
8 except that such time may be extended by the labor commissioner for
9 good cause shown. The notice shall specify the violation.

10 In fixing the time in such notice and any extension of time, the labor
11 commissioner shall take into consideration the nature of the failure or
12 defect constituting the violation, the probable danger thereof, and the
13 probable length of time and amount of labor required to correct the
14 violation.

15 If the violation continues after the expiration of the period of time
16 fixed in the notice, including any such extension of time, the labor
17 commissioner may give written notice of the violation to the county
18 attorney of the county in which the violation takes place. The county
19 attorney shall promptly institute appropriate actions or proceedings,
20 civil or criminal, to enforce the applicable statute or rule. If the county
21 attorney does not do so promptly, the attorney general shall do so upon
22 written request of the labor commissioner. Neither the labor commis-
23 sioner nor the commission shall be required to post or furnish any bond
24 or security in connection with any such action or proceedings.

25 Any person violating any provision of the employment safety laws
26 or any rule after service of such notice in writing and after expiration
27 of the period of time fixed in such notice, including any such extension
28 of time, shall be guilty of a misdemeanor and upon conviction shall be
29 punished by a fine of not less than twenty-five (25) dollars and not
30 more than one hundred (100) dollars. If such violation continues after
31 such conviction, each day of such continuing violation shall be a new
32 and separate offense.

33 Before proceeding under this section, the labor commissioner may
34 first attempt to obtain voluntary compliance whenever in his judgment
35 it is in the public interest to do so.

1 **SEC. 16. Appeal.** Any person aggrieved by any action of the labor
2 commissioner or his inspector in giving a written notice to comply pur-
3 suant to the preceding section or any action of the labor commissioner
4 with respect to any requested extension of time under the preceding
5 section, may appeal to the commission by causing a written notice of
6 appeal to be served on the labor commissioner in the manner provided
7 in the rules of civil procedure, within ten (10) days after the action of
8 the labor commissioner appealed from. The notice of appeal shall state
9 the action appealed from and the reasons for and grounds of the ap-
10 peal. The labor commissioner shall promptly notify the chairman of
11 the commission, who shall set a time and place for a hearing on the
12 appeal and shall cause at least five (5) days written notice thereof to
13 be given to all interested parties. The commission shall affirm the
14 action of the labor commissioner unless the commission shall find, by
15 the affirmative vote of at least five (5) members of the commission,
16 that the action of the labor commissioner was not reasonable under
17 the circumstances or was not authorized by the employment safety
18 laws or rules. The commission shall immediately give written notice
19 of its decision to all parties. The enforcement proceedings with respect
20 to which the appeal is taken shall be suspended until the decision of
21 the commission.

22 The appellant or the labor commissioner may obtain judicial review
23 of the commission's decision by commencing an action in the district
24 court in the county in which the alleged violation occurred, within
25 thirty (30) days after the commission's decision. The rules of civil

26 procedure shall be applicable, and the district court shall hear and
27 decide the matter de novo.

28 An appeal may be taken to the supreme court as in other cases.

1 SEC. 17. **Imminently dangerous machinery or equipment.** When
2 the labor commissioner or his inspector shall discover or have reason
3 to believe that any provision of the employment safety laws or any
4 rule is being violated by a piece of machinery or equipment which is
5 so defective as to cause imminent danger to life, health, or safety, this
6 section shall apply rather than section fifteen (15) of this Act. The
7 labor commissioner or his inspector shall cause to be served on the
8 person or persons violating the same, in the manner provided in the
9 rules of civil procedure, a written notice to comply with the same and
10 to refrain from using such piece of machinery or equipment until such
11 defect is corrected. The notice shall specify the defect and violating.*
12 Pending the service of the written notice, the labor commissioner or
13 his inspector may give oral notice to refrain from using such piece of
14 machinery or equipment until such defect is corrected, but such oral
15 notice shall not be effective for more than two (2) hours.

16 If such piece of machinery or equipment violates any provision of
17 the employment safety laws or any rule, any person using such piece
18 of machinery or equipment in violation of such notice shall be guilty
19 of a misdemeanor and upon conviction shall be punished as provided
20 in section fifteen (15) of this Act. Such violation shall be prosecuted
21 as provided in section fifteen (15) of this Act.

22 Any person aggrieved by any action of the labor commissioner or
23 his inspector under this section may appeal to the commission as pro-
24 vided in section sixteen (16) of this Act, or may commence an action
25 in the district court in the county in which the alleged violation oc-
26 curred. The written notice under this section shall not be suspended
27 during such proceedings unless an injunction is granted by the court.

1 SEC. 18. Section eighty-eight point twelve (88.12), Code 1962, is
2 hereby amended by adding the following at the end thereof: "The
3 labor commissioner shall adopt and all persons shall use standard
4 methods and forms for the records and reports required by this sec-
5 tion and the preceding section. Such methods and forms shall be
6 subject to the approval of the employment safety commission. The
7 recommendations of recognized safety organizations such as the
8 American Standards Association shall be given due consideration in
9 adopting such methods and forms."

1 SEC. 19. Section ninety-one point four (91.4), Code 1962, is hereby
2 amended by adding the following new subsection:

3 "To conduct and to cooperate with other interested persons and
4 organizations in conducting educational programs and projects on
5 employment safety."

1 SEC. 20. Section eighty-eight point ten (88.10), Code 1962, is
2 hereby repealed.

1 SEC. 21. Section eighty-eight point thirteen (88.13), Code 1962, is
2 hereby amended as follows:

*According to enrolled Act.

3 1. Subsections one (1) and two (2) are hereby repealed.
 4 2. Subsection three (3) is hereby amended by striking the numbers
 5 "88.6, 88.7, 88.8, 88.9,".

1 SEC. 22. This Act may be cited as the Iowa Employment Safety
 2 Act.

1 SEC. 23. This Act, being deemed of immediate importance, shall
 2 take effect and be in full force from and after its passage and publica-
 3 tion in The Wilton Advocate, a newspaper published at Wilton Junc-
 4 tion, Iowa, and The Muscatine Journal, a newspaper published at
 5 Muscatine, Iowa.

Approved April 12, 1965.

I hereby certify that the foregoing Act, Senate File 403, was published in The Wilton Advocate, Wilton Junction, Iowa, April 22, 1965, and in The Muscatine Journal, Muscatine, Iowa, April 16, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 108

STATE BOILER INSPECTION

S. F. 87

AN ACT relating to state boiler inspection.

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

1 SECTION 1. Section eighty-nine point two (89.2), Code 1962, as
 2 amended by chapters ninety-two (92) and ninety-three (93), Acts of
 3 the Sixtieth General Assembly, is hereby amended by inserting in line
 4 nine (9) after the word "generators" the following: ", all steam
 5 boilers used for heating purposes carrying a pressure of not more than
 6 fifteen (15) pounds per square inch gauge and located in places of
 7 public assembly, all hot water heating boilers carrying a pressure of
 8 not more than thirty (30) pounds per square inch gauge located in
 9 places of public assembly".

1 SEC. 2. Section eighty-nine point three (89.3), Code 1962, is
 2 amended by inserting in line ten (10) after the word "buildings," the
 3 following:

4 "except buildings of public assembly as defined in section eighty-
 5 nine point twelve (89.12) of the Code as amended".

1 SEC. 3. Section eighty-nine point twelve (89.12), Code 1962, is
 2 amended by adding the following new subsections:

3 "3. Low-pressure heating boiler. The term 'low pressure heating
 4 boiler' shall mean a steam boiler operated at pressures not exceeding
 5 fifteen (15) psig, or a hot water heating boiler not exceeding thirty
 6 (30) pounds per square inch gauge.

7 "4. Place of public assembly. 'Place of public assembly' shall mean
 8 any building or portion thereof designed, intended and used for occu-
 9 pation by persons for purposes of entertainment, instruction or amuse-

10 ment and shall be construed to include theatres, motion picture the-
11 aters, hospitals, places of worship, schools, colleges and institutions."

1 SEC. 4. Section eighty-nine point six (89.6), Code 1962, is amend-
2 ed as follows:

3 1. Strike from line thirteen (13) of subsection one (1) the word*
4 "one dollar" and insert in lieu thereof the word* "two (2) dollars".

5 2. By adding at the end of subsection one (1) the following para-
6 graph:

7 "Upon such showing and the payment of a fee of two dollars (\$2.00)
8 for each one (1) year inspection and four dollars (\$4.00) for each two
9 (2) year inspection, the commissioner of labor shall issue a certificate
10 of inspection by the bureau of labor, which shall be valid only for the
11 period specified in section eighty-nine point two (89.2) of the Code."

1 SEC. 5. Section eighty-nine point seven (89.7), Code 1962, as
2 amended, is amended as follows:

3 1. By striking subsection one (1) and inserting the following:

4 "1. Boilers having a working pressure to seventy (70) pounds per
5 square inch ten dollars (\$10.00) for one (1) boiler and eight dollars
6 (\$8.00) for each additional boiler of like size when set in batteries."

7 2. By striking from line three (3) of subsection two (2) the word
8 "six" and insert in lieu thereof the word "twelve (12)"; also strike
9 from line four (4) of said subsection the word "four" and insert in
10 lieu thereof the word "ten (10)".

11 3. By striking from line three (3) of subsection three (3) the word
12 "seven" and insert in lieu thereof the word "fourteen (14)"; also
13 strike from line four (4) of said subsection the word "five" and insert
14 in lieu thereof the word "twelve (12)".

15 4. By striking from line three (3) of subsection four (4) the word
16 "nine" and insert in lieu thereof the word "eighteen (18)"; also strike
17 from line four (4) of said subsection the word "six" and insert in lieu
18 thereof the word "twelve (12)".

19 5. By striking from line seven (7) of subsection five (5) the word
20 "five" and insert in lieu thereof the word "ten (10)"; also strike from
21 line nine (9) of said subsection the word "six" and insert in lieu
22 thereof the word "twelve (12)"; also strike from line eleven (11) of
23 said subsection the word "seven" and insert in lieu thereof the word
24 "fourteen (14)".

1 SEC. 6. Section eighty-nine point eight (89.8), Code 1962, is here-
2 by repealed and the following enacted in lieu thereof:

3 "All fees provided for in this chapter shall be collected by the com-
4 missioner of labor and remitted to the state treasurer, together with
5 an itemized statement showing the source of collection.

Approved April 7, 1965.

*According to enrolled Act.

CHAPTER 109

HANDICAPPED EMPLOYMENT COMMITTEE

H. F. 549

AN ACT to establish a committee to be known as the governor's committee on employment of the handicapped, to prescribe the duties and responsibilities of the committee, and to provide an appropriation therefor.

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

1 SECTION 1. There is hereby established a committee to be known
2 as the "Governor's Committee on Employment of the Handicapped".

1 SEC. 2. The committee shall be composed of a minimum of twenty-
2 four (24) members appointed by the governor and such additional
3 members as the governor may appoint. Insofar as practicable, the
4 committee shall consist of representatives of industry, labor, busi-
5 ness, agriculture, federal, state, and local government, and representa-
6 tives of religious, charitable, fraternal, civic, educational, medical,
7 legal, veteran, welfare, women's, and other professional groups and
8 organizations. Members shall be appointed representing every geo-
9 graphic center and employment area of the state.

1 SEC. 3. The following shall serve as ex officio members of the com-
2 mittee.

- 3 1. The commissioner of public health.
- 4 2. The director of mental health of the state board of control.
- 5 3. The state superintendent of public instruction.
- 6 4. The director of vocational rehabilitation.
- 7 5. The director of the commission for the blind.
- 8 6. The commissioner of labor.
- 9 7. The industrial commissioner.
- 10 8. The chairman of the employment security commission.
- 11 9. The chairman of the state board of social welfare.
- 12 10. A member of the state board of vocational education designated
13 by the governor.

1 SEC. 4. Members of the committee appointed by the governor shall
2 serve for a term of two (2) years except that of the members ap-
3 pointed as of the effective date of this Act, one-half ($\frac{1}{2}$) shall serve
4 until June 30, 1966, and one-half ($\frac{1}{2}$) shall serve until June 30, 1967.
5 Vacancies on the committee shall be filled for the remainder of the
6 term of the original appointment. Members whose terms expire may
7 be reappointed.

1 SEC. 5. The governor shall appoint a committee chairman and a
2 vice-chairman and such other officers as he deems necessary. Such
3 officers shall serve until their successors are appointed and qualified.
4 Members of the committee shall receive no compensation for their
5 services.

1 SEC. 6. The committee shall:

- 2 1. Carry on a continuing program to promote the employment of
3 handicapped persons.
- 4 2. Co-operate with all public and private agencies interested in the
5 employment of the handicapped.

6 3. Co-operate with all agencies responsible for or interested in the
7 rehabilitation and placement of the handicapped.

8 4. Encourage the organization of committees at the community level
9 and work closely with such committees in promoting the employment
10 of the handicapped.

11 5. Assist in developing employer acceptance of qualified handi-
12 capped workers.

13 6. Inform handicapped persons of specific facilities available in
14 seeking employment.

15 7. Conduct such educational programs as members deem necessary.

16 8. Report annually to the governor and general assembly on com-
17 mittee activities and submit any recommendations believed necessary
18 in promoting the employment of handicapped persons.

1 SEC. 7. Committee officers may appoint an executive secretary and
2 designate the duties and obligations of the position. Any person so
3 employed may be the employee of another agency of state government
4 appointed with the consent of the executive officer of such agency.
5 The officers may appoint such other personnel as may be necessary for
6 the efficient performance of the duties prescribed by this Act.

1 SEC. 8. The committee is authorized to receive any gifts, grants,
2 or donations made for any of the purposes of its program and to dis-
3 burse and administer the same in accordance with the terms thereof.

1 SEC. 9. There is hereby appropriated to the governor's committee
2 on employment of the handicapped from the general fund of the state
3 for each year of the biennium beginning July 1, 1965, and ending June
4 30, 1967, the sum of fifteen thousand (15,000) dollars or so much
5 thereof as may be necessary for carrying out the purpose of this Act.

Approved June 3, 1965.

CHAPTER 110

EMPLOYMENT SECURITY BENEFITS

H. F. 42

AN ACT to amend section ninety-six point three (96.3), subsection* four (4) and five (5), Code 1962, as to the method of determining benefit amount and duration of benefits for employment compensation, and as to the method of determining the contribution rates of employers, and also of employers with deficit accounts.

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

1 SECTION 1. Section ninety-six point three (96.3), Code 1962, is
2 hereby amended by striking subsection four (4) and substituting in
3 lieu thereof the following:

4 "4. *Determination of benefits.* An individual's weekly benefit
5 amount shall be an amount equal to one-twenty-second ($\frac{1}{22}$) of his
6 total wages in insured work paid during that quarter of his base period
7 in which such total wages were highest, subject to the following limi-

*According to enrolled Act.

8 tation: The commission shall determine annually a maximum weekly
 9 benefit amount by computing fifty (50) percent of the average weekly
 10 wage paid to employees in insured work which shall be effective the
 11 first day of the first full week in July. Such maximum weekly benefit
 12 amount, if not a multiple of one dollar (\$1.00) shall be rounded to the
 13 nearest multiple of one dollar (\$1.00)."

14 "Such computation shall be made by determining gross wages as
 15 paid for insured work by employers in each preceding twelve (12)
 16 month period ending on December thirty-first (31) and dividing said
 17 gross wages by a figure resulting from fifty-two (52) times the aver-
 18 age of mid-month employment reported by employers for the same
 19 period."

1 SEC. 2. Section ninety-six point three (96.3), subsection five (5),
 2 Code 1962, is amended by striking from line thirteen (13) the words
 3 "each calendar quarter of".

4 Further amend subsection five (5) by striking from lines fourteen
 5 (14), fifteen (15) and sixteen (16) the words ", or his weekly benefit
 6 amount multiplied by seven point two per quarter, whichever is the
 7 lesser".

1 SEC. 3. Section ninety-six point seven (96.7), subsection three
 2 (3), paragraph *d*, Code 1962, is amended by striking from line fifteen
 3 (15) thereof the words "shall be;"; and substituting in lieu thereof the
 4 following:

5 "subject to the adjustment hereinafter provided, shall be fixed in
 6 accordance with the following table. Percentage of excess in said table
 7 means the percentage resulting from dividing the excess of contribu-
 8 tions paid over benefits charged by the employer's average annual
 9 payroll."

10 Also, by striking lines sixteen (16) through thirty-four (34) and
 11 substituting in lieu thereof the following:

12 Contribution	13 Rate	14 Percentage of Excess Is
15	2.7%	0.0% but less than 2.3%
16	2.6%	2.3% but less than 2.4%
17	2.5%	2.4% but less than 2.5%
18	2.4%	2.5% but less than 2.6%
19	2.3%	2.6% but less than 2.7%
20	2.2%	2.7% but less than 2.8%
21	2.1%	2.8% but less than 2.9%
22	2.0%	2.9% but less than 3.0%
23	1.9%	3.0% but less than 3.1%
24	1.8%	3.1% but less than 3.2%
25	1.7%	3.2% but less than 3.3%
26	1.6%	3.3% but less than 3.4%
27	1.5%	3.4% but less than 3.5%
28	1.4%	3.5% but less than 3.6%
29	1.3%	3.6% but less than 3.7%
30	1.2%	3.7% but less than 3.8%
31	1.1%	3.8% but less than 4.0%
32	1.0%	4.0% but less than 4.3%
	.9%	4.3% but less than 4.6%

	Contribution Rate	Percentage of Excess Is
33	.8%	4.6% but less than 4.9%
34	.7%	4.9% but less than 5.3%
35	.6%	5.3% but less than 5.7%
36	.5%	5.7% but less than 6.1%
37	.4%	6.1% but less than 6.5%
38	.3%	6.5% but less than 7.0%
39	.2%	7.0% but less than 7.5%
40	.1%	7.5% but less than 8.0%
41	.0%	8.0% or over.

42 If, on the computation date, the total of all benefits paid from an
 43 employer's account for all past periods to and including those for the
 44 quarter ending September 30 immediately preceding the computation
 45 date, exceeds the total contributions paid to such account for all past
 46 periods to and including those for the quarter ending September 30
 47 immediately preceding the computation date, such employer's contri-
 48 bution rate shall be:

	Contribution Rate	Percentage of Excess Is
49		
50		
51	4.0%	0.5% or more
52	3.5%	0.1% but less than 0.5%
53	3.0%	0.0% but less than 0.1%

54 Provided, that the maximum contribution rate of any employer for
 55 the calendar year 1966 shall not be more than three per cent (3%),
 56 and for the calendar year 1967 shall not be more than three and five-
 57 tenths per cent (3.5%). Provided, however, that notwithstanding any
 58 other provision of this chapter, any employer which employs individ-
 59 uals in the construction, erection, demolition, alteration or repair of
 60 roads and highways, or of bridges, buildings, factories, residences,
 61 earth work, grading, river work, or any other construction project,
 62 and who has not qualified for an experience rating shall pay three per
 63 cent (3%) in the calendar year 1966, three and five-tenths per cent
 64 (3.5%) in the calendar year 1967, and four point zero per cent (4.0%)
 65 in the calendar year 1968 and every calendar year thereafter until such
 66 time as he has qualified for an experience rating entitling said em-
 67 ployer to a lesser rate of contribution. Provided further, that in no
 68 event shall any employer's contribution rate be more than two and
 69 seven-tenths per cent (2.7%) of the first ten thousand dollars (\$10,-
 70 000.00) of wages for insured work paid during any calendar quarter."

Approved June 2, 1965.

CHAPTER 111

EMPLOYMENT SECURITY WAITING PERIOD

S. F. 21

AN ACT to amend section ninety-six point four (96.4), Code 1962, so as to change the requirement that a claimant serve a waiting period before becoming eligible for employment security benefits.

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

1 SECTION 1. Section ninety-six point four (96.4), Code 1962, is
2 hereby amended as follows:

3 1. Amend subsection 4 by inserting the following after the period
4 in line 9: "The one week waiting period shall be waived and become
5 compensable after unemployment during which benefits are payable
6 for five (5) consecutive weeks."

Approved May 14, 1965.

CHAPTER 112

PEACE OFFICERS' RETIREMENT

H. F. 31

AN ACT relating to public safety peace officers' retirement, accident and disability system.

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

1 SECTION 1. Section ninety-seven A point one (97A.1), Code 1962,
2 is hereby amended by adding the following subsection:

3 "Pension compensation" shall mean the member's average final com-
4 pensation adjusted in the ratio of the earnable compensation payable
5 on each July one (1) to an active member having the same or equiva-
6 lent rank or position as was held by the retired or deceased member
7 at the time of retirement or death to the earnable compensation of such
8 member at his retirement or death.

1 SEC. 2. Section ninety-seven A point six (97A.6), Code 1962, is
2 amended by adding the following subsection:

3 "Pensions payable under this section shall be adjusted as follows:
4 a. As of the first of July of each year, the monthly pensions author-
5 ized in this section payable to each retired member and to each bene-
6 ficiary, except children, of a deceased member shall be recomputed.
7 The formula authorized in this section which was used to compute the
8 retired member's or beneficiary's pension at the time of retirement or
9 death including all amendments to the formula which may be adopted
10 subsequent to the member's retirement or death, shall be used in the
11 recomputation, except the pension compensation shall be used in lieu
12 of the average final compensation which the retired or deceased mem-
13 ber was receiving at the time of retirement or death. The adjusted
14 monthly pension shall be the amount payable at the member's retire-
15 ment or death adjusted by 45% of the difference between the recom-
16 puted pension and the amount payable at the member's retirement or

17 death. At no time shall the monthly pension or payment to the bene-
 18 ficiary be less than the amount which was paid at the time of the
 19 member's retirement or death.

20 *b.* As of the first of July of each year, the monthly pension payable
 21 to each surviving child in accordance with subsections eight (8), nine
 22 (9), and thirteen (13) of this section shall be adjusted to equal six (6)
 23 percent of the monthly salary payable on such July first to an active
 24 member having the rank of senior patrolman of the Iowa highway
 25 safety patrol. If the monthly pension so computed is less than the
 26 amounts provided in subsections eight (8), nine (9), and thirteen
 27 (13) of this section, the amounts provided for in said subsection shall
 28 be payable.

29 *c.* All monthly pensions adjusted as provided in this subsection shall
 30 be payable beginning on July one (1) of the year in which the adjust-
 31 ment is made and shall continue in effect until the next following July
 32 one (1) at which time the monthly pensions shall again be recomputed
 33 and all monthly pensions adjusted in accordance with the recomputa-
 34 tions.

35 *d.* The adjustment of pensions required by this subsection shall recog-
 36 nize the retired or deceased member's position on the salary scale
 37 within his rank at the time of his retirement or death. In the event
 38 that the rank or position held by the retired or deceased member at the
 39 time of retirement or death is subsequently abolished, adjustments in
 40 the pensions of the member or of the member's spouse or children shall
 41 be computed by the board of trustees as though such rank or position
 42 had not been abolished and salary increases had been granted to such
 43 rank or position on the same basis as increases granted to other ranks
 44 and positions in the department."

1 SEC. 3. Section ninety-seven A point eight (97A.8), Code 1962, is
 2 hereby amended by striking from subsection one (1), paragraph *a.*,
 3 lines eleven (11) through thirty-one (31), and inserting in lieu thereof
 4 the following:

5	"20	4.91%
6	21	4.97%
7	22	5.04%
8	23	5.11%
9	24	5.18%
10	25	5.26%
11	26	5.33%
12	27	5.41%
13	28	5.48%
14	29	5.56%
15	30	5.64%
16	31	5.72%
17	32	5.80%
18	33	5.88%
19	34	5.97%
20	35	6.05%
21	36	6.14%
22	37	6.22%
23	38	6.31%

24	39	6.40%
25	40	6.50%"

Approved June 30, 1965.

CHAPTER 113

ADVISORY BOARD ON I.P.E.R.S.

S. F. 15

AN ACT relating to the membership of the advisory investment board of the Iowa Public Employees Retirement System.

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

1 SECTION 1. Section ninety-seven B point eight (97B.8), Code
2 1962, is hereby amended by striking all of lines twenty-one (21)
3 through twenty-five (25) and inserting in lieu thereof the following:
4 "president of the senate shall appoint one (1) member from the
5 membership of the senate and the speaker of the house of representa-
6 tives shall appoint one (1) member from the membership of the house.
7 The two (2) members appointed by the president of the senate and
8 the speaker of the house of representatives shall be ex officio members
9 of the board."

1 SEC. 2. This Act, being deemed of immediate importance shall
2 take effect and be in full force from and after its passage and publica-
3 tion in The Albia Union-Republican, a newspaper published in Albia,
4 Iowa, and the Chariton Herald-Patriot, a newspaper published at
5 Chariton, Iowa.

Approved February 10, 1965.

I hereby certify that the foregoing Act, Senate File 15, was published in The Albia Union-Republican, Albia, Iowa, February 18, 1965, and in the Chariton Herald-Patriot, Chariton, Iowa, February 18, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 114

DOCTORS AND MEDICAL EXAMINERS EXEMPT FROM I.P.E.R.S.

H. F. 69

AN ACT to amend chapter ninety-seven B (97B), Code 1962, to exempt internes and resident doctors in training at hospitals and county medical examiners and deputy county medical examiners from the Iowa Public Employment Retirement System.

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

1 SECTION 1. Section ninety-seven B point forty-two (97B.42), Code
2 1962, is hereby amended by inserting in line thirty-six (36) after the
3 word "employment" the following:
4 " , nor to graduate medical students while serving as internes or

5 resident doctors in training at any hospital, nor to county medical
6 examiners and deputy county medical examiners under the provisions
7 of chapter 339 of the Code”.

Approved March 18, 1965.

CHAPTER 115

I.P.E.R.S. RETIREMENT BENEFITS

H. F. 550

AN ACT relating to the retirement benefits for public employees reaching the age of seventy-two (72) years.

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

- 1 SECTION 1. Section ninety-seven B point forty-eight (97B.48),
2 Code 1962, is hereby amended as follows:
3 1. By striking from lines one (1) and two (2) the words “Anything
4 in this chapter to the contrary notwithstanding, should” and inserting
5 in lieu thereof the word “Should”.
6 2. By inserting in line eleven (11) after the word “year” the words
7 “but after a retired member reaches the age of seventy-two (72)
8 years, he shall be entitled to the benefits under this chapter regardless
9 of the amount earned”.
10 *3. Section ninety-seven B point forty-six (97B.46), Code 1962, is
11 hereby amended by adding the following:
12 “A member remaining in service past the age of seventy-two (72)
13 years shall be entitled to receive retirement benefits under this chap-
14 ter.”

Approved May 28, 1965.

*According to enrolled Act.

CHAPTER 116

VESTING OF MEMBERS OF I.P.E.R.S.

H. F. 405

AN ACT relating to the vesting of members under the Iowa public employees' retirement system.

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

- 1 SECTION 1. Section ninety-seven B point fifty-three (97B.53),
2 Code 1962, as amended, is hereby repealed and the following enacted
3 in lieu thereof:
4 “Termination of employment. All rights to all benefits under the
5 retirement system will cease upon a member's termination of employ-

6 ment with the employer prior to his retirement, other than by death,
7 except as provided hereafter:

8 "1. Upon the termination of employment with the employer prior to
9 retirement other than by death of a member, the accumulated contri-
10 butions by the member at the date of such termination will be paid to
11 such member, except as may be provided in subsection two (2), sub-
12 section five (5) and subsection six (6) of this section.

13 "2. If the employment with the employer of a member is terminated
14 prior to his retirement, other than by death, but after he has either
15 *a.* completed at least eight (8) years of service, or *b.* has attained the
16 age of fifty-five, he shall receive a monthly retirement allowance com-
17 mencing on the first day of the month next following or coinciding
18 with the date he attains the age of sixty-five, if he is then alive, or, if
19 the member so elects in accordance with section ninety-seven B point
20 forty-seven (97B.47) of the Code, commencing on the first day of any
21 month coinciding or next following the date he attains the age of fifty-
22 five and prior to the date he attains the age of sixty-five, and continu-
23 ing on the first day of each month thereafter during his lifetime,
24 provided the member does not receive prior to the date his retirement
25 allowance is to commence a refund of accumulated contributions under
26 any of the provisions of this chapter. The amount of each such month-
27 ly retirement allowance shall be determined as provided in either
28 section ninety-seven B point forty-nine (97B.49) or in section ninety-
29 seven B point fifty (97B.50) of the Code, whichever is applicable.

30 "3. The accumulated contributions of a terminated member who is
31 entitled to the benefits of subsection two (2) of this section shall be
32 credited with interest, including interest dividends, under section
33 seven (7) of chapter ninety-six (96), Acts of the 60th General Assem-
34 bly, subsection one (1), paragraph 'a', until the deferred vested retire-
35 ment allowance commences being paid. A terminated member shall not
36 participate in any retirement dividends under section seven (7) of
37 chapter ninety-six (96), Acts of the 60th General Assembly, subsec-
38 tion one (1), paragraph 'b', determined for any period in or after
39 which his employment is terminated. Once a deferred vested retire-
40 ment allowance commences being paid, the terminated member will be
41 considered a retired member and share in any dividends determined
42 under section seven (7) of chapter ninety-six (96), Acts of the 60th
43 General Assembly, subsection two (2).

44 "4. A member who is entitled to the benefits of subsection two (2)
45 of this section shall have the right, prior to the commencement of his
46 retirement allowance, to receive a refund of his accumulated contribu-
47 tions, and in the event of the death of the member prior to the com-
48 mencement of his retirement allowance and prior to the receipt of any
49 such refund the benefits of subsection one (1) of section ninety-seven
50 B point fifty-two (97B.52) of the Code shall be paid. No member shall
51 be entitled to any refund based upon any credit for prior service as
52 determined under the provisions of section ninety-seven B point forty-
53 three (97B.43) of the Code or for any portion of any contribution
54 made by an employer unless otherwise provided by this chapter.

55 "5. A member shall not be considered as having terminated his em-
56 ployment if he accepts other employment in the state of Iowa under

57 which he is eligible to membership in the Iowa public employees' re-
58 tirement system, within three (3) months after he has left public
59 employment.

60 "Any member who does not withdraw his accumulated contributions
61 upon termination of employment may at any time request the return
62 of his accumulated contributions, but if he receives such return of
63 contributions he shall be deemed to have waived all claims for any
64 other benefits from the fund.

65 "6. Any member who terminates employment before he is entitled
66 to the benefits of subsection two (2) of this section and who does not
67 claim and receive a refund of his accumulated contributions within
68 five (5) years of his date of termination shall, in event he makes claim
69 for such refund more than five (5) years after his date of termination,
70 be required to submit proof satisfactory to the commission of his
71 entitlement to such refund, but in no case shall interest be allowed
72 upon his accumulated contributions for any period he is not an em-
73 ployee. The commission shall be under no obligation to maintain the
74 accumulated contribution accounts of such former members for more
75 than five (5) years after their dates of termination. The amounts
76 released by cancellation of the accumulated contribution accounts of
77 such former members shall be made a part of the retirement dividends
78 to be allocated to members in accordance with section seven (7) of
79 chapter ninety-six (96), Acts of the 60th General Assembly.

80 "Any person who made contributions to the abolished system who is
81 entitled to a refund in accordance with the provisions of this chapter
82 and who has not claimed and received such refund prior to January 1,
83 1964, shall, in event he makes a claim for such refund after January 1,
84 1964, be required to submit proof satisfactory to the commission of
85 his entitlement to such refund. The commission shall be under no obli-
86 gation to maintain the contribution accounts of such persons after Jan-
87 uary 1, 1964. The amounts released by cancellation of the contribution
88 accounts of such persons shall be made a part of the retirement divi-
89 dends to be allocated to members in accordance with section seven (7)
90 of chapter ninety-six (96), Acts of the 60th General Assembly."

1 SEC. 2. Section ninety-seven B point forty-one (97B.41), Code
2 1962, is amended by striking subsection eight (8) and inserting the
3 following new subsections following subsection seven (7) and renum-
4 bering the remaining subsections:

5 "8. 'Member' names* an individual who is a member of the retire-
6 ment system created by this chapter as defined in sections ninety-seven
7 B point forty-two (97B.42) and ninety-seven B point forty-three
8 (97B.43) of the Code.

9 "9. 'Active member' with respect to service after July 4, 1953, at
10 the end of a year means a member who made contributions to the
11 system at any time during the year and who, as of December 31 of
12 the current year,

13 "a. had not received or applied for a refund of his accumulated con-
14 tributions for withdrawal or death,

15 "b. had not terminated employment and applied for a deferred
16 vested retirement allowance, and

*According to enrolled Act.

17 "c. had not retired and commenced receiving a retirement allow-
18 ance.

19 "10. 'Inactive member' with respect to future service means a mem-
20 ber who at the end of a year had not made any contributions during
21 the current year and who has not received a refund of his accumu-
22 lated contributions.

23 "11. 'Vested member' means a member who had terminated employ-
24 ment after having either *a.* completed at least eight (8) years of
25 service, or *b.* attained the age of fifty-five.

26 "12. 'Retired member' means a member who had applied for and
27 commenced receiving his retirement allowance."

1 SEC. 3. Section ninety-seven B point forty-one (97B.41), Code
2 1962, subsection ten (10) is amended by inserting in line three (3)
3 of paragraph "*d*" after the word "teachers" the words "under regular
4 contract, interim teachers or substitute teachers,".

1 SEC. 4. Section ninety-seven B point forty-two (97B.42), Code
2 1962, is amended by inserting in line twelve (12) after the word "posi-
3 tions" the words "and individuals who are students and who devote
4 their time and efforts chiefly to their studies, rather than to incidental
5 employment".

6 Further amend said section by striking from lines thirteen (13) and
7 fourteen (14) the words "of the month following the month".

8 Further amend said section by striking in line twenty-seven (27)
9 after the word "employment" the remainder of the line and lines
10 twenty-eight (28) to thirty-six (36), inclusive.

1 SEC. 5. Chapter ninety-six (96), Acts of the 60th General Assem-
2 bly is amended by adding to section one (1) the following:

3 "c. Remuneration paid for services that do not equal or exceed the
4 sum of three hundred (300) dollars in any calendar quarter, however,
5 the membership of such individual shall not be considered terminated
6 as long as the relationship of employer and employee exists."

7 Further amend said chapter ninety-six (96) by striking from sec-
8 tion seven (7) lines thirty-eight (38) to forty-two (42), inclusive.

9 Further amend said chapter ninety-six (96), section seven (7) by
10 inserting in line seven (7) after the word "active" the words "and
11 vested".

12 Further amend said chapter ninety-six (96), section seven (7) by
13 inserting in line twelve (12) after the word "active" the words "and
14 vested".

15 Further amend said chapter ninety-six (96), section seven (7) by
16 inserting in line twenty-five (25) after the word "active" the words
17 "and vested".

18 Further amend said chapter ninety-six (96), section seven (7) by
19 inserting in line forty-three (43) after the word "dividends" the
20 words "to active members".

21 Further amend said chapter ninety-six (96), section seven (7) by
22 inserting in line ninety (90) before the word "dividends" the word
23 "retirement".

1 SEC. 6. Any member whose employment is terminated after he has
2 accumulated five (5) or more years of employment, either under the

3 provisions of this chapter or as a result of prior service credits, may
 4 elect to leave his accumulated contributions in the retirement fund.
 5 In the event he returns to public employment at any time within five
 6 (5) years after this termination of employment, he shall be entitled
 7 to resume membership in the system with the same credits for prior
 8 service and accumulated contributions that he had earned when his
 9 original employment was terminated. No interest shall be credited on
 10 his accumulated contributions nor on his employer's accumulated con-
 11 tributions during the period from the time of his termination of
 12 employment to his resumption of employment.

13 Any member who has resumed employment under the provisions of
 14 this subsection shall not be eligible for any second period of absence
 15 from membership as a result of termination of service until he shall
 16 have been employed for a period of five (5) years or more from the
 17 date of resumption of employment.

Approved June 7, 1965.

CHAPTER 117

CIGARETTE TAX

H. F. 680

AN ACT to increase the tax imposed on cigarettes.

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

1 SECTION 1. Section six (6) of chapter five (5), Acts of the Six-
 2 tieth General Assembly, is hereby repealed.

1 SEC. 2. Section ninety-eight point six (98.6), Code 1962, is hereby
 2 amended by striking lines six (6) through eleven (11) of subsection
 3 one (1) of such section and inserting in lieu thereof the following:

4 "Class A. On cigarettes weighing not more than three (3) pounds
 5 per thousand, four (4) mills on each such cigarette.

6 "Class B. On cigarettes weighing more than three (3) pounds per
 7 thousand, five (5) mills on each such cigarette."

1 SEC. 3. Any licensed distributor, or permit holder having in his
 2 possession on July 1, 1965, or thereafter, any cigarettes for the pur-
 3 pose of distribution or sale, upon which the full amount of the tax
 4 imposed by this Act has not been paid, shall make a return to the state
 5 tax commission listing the entire amount of such cigarettes on hand,
 6 the amount of tax which has been paid upon such cigarettes under the
 7 provisions of chapter ninety-eight (98) of the Code, as amended by
 8 chapter five (5), Acts of the Sixtieth General Assembly, and the
 9 amount of additional tax due upon such cigarettes as provided by the
 10 provisions of this Act. The state tax commission shall have the power
 11 to prescribe rules and regulations providing for the collection of such
 12 additional tax, either through the affixing of additional stamps or
 13 additional meter impressions, or by the collection of the amount due
 14 in cash.

15 On and after July 15, 1965, the provisions of subsection one (1) of
 16 section ninety-eight point thirty-six (98.36) of the Code, as amended
 17 by chapter ninety-seven (97), Acts of the Sixtieth General Assembly,
 18 shall apply upon the possession of any cigarettes upon which the full
 19 amount of tax as provided by this Act has not been paid.

1 SEC. 4. This Act being deemed of immediate importance shall be
 2 in full force and effect on July 1, 1965, after its publication in The
 3 Onawa Weekly Democrat, a newspaper published in Onawa, Iowa, and
 4 in The Spencer Daily Reporter, a newspaper published in Spencer,
 5 Iowa.

Approved June 7, 1965.

I hereby certify that the foregoing Act, House File 680, was published in The Onawa Weekly Democrat, Onawa, Iowa, June 17, 1965, and in The Spencer Daily Reporter, Spencer, Iowa, June 11, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 118

STATE FIRE MARSHAL

S. F. 226

AN ACT relating to an increase in the fee paid officials reporting a fire to the state fire marshal.

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

1 SECTION 1. Section one hundred point thirty-four (100.34), Code
 2 1962, is hereby amended as follows:

3 1. By striking from line four (4) the words "fifty cents" and in-
 4 serting in lieu thereof the words "one dollar".

5 2. By striking from lines five (5), six (6), and seven (7) the words
 6 "in addition thereto there shall be paid to township clerks".

7 3. By inserting after the word "fire" in line nine (9) the words
 8 "when the vehicle used is not owned by a governmental unit".

Approved April 7, 1965.

CHAPTER 119

CARBON TETRACHLORIDE FIRE EXTINGUISHERS

S. F. 390

AN ACT relating to the use of fire extinguishers utilizing toxic halogenated hydrocarbon extinguishing agents.

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

1 SECTION 1. Chapter one hundred (100), Code 1962, is hereby
 2 amended by adding thereto the following:

3 "Toxic halogenated hydrocarbon and other vaporizing liquid-type

4 fire extinguishers toxic in nature shall be prohibited for use in all
 5 those public buildings referred to in section one hundred point thirty-
 6 five (100.35), Code 1962.”

Approved April 23, 1965.

CHAPTER 120

FLAMMABLE LIQUID REGULATIONS

H. F. 143

AN ACT relating to violations of the flammable liquid and liquified* petroleum gas regulations.

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

1 SECTION 1. Section one hundred one point seven (101.7), Code
 2 1962, is hereby amended by striking all of such section and inserting
 3 in lieu thereof the following:

4 “Any person, firm or corporation violating any of the regulations
 5 promulgated under this chapter shall be deemed guilty of a misde-
 6 meanor and upon conviction shall be punished by a fine of not less
 7 than twenty-five (25) dollars nor more than one hundred (100) dol-
 8 lars. Each day of the continuing violation of such rules and regula-
 9 tions after conviction shall be considered a separate offense. Appeals
 10 may be taken from such convictions as in other criminal cases.”

Approved April 14, 1965.

*According to enrolled Act.

CHAPTER 121

CIVIL RIGHTS COMMISSION

H. F. 263

AN ACT to establish a civil rights commission to eliminate unfair and discriminatory practices in public accommodations, employment, apprenticeship programs, on-the-job training programs, and vocational schools and to permit the study of discrimination in housing.

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

1 SECTION 1. This Act may be known and may be cited as the
 2 “Iowa Civil Rights Act of 1965”.

1 SEC. 2. When used in this Act, unless the context otherwise re-
 2 quires:

3 1. “Court” means the district court in and for the judicial district
 4 of the state of Iowa in which the alleged unfair or discriminatory
 5 practice occurred or any judge of said court if the court is not in
 6 session at that time.

7 2. “Person” means one (1) or more individuals, partnerships,

8 associations, corporations, legal representatives, trustees, receivers,
9 and the state of Iowa and all political subdivisions and agencies
10 thereof.

11 3. "Employment agency" means any person undertaking to pro-
12 cure employees or opportunities to work for any other person or any
13 person holding himself or itself to be equipped to do so.

14 4. "Labor organization" means any organization which exists for
15 the purpose in whole or in part of collective bargaining, of dealing
16 with employers concerning grievances, terms, or conditions of em-
17 ployment, or of other mutual aid or protection in connection with
18 employment.

19 5. "Employer" means the state of Iowa or any political subdivi-
20 sion, board, commission, department, institution, or school district
21 thereof, and every other person employing employees within the
22 state.

23 6. "Employee" means any person employed by an employer.

24 7. "Unfair practice" or "discriminatory practice" means those
25 practices specified as unfair or discriminatory in sections six (6),
26 seven (7), and eight (8) of this Act.

27 8. "Commission" means the Iowa state civil rights commission
28 created by this Act.

29 9. "Commissioner" means a member of the commission.

30 10. "Public accommodation" means each and every place, estab-
31 lishment, or facility of whatever kind, nature, or class that caters or
32 offers services, facilities, or goods to the general public for a fee or
33 charge, provided that any place, establishment, or facility that caters
34 or offers services, facilities, or goods to the general public gratu-
35 itously shall be deemed a public accommodation if the accommodation
36 receives any substantial governmental support or subsidy. Public
37 accommodation shall not mean any bona fide private club or other
38 place, establishment, or facility which is by its nature distinctly
39 private, except when such distinctly private place, establishment, or
40 facility caters or offers services, facilities, or goods to the general
41 public for fee or charge or gratuitously, it shall be deemed a public
42 accommodation during such period of use. Public accommodation
43 shall not include housing accommodations other than housing ac-
44 commodation available primarily for transients.

1 SEC. 3. The Iowa state civil rights commission shall consist of
2 seven (7) members appointed by the governor with the advice and
3 consent of the senate. Appointments shall be made to provide geo-
4 graphical area representation insofar as may be practicable. No
5 more than four (4) members of the commission shall belong to the
6 same political party. Members appointed to the commission shall
7 serve for a term of four (4) years except the initial appointees shall
8 be appointed by the governor to serve as follows:

9 1. Three (3) members shall serve from the date of appointment
10 until June 30, 1967.

11 2. Four (4) members shall serve from the date of appointment
12 until June 30, 1969.

13 Vacancies on the commission shall be filled by the governor by
14 appointment for the unexpired part of the term of the vacancy with

15 the advice and consent of the senate if the general assembly shall be
16 in session. Any appointment filling a vacancy occurring while the
17 general assembly is not in session shall be transmitted to the senate
18 for confirmation within thirty (30) days following the convening of
19 the next session of the general assembly or the appointment shall
20 expire. Any commissioner may be removed from office by the gov-
21 ernor for cause.

1 SEC. 4. Commissioners shall serve without compensation but
2 shall be reimbursed for necessary travel and other expenses incurred
3 while on official commission business. The commission shall adopt,
4 amend, or rescind such rules as shall be necessary for the conduct of
5 its meetings. A quorum shall consist of four (4) commissioners.

1 SEC. 5. The commission shall have the following powers and
2 duties:

3 1. To appoint and prescribe the duties of a director and such in-
4 vestigators and other employees and agents as the commission shall
5 deem necessary for the enforcement of this Act.

6 2. To receive, investigate, and pass upon complaints alleging un-
7 fair or discriminatory practices.

8 3. To investigate and study the existence, character, causes, and
9 extent of discrimination in public accommodations, employment,
10 apprenticeship programs, on-the-job training programs, vocational
11 schools, and housing in this state and to attempt the elimination of
12 such discrimination by education and conciliation.

13 4. To hold hearings upon any complaint made against a person,
14 an employer, an employment agency, or a labor organization, or the
15 employees or members thereof, to subpoena witnesses and compel
16 their attendance at such hearings, to administer oaths and take the
17 testimony of any person under oath, and to compel such person,
18 employer, employment agency, or labor organization, or employees
19 or members thereof to produce for examination any books and papers
20 relating to any matter involved in such complaint. The commission
21 shall issue subpoenas for witnesses in the same manner and for the
22 same purposes on behalf of the respondent upon his request. Such
23 hearings may be held by the commission, by any commissioner, or by
24 any hearing examiner appointed by the commission. If a witness
25 either fails or refuses to obey a subpoena issued by the commission,
26 the commission may petition the district court having jurisdiction
27 for issuance of a subpoena and the court shall in a proper case issue
28 the subpoena. Refusal to obey such subpoena shall be subject to
29 punishment for contempt.

30 5. To issue such publications and reports of investigations and
31 research as in the judgment of the commission shall tend to promote
32 good will among the various racial, religious, and ethnic groups of
33 the state and which shall tend to minimize or eliminate discrimina-
34 tion in public accommodations, employment, apprenticeship and on-
35 the-job training programs, vocational schools, or housing because of
36 race, creed, color, national origin, religion, or ancestry.

37 6. To prepare and transmit to the governor and to the general
38 assembly from time to time, but not less often than once each year,
39 reports describing its proceedings, investigations, hearings conducted

40 and the outcome thereof, decisions rendered, and the other work per-
41 formed by the commission.

42 7. To make recommendations to the general assembly for such
43 further legislation concerning discrimination because of race, creed,
44 color, national origin, religion, or ancestry as it may deem necessary
45 and desirable.

46 8. To cooperate, within the limits of any appropriations made for
47 its operation, with other agencies or organizations, both public and
48 private whose purposes are consistent with those of this Act, and
49 in the planning and conducting of programs designed to eliminate
50 racial, religious, cultural, and inter-group tensions.

51 9. To adopt, publish, amend, and rescind regulations consistent
52 with and necessary for the enforcement of this Act.

1 SEC. 6. 1. It shall be an unfair or discriminatory practice for
2 any owner, lessee, sublessee, proprietor, manager, or superintendent
3 of any public accommodation or any agent or employee thereof:

4 a. To refuse or deny to any person because of race, creed, color,
5 national origin, or religion the accommodations, advantages, facili-
6 ties, services, or privileges thereof, or otherwise to discriminate
7 against any person because of race, creed, color, national origin, or
8 religion in the furnishing of such accommodations, advantages,
9 facilities, services, or privileges.

10 b. To directly or indirectly advertise or in any other manner indi-
11 cate or publicize that the patronage of persons of any particular race,
12 creed, color, national origin, or religion is unwelcome, objectionable,
13 not acceptable, or not solicited.

14 2. This section shall not apply to:

15 a. Any bona fide religious institution with respect to any qualifica-
16 tions the institution may impose based on religion when such quali-
17 fications are related to a bona fide religious purpose.

18 b. The rental or leasing to transient individuals of less than six
19 (6) rooms within a single housing accommodation by the occupant
20 or owner of such housing accommodation if the occupant or owner
21 or members of his family reside therein.

1 SEC. 7. 1. It shall be an unfair or discriminatory practice for
2 any:

3 a. Person to refuse to hire, accept, register, classify, or refer for
4 employment, to discharge any employee, or to otherwise discriminate
5 in employment against any applicant for employment or any em-
6 ployee because of the race, creed, color, national origin, or religion
7 of such applicant or employee.

8 b. Labor organization or the employees, agents, or members there-
9 of to refuse to admit to membership any applicant, to expel any mem-
10 ber, or to otherwise discriminate against any applicant for member-
11 ship or any member in the privileges, rights, or benefits of such
12 membership because of the race, creed, color, national origin, or
13 religion of such applicant or member.

14 c. Employer, employment agency, labor organization, or the em-
15 ployees, agents, or members thereof to directly or indirectly advertise
16 or in any other manner indicate or publicize that individuals of any
17 particular race, creed, color, national origin, or religion are unwel-

18 come, objectionable, not acceptable, or not solicited for employment
19 or membership.

20 2. This section shall not apply to:

21 a. Any employer who regularly employs less than four (4) indi-
22 viduals. For purposes of this subsection, individuals who are mem-
23 bers of the employer's family shall not be counted as employees.

24 b. The employment of individuals for work within the home of the
25 employer if the employer or members of his family reside therein
26 during such employment.

27 c. The employment of individuals to render personal service to the
28 person of the employer or members of his family.

29 d. Any bona fide religious institution with respect to any qualifica-
30 tions for employment based on religion when such qualifications are
31 related to a bona fide religious purpose.

1 SEC. 8. It shall be an unfair or discriminatory practice for:

2 1. Any person to intentionally aid, abet, compel, or coerce another
3 person to engage in any of the practices declared unfair or discrimi-
4 natory by this Act.

5 2. Any person to discriminate against another person in any of the
6 rights protected against discrimination on the basis of race, creed,
7 color, national origin, or religion by this Act because such person has
8 lawfully opposed any practice forbidden under this Act, obeys the
9 provisions of this Act, or has filed a complaint, testified, or assisted
10 in any proceeding under this Act.

1 SEC. 9. 1. Any person claiming to be aggrieved by a discrimina-
2 tory or unfair practice may, by himself or his attorney, make, sign,
3 and file with the commission a verified, written complaint in triplic-
4 ate which shall state the name and address of the person, employer,
5 employment agency, or labor organization alleged to have committed
6 the discriminatory or unfair practice of which complained, shall set
7 forth the particulars thereof, and shall contain such other informa-
8 tion as may be required by the commission. The commission, a com-
9 missioner, or the attorney general may in like manner make, sign,
10 and file such complaint.

11 2. Any place of public accommodation, employer, labor organiza-
12 tion, or other person who has any employees or members who refuse
13 or threaten to refuse to comply with the provisions of this Act may
14 file with the commission a verified written complaint in triplicate
15 asking the commission for assistance to obtain their compliance by
16 conciliation or other remedial action.

17 3. After the filing of a verified complaint, a true copy thereof shall
18 be served by registered mail to the person against whom the com-
19 plaint is filed. Then a commissioner or a duly authorized member
20 of the commission's staff shall make a prompt investigation thereof
21 and if such investigating official shall determine that probable cause
22 exists for crediting the allegations of the complaint, the investigating
23 official shall immediately endeavor to eliminate such discriminatory
24 or unfair practice by conference, conciliation, and persuasion.

25 4. The members of the commission and its staff shall not disclose
26 the filing of a complaint, the information gathered during the inves-
27 tigation, or the endeavors to eliminate such discriminatory or unfair

28 practice by conference, conciliation, and persuasion, unless such dis-
29 closure is made in connection with the conduct of such investigation.

30 5. In case of failure to satisfactorily settle a complaint by confer-
31 ence, conciliation, and persuasion, or in advance thereof if in the
32 opinion of the investigating official circumstances so warrant, the
33 official may issue and cause to be served a written notice together
34 with a copy of such complaint, as the same may have been amended,
35 requiring the person, employer, employment agency, or labor organi-
36 zation named in such complaint, hereafter referred to as respondent,
37 to answer the charges of such complaint in writing within ten (10)
38 days after the date of such notice or within such extended time as the
39 investigating official may allow.

40 6. When the investigating official is satisfied that further endeavor
41 to settle a complaint by conference, conciliation, and persuasion shall
42 be futile, the official shall report the same to the commission. If the
43 commission determines that the circumstances warrant, it shall issue
44 and cause to be served a written notice requiring the respondent to
45 answer the charges of such complaint at a hearing before the com-
46 mission, a commissioner, or such other person designated by the com-
47 mission to conduct the hearing, hereafter referred to as hearing
48 examiner, and at a time and place to be specified in such notice.

49 7. The case in support of such complaint shall be presented at the
50 hearing by one (1) of the commission's attorneys or agents. The
51 investigating official shall not participate in the hearing except as a
52 witness nor shall he participate in the deliberations of the commis-
53 sion in such case.

54 8. The respondent may file a written verified answer to the com-
55 plaint, and may appear at the hearing in person, with or without
56 counsel, and submit testimony. In the discretion of the hearing
57 examiner, a complainant may be allowed to intervene and present
58 testimony in person or by counsel.

59 9. When a respondent has failed to answer a complaint at a hear-
60 ing as provided by this section the commission may enter his default.
61 For good cause shown, the commission may set aside an entry of
62 default within ten (10) days after the date of such entry. If the
63 respondent is in default, the commission may proceed to hear testi-
64 mony adduced upon behalf of the complainant. After hearing such
65 testimony, the commission may enter such order as in its opinion the
66 evidence warrants.

67 10. The commission or the complainant shall have the power to
68 reasonably and fairly amend any complaint and the respondent shall
69 have like power to amend his answer.

70 11. The commission shall not be bound by the strict rules of evi-
71 dence prevailing in courts of law or equity but the right of cross-
72 examination shall be preserved. Complainant shall bear the burden
73 of proving the allegations in his complaint. The testimony taken at
74 a hearing shall be under oath, reported, and, if ordered by the com-
75 mission, transcribed.

76 12. If, upon taking into consideration all the evidence at a hearing,
77 the commission shall find that a respondent has engaged in or is
78 engaging in, any discriminatory or unfair practice as defined in this
79 Act, the commission shall state its findings of fact and shall issue and

80 cause to be served upon such respondent an order requiring such
81 respondent to cease and desist from such discriminatory or unfair
82 practice and to take such affirmative action, including, but not limited
83 to, hiring, reinstatement, or upgrading of employees, with or without
84 back pay, the referring of applicants for employment by any respond-
85 ent employment agency, the admittance or restoration to membership
86 by any respondent labor organization, the admission to or continua-
87 tion in enrollment in an apprenticeship program, on-the-job training
88 program, the posting of notices, and the making of reports as to the
89 manner of compliance, as in the judgment of the commission shall
90 effectuate the purposes of this Act.

91 13. If, upon taking into consideration all of the evidence at a hear-
92 ing, the commission shall find that a respondent has not engaged in
93 any such discriminatory or unfair practice, the commission shall
94 state its findings of fact and shall issue and cause to be served an
95 order on the complainant and the respondent dismissing the com-
96 plaint.

97 14. The commission shall establish rules to govern, expedite, and
98 effectuate the procedures established by this Act and its own actions
99 thereunder.

100 15. Any complaint filed under this Act shall be so filed within
101 ninety (90) days after the alleged discriminatory or unfair practice
102 occurred.

1 SEC. 10. 1. Any complainant or respondent claiming to be ag-
2 grieved by a final order of the commission, including a refusal to
3 issue an order, may obtain judicial review thereof, and the commis-
4 sion may obtain an order of court for the enforcement of commission
5 orders in a proceeding as provided in this section.

6 2. Such proceeding shall be brought in the district court of the
7 district in the county in which the alleged discriminatory or unfair
8 practice which is the subject of the commission's order was com-
9 mitted, or in which any respondent required in the order to cease or
10 desist from a discriminatory or unfair practice or to take other
11 affirmative action, resides, or transacts business.

12 3. Such proceeding shall be initiated by the filing of a petition in
13 such court and the service of a copy thereof upon the commission and
14 upon respondent or complainant. Thereupon the commission shall
15 file with the court a transcript of the record of the hearing before it.
16 The court shall have jurisdiction of the proceeding and the questions
17 determined therein, and shall have power to grant such temporary
18 relief or restraining order as it deems just and proper, and to make
19 and enter upon the pleadings, testimony, and proceedings set forth in
20 such transcript an order enforcing, modifying, and enforcing as so
21 modified, or setting aside the order of the commission, in whole or in
22 part.

23 4. An objection that has not been urged before the commission
24 shall not be considered by the court, unless the failure or neglect to
25 urge such objection shall be excused because of extraordinary cir-
26 cumstances.

27 5. Any party may move the court to remit the case to the commis-
28 sion in the interests of justice for the purpose of adducing additional

29 specified and material evidence and seeking findings thereof, provid-
30 ing such party shall show reasonable grounds for the failure to
31 adduce such evidence before the commission.

32 6. The hearing on appeal shall be tried in equity and shall be de
33 novo. The court may receive additional testimony and may affirm,
34 modify, or reverse the order of the commission.

35 7. The jurisdiction of the court shall be exclusive and its judgment
36 and order shall be final subject to review by the supreme court as
37 provided by law.

38 8. The commission's copy of the testimony shall be available to all
39 parties for examination at all reasonable times, without cost, and for
40 the purpose of judicial review of the commission's orders.

41 9. The commission may appear in court by its own attorney.

42 10. Unless otherwise directed by the commission or court, com-
43 mencement or review proceedings under this section shall operate as
44 a stay of any order.

45 11. Petitions filed under this section shall be heard expeditiously
46 and determined upon the transcript filed without requirement for
47 printing.

48 12. If no proceeding to obtain judicial review is instituted by a
49 complainant or respondent within thirty (30) days from the service
50 of an order of the commission under section nine (9) of this Act,
51 the commission may obtain an order of the court for the enforce-
52 ment of such order upon showing that respondent is subject to the
53 jurisdiction of the commission and resides or transacts business
54 within the county in which the petition for enforcement is brought.

1 SEC. 11. This Act shall be construed broadly to effectuate its
2 purposes.

1 SEC. 12. Nothing contained in any provision of this Act shall be
2 construed as indicating an intent on the part of the General Assembly
3 to occupy the field in which this Act operates to the exclusion of local
4 laws not inconsistent with this Act that deal with the same subject
5 matter.

1 SEC. 13. If any provision of this Act or the application thereof
2 to any person shall be invalid, such invalidity shall not affect the
3 provisions or application of this Act which can be given effect with-
4 out the invalid provisions or application and to this end the provi-
5 sions of the Act are declared severable.

1 SEC. 14. Sections seven hundred thirty-five point one (735.1) and
2 seven hundred thirty-five point two (735.2), Code 1962, as amended
3 by chapter three hundred thirty (330), Acts of the Sixtieth General
4 Assembly, are hereby repealed.

1 SEC. 15. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 the Ames Daily Tribune, a newspaper published at Ames, Iowa, and

4 in the Glenwood Opinion-Tribune, a newspaper published at Glen-
5 wood, Iowa.

Approved April 29, 1965.

I hereby certify that the foregoing Act, House File 263, was published in the Ames Daily Tribune, Ames, Iowa, May 4, 1965, and in the Glenwood Opinion-Tribune, Glenwood, Iowa, May 6, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 122

LITTERING PUBLIC PLACES

H. F. 567

AN ACT to amend section one hundred six point twelve (106.12), Code of 1962, relating to littering of public waters, ice and land.

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

1 SECTION 1. Section one hundred six point twelve (106.12), Code of
2 1962, is hereby amended by adding thereto after subsection two (2),
3 line ten (10), the following new subsection. "No person shall place,
4 cause to be placed, throw or deposit onto or in any of the waters, ice or
5 land under the jurisdiction of the state conservation commission any
6 cans, bottles, garbage, rubbish, and other debris."

Approved May 26, 1965.

CHAPTER 123

CONSERVATION COMMISSION COMPENSATION

S. F. 124

AN ACT relating to the compensation of members of the state conservation commission.

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

1 SECTION 1. Section one hundred seven point five (107.5), Code
2 1962, is hereby amended by deleting the words "ten dollars"* in lines
3 two and three (2 and 3), and inserting in lieu thereof the words
4 "twenty-five", and deleting the words "six hundred" in line six (6)
5 and inserting in lieu thereof the words "one thousand".

Approved July 1, 1965.

*According to enrolled Act.

CHAPTER 124

CONSERVATION COMMISSION

S. F. 291

AN ACT to amend section one hundred seven point twenty-four (107.24), Code 1962, by adding one (1) paragraph to further delineate the "specific powers" of the state conservation commission.

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

- 1 SECTION 1. Section one hundred seven point twenty-four (107.24),
- 2 Code 1962, is hereby amended by adding after subsection nine (9),
- 3 line sixty-seven (67), the following new subsection:
- 4 "Provide conservation employees, when on duty, suitable uniforms,
- 5 equipment, arms, and supplies."

Approved May 7, 1965.

CHAPTER 125

OUTDOOR RECREATION RESOURCES

H. F. 575

AN ACT authorizing participation by this state and its subdivisions in programs of federal assistance relating to the planning and development of outdoor recreation resources and facilities, and for related purposes.

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

- 1 SECTION 1. The legislature finds that the state of Iowa and its
- 2 subdivisions should enjoy the benefits of federal assistance programs
- 3 for the planning and development of the outdoor recreation resources
- 4 of the state, including the acquisition of lands and waters and inter-
- 5 ests therein. It is the purpose of this Act to provide authority to
- 6 enable the state of Iowa and its subdivisions to participate in the
- 7 benefits of such programs.
- 1 SEC. 2. The state conservation commission is authorized to pre-
- 2 pare, maintain, and keep up-to-date a comprehensive plan for the
- 3 development of the outdoor recreation resources of the state; and to
- 4 acquire lands, waters, and interests in lands and waters for such areas
- 5 and facilities.
- 1 SEC. 3. The state conservation commission may apply to any ap-
- 2 propriate agency or officer of the United States for participation in or
- 3 the receipt of aid from any federal program respecting outdoor recre-
- 4 ation. It may enter into contracts and agreements with the U.S. or
- 5 any appropriate agency thereof and, for the purposes for the prepara-
- 6 tion, maintenance and keeping up-to-date of said comprehensive plan,
- 7 may from time to time engage and contract for the services and advice
- 8 of any professional planner or planners of outdoor recreation plans
- 9 and facilities and hire such employees for such purposes as deemed
- 10 necessary. In connection with obtaining the benefits of any such pro-
- 11 gram, the state conservation commission shall coordinate its activities

12 with and represent the interests of all agencies and subdivisions of the
13 state having interests in the planning, development, and maintenance
14 of outdoor recreation resources and facilities.

1 SEC. 4. The state conservation commission is hereby authorized
2 and empowered to perform such acts as may be necessary to conduct
3 and* establishment of cooperative outdoor recreational and watershed
4 projects as may be defined by the congress of the United States and
5 by rules and regulations of the appropriate federal agency and may
6 accept federal funds and assistance for the purpose of planning,
7 acquisition and development of outdoor recreational and watershed
8 projects.

1 SEC. 5. The state conservation commission shall make no commit-
2 ment or enter into any agreement pursuant to an exercise of authority
3 under this Act until it has determined that sufficient funds are avail-
4 able to it for meeting the state's share, if any, of project costs. It is
5 the legislative intent that, to such extent as may be necessary to
6 assure the proper operation and maintenance of areas and facilities
7 acquired or developed pursuant to any program participated in by this
8 state under authority of this Act, such areas and facilities shall be
9 publicly maintained for outdoor recreation purposes. The state con-
10 servation commission may enter into and administer agreements with
11 the United States or any appropriate agency thereof for planning,
12 acquisition, and development projects involving participating federal
13 aid funds on behalf of any subdivision or subdivisions of this State;
14 provided that such subdivision or subdivisions give necessary assur-
15 ances to the state conservation commission that they have available
16 sufficient funds to meet their shares, if any, of the cost of the project
17 and that the acquired or developed areas will be operated and main-
18 tained at the expense of such subdivision or subdivisions for public
19 outdoor recreation use.

Approved April 13, 1965.

*According to enrolled Act.

CHAPTER 126

TRAINING HUNTING DOGS

S. F. 397

AN ACT relating to the training of dogs for hunting.

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

1 SECTION 1. Section one hundred nine point twenty-two (109.22),
2 Code 1962, is hereby amended by adding at the beginning thereof the
3 following:
4 "All officially sanctioned field meets or trials and retriever meets or
5 trials where the skill of dogs is demonstrated in pointing, retrieving,
6 trailing, or chasing any game bird, game animal, or fur-bearing ani-
7 mal shall require a field trial permit. Except as otherwise provided by
8 law, it shall be unlawful to kill any wildlife in such events."

1 SEC. 2. Section one hundred nine point fifty-six (109.56), Code
2 1962, is hereby repealed.

1 SEC. 3. Chapter one hundred nine (109), Code 1962, is hereby
2 amended by adding the following sections:

3 1. "Except during the open gun season for hunting deer at which
4 time no training of dogs shall be allowed, any person having a valid
5 hunting license may train any bird dog, coon hound, fox hound, or
6 trailing dog on any game birds or fur-bearing animals at any time of
7 the year including during the closed season on such birds or animals,
8 provided the animals when pursued to a tree or den shall not be fur-
9 ther chased or removed in any manner from said tree or den."

10 "Only a pistol, revolver, or other gun shooting blank cartridges
11 shall be used while training dogs during closed season except as pro-
12 vided in subsection two (2) of this section."

13 2. "Any pen raised game bird may be used and may be shot in the
14 training of bird dogs. Before any bird is released or used in the train-
15 ing of dogs, the bird shall have attached a band procured from the
16 state conservation commission. The commission may charge a fee for
17 such bands but the fee shall not exceed ten (10) cents for each band."

18 3. "A call back pen or live trap may be used for the purpose of
19 retrieving banded birds when released in the wild for training pur-
20 poses. Any bird not so banded when taken in a call back pen or trap
21 shall be immediately returned unbanded to the wild. All call back pens
22 or live traps when in use shall have attached a metal tag plainly labeled
23 with the owner's name and address. Conservation officers shall have
24 authority to confiscate such traps when found in use and not properly
25 labeled."

1 SEC. 4. Section one hundred ten point seventeen (110.17), Code
2 1962, is hereby amended by adding the following paragraph:

3 "No person having a dog entered in a licensed field trial shall be
4 required to have a hunting license to participate in the event or to
5 exercise his dog on the area on which the field trial is to be held during
6 the twenty-four (24) hour period immediately preceding the trial."

1 SEC. 5. The commission shall have the power to adopt rules and
2 regulations prohibiting the training of any hunting dog on any game
3 bird, game animal, or fur-bearing animal in the wild at any time
4 when it has been determined that such training might have an adverse
5 effect on the populations of these species.

Approved June 4, 1965.

CHAPTER 127

THROW OR TROT LINES IN FISHING

S. F. 348

AN ACT to amend section one hundred nine point seventy-three (109.73), Code 1962, relating to use of throw or trot lines in fishing.

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

- 1 SECTION 1. Section one hundred nine point seventy-three (109.73),
 2 Code 1962, is hereby amended as follows:
 3 1. By striking all of lines four (4) through eight (8) and inserting
 4 in lieu thereof the words "more than one (1) trot or throw line. Such
 5 trot or throw line shall have fifteen (15) or less hooks. Such line when
 6 in use shall have attached a tag plainly labeled with the owner's name
 7 and address, shall be checked at least once each twenty-four (24)
 8 hours, and no person shall use such".
 9 2. By adding thereto the following new sentence:
 10 "Any untagged lines when found in use shall be confiscated by a
 11 conservation officer."

Approved July 1, 1965.

CHAPTER 128

SCUBA DIVERS

H. F. 256

AN ACT relating to the spearing of fish by scuba divers.

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

- 1 SECTION 1. Section one hundred nine point seventy-six (109.76),
 2 Code 1962, is amended by adding at the end thereof the following:
 3 "This provision shall not be construed to prevent the spearing of
 4 such fish by a person using skin diving equipment, or underwater
 5 breathing apparatus, where the only concealment is the fact that he
 6 is wholly or partially submerged in the water. The commission may
 7 make rules regulating such activity by said persons."

Approved May 10, 1965.

CHAPTER 129

BOX TRAPS

S. F. 249

AN ACT to permit use of box traps in trapping cottontail rabbits and squirrels.

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

- 1 SECTION 1. Section one hundred nine point ninety-two (109.92),
 2 Code 1962, is hereby amended by inserting, following the word "ani-

3 mals" in line six (6), the following: "except cottontail rabbits and
 4 squirrels. Box traps capable of capturing more than one (1) rabbit or
 5 one (1) squirrel at each setting are prohibited. A valid hunting
 6 license is required for box trapping except as otherwise provided. All
 7 box traps shall have a metal tag attached plainly labeled with the
 8 owner's name and address. Conservation officers shall have authority
 9 to confiscate such traps when found in use that are not properly
 10 labeled."

Approved May 19, 1965.

CHAPTER 130

HUNTING AND FISHING LICENSES

S. F. 293

AN ACT to amend the fees charged for hunting and fishing licenses and trout stamps as set out in chapter one hundred ten (110), Code 1962.

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

1 SECTION 1. Section one hundred ten point one (110.1), Code 1962,
 2 is hereby amended by striking in line thirteen (13) the figures "\$2.50"
 3 and substituting in lieu thereof the figures "\$3.00".

1 SEC. 2. Section one hundred ten point one (110.1), Code 1962, is
 2 hereby amended by striking in line twenty (20) the figures "\$2.00"
 3 and substituting in lieu thereof the figures "\$3.00".

1 SEC. 3. Section one hundred ten point one (110.1), Code 1962, is
 2 hereby amended by striking in line twenty-seven (27) the figures
 3 "\$2.50" and substituting in lieu thereof the figures "\$3.00".

1 SEC. 4. Section one hundred ten point one (110.1), Code 1962, is
 2 hereby amended by striking in line thirty (30) the figures "\$4.50"
 3 and substituting in lieu thereof the figures "\$5.00".

1 SEC. 5. The effective date of this Act shall be January 1, 1966.

Approved May 25, 1965.

CHAPTER 131

CONSERVATION OFFICERS

S. F. 290

AN ACT to amend section one hundred eleven point twenty-six (111.26), Code 1962, relating to the conservation commission's authority to appoint supervisory employees as peace officers.

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

1 SECTION 1. Section one hundred eleven point twenty-six (111.26),
 2 Code 1962, is hereby amended by striking from lines five (5) and six

3 (6) the words "and four assistants and boat inspectors as special
4 police." and inserting in lieu thereof the words "and such other super-
5 visory personnel of the commission as necessary to act as special police
6 to carry out the law enforcement program of the conservation commis-
7 sion."

Approved May 14, 1965.

CHAPTER 132

FISHING WITH BOW AND ARROW

S. F. 245

AN ACT relating to fishing with bow and arrow in state parks and preserves.

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

1 SECTION 1. Section one hundred eleven point forty-two (111.42),
2 Code 1962, is hereby amended by striking the period in line four (4)
3 and adding the following: "; except that a bow and arrow with at-
4 tached bow fishing reel and ninety (90) pound minimum line attached
5 to the arrow may be used to take rough fish under regulations pre-
6 scribed by the commission."

1 SEC. 2. Section one hundred nine point seventy-six (109.76), Code
2 1962, is hereby amended by adding after "dogfish" in line thirteen
3 (13) the following: "; or the taking of such fish with a bow and arrow
4 with attached bow fishing reel and ninety (90) pound minimum line
5 attached to the arrow may be permitted under section one hundred
6 eleven point forty-two (111.42) of the Code."

Approved May 25, 1965.

CHAPTER 133

WATER RECREATIONAL AREAS

H. F. 116

AN ACT relating to condemnation of land for water recreational areas.

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

1 SECTION 1. Chapter one hundred six (106), section seventeen
2 (17), Acts 60th General Assembly is amended by striking from line
3 ten (10) the number "14" and inserting in lieu thereof the number
4 "13".

Approved April 12, 1965.

CHAPTER 134

COUNTY CONSERVATION BOARDS

H. F. 249

AN ACT relating to the bonding authority of the county conservation boards.

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

1 SECTION 1. Section one hundred eleven A point six (111A.6),
2 Code 1962, is hereby amended by striking from lines forty-eight (48),
3 and forty-nine (49) the words "having a population in excess of
4 ninety thousand".

Approved May 14, 1965.

CHAPTER 135

STATE PRESERVES

S. F. 475

AN ACT to establish a system of state preserves and to provide for the control and management of same.

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

1 SECTION 1. As used in this Act:
2 "Area" means an area of land or water or both land and water.
3 "Preserve" means an area of land or water formally dedicated under
4 the provisions of this Act for maintenance as nearly as possible in its
5 natural condition though it need not be completely primeval in char-
6 acter at the time of dedication or an area which has unusual flora,
7 fauna, geological, archeological, scenic or historical features of sci-
8 entific or educational value.
9 "Dedication" means the allocation of an area as a preserve by a
10 public administrative agency or by a private owner by written stipu-
11 lation in a form approved by the state advisory board for preserves.
12 "Board" means the state advisory board for preserves established by
13 this Act.

1 SEC. 2. There is hereby created a state system of preserves and a
2 state advisory board for preserves.

1 SEC. 3. The board shall be composed of seven (7) members, six
2 (6) of which shall be appointed by the governor. The state conserva-
3 tion commission, the conservation committee of the Iowa academy of
4 science, and the state historical society shall submit to the governor a
5 list of possible appointments. Members shall be selected from persons
6 with a demonstrated interest in the preservation of natural lands and
7 waters, and historic sites. The director of the state conservation com-
8 mission shall serve as one (1) member of the board. Any vacancies on
9 the board shall be filled, for the remainder of the term vacated, by ap-
10 pointment by the governor provided by this Act.

11 The first members appointed after the effective date of this Act shall
12 serve as follows: two (2) members to serve until July 1, 1968; two

13 (2) members to serve until July 1, 1969; two (2) members to serve
14 until July 1, 1970, and the director of the state conservation commis-
15 sion shall serve as long as he is director of the conservation commis-
16 sion. Members shall serve until their successors are appointed and
17 qualified. As terms of members so appointed expire, their successors
18 shall be appointed for terms to expire three (3) years thereafter. Any
19 member who has served two (2) consecutive full terms will not be
20 eligible for reappointment for a period of one (1) year following the
21 expiration of his second (2nd) term.

1 SEC. 4. The members of the board shall serve without compensa-
2 tion but may be reimbursed for necessary expenses in connection with
3 performance of their duties.

1 SEC. 5. The board shall organize annually by the election of a
2 chairman. The board shall meet annually and at such other times as
3 it deems necessary. Meetings may be called by the chairman, and shall
4 be called by the chairman on the request of three (3) members of the
5 board.

1 SEC. 6. Representatives of such agencies, institutions, and organi-
2 zations as the board may determine may serve as advisors to the board.
3 Such advisors shall receive no compensation for this function but at
4 the discretion of the board may be reimbursed for necessary expenses
5 in connection with the performance of their duties.

1 SEC. 7. The conservation commission shall employ, upon recom-
2 mendation by the board, at salaries fixed by the board, a trained ecolo-
3 gist and such other personnel as may be necessary to carry out the
4 duties of the board.

1 SEC. 8. The board shall have the following powers and duties:

2 1. To approve an area as a preserve.

3 2. To make and publish all rules and regulations necessary to carry-
4 ing out the purposes of this Act.

5 3. To recommend dedication as preserves areas owned by the state
6 under the jurisdiction of the conservation commission.

7 4. To recommend acquisition of areas for dedication as preserves by
8 the state conservation commission.

9 5. To recommend dedication as preserves, areas owned by other
10 public agencies, private groups, and individuals.

11 6. To make surveys and maintain registries and records of preserves
12 and other areas of educational or scientific value and of habitats for
13 rare and endangered species of plants and animals in the state.

14 7. To promote research and investigations, carry on interpretive
15 programs and publish and disseminate information pertaining to pre-
16 serves and related areas of educational or scientific value.

17 8. To promote the establishment and protection of, and advise in the
18 management of, wild parks and other areas of educational or scientific
19 value and otherwise foster and aid in the preservation of natural con-
20 ditions elsewhere than in preserves.

21 9. To authorize payment of travel and other necessary expenses of
22 the members of the board and advisers to the board, and salaries,
23 wages, compensations, travel, supplies, and equipment necessary to
24 carry out the duties of the board, and to authorize any other expendi-

25 tures as may be necessary to carry into effect the purposes of this Act.
26 10. To design and control the use of official state preserve signs and
27 recommend to the state highway commission locations for state pre-
28 serve signs.

29 11. To submit to the governor and the legislature a report before
30 January 15, 1967, and every two (2) years thereafter which shall
31 account for each preserve in the system and make such other reports
32 and recommendations as it may deem necessary.

33 12. To prepare and recommend a budget, for inclusion as a line item
34 money request in the state conservation commission budget, for ap-
35 propriation from the state general fund.

1 SEC. 9. The public administrative agency or private owner shall
2 complete articles of dedication on forms approved by the board. When
3 the articles of dedication have been approved by the governor the
4 board shall record them with the county recorder for the county or
5 counties in which the area is located.

6 The articles of dedication may contain restrictions on development,
7 sale, transfer, method of management, public access, and commercial
8 or other use, and may contain such other provisions as may be neces-
9 sary to further the purposes of this Act. They may define the respec-
10 tive jurisdictions of the owner or operating agency and the board.
11 They may provide procedures to be applied in case of violation of the
12 dedication. They may recognize reversionary rights. They may vary
13 in provisions from one (1) preserve to another in accordance with
14 differences in relative conditions.

1 SEC. 10. An area shall become a preserve when it has been ap-
2 proved by the board for dedication as a preserve, whether in public or
3 private ownership, formally dedicated as a preserve within the system
4 by a public administrative agency or private owner and designated by
5 the governor as a preserve.

1 SEC. 11. An area designated as a preserve within the system is
2 hereby declared put to its highest, best, and most important use for
3 public benefit. It shall be held in trust and shall not be alienated except
4 to another public use upon a finding by the board of imperative and
5 unavoidable public necessity and with the approval of the state con-
6 servation commission and the governor. The board's interest or in-
7 terests in any area designated as a preserve shall not be taken under
8 the condemnation statutes of this state without such a finding of im-
9 perative and unavoidable public necessity by the board, and with the
10 consent of the state conservation commission and the governor.

11 The board, with the approval of the governor, may enter into amend-
12 ments to any articles of dedication upon its finding that such amend-
13 ment will not permit an impairment, disturbance, or development of
14 the area inconsistent with the purposes of this Act.

15 Before the board shall make a finding of imperative and unavoid-
16 able public necessity, or shall enter into any amendment to articles of
17 dedication, it shall provide notice of such proposal and opportunity for
18 any person to be heard. Such notice shall be published at least once
19 in a newspaper with a general circulation in the county or counties
20 wherein the area directly affected is situated, and mailed within ten
21 (10) days of such published notice to all persons who have requested

22 notice of all such proposed actions. Each notice shall set forth the
 23 substance of the proposed action and describe, with or without legal
 24 description, the area affected, and shall set forth a place and time not
 25 less than sixty (60) days thence for all persons desiring to be heard
 26 to have reasonable opportunity to be heard prior to the finding of the
 27 board.

1 SEC. 12. All departments, agencies, and instrumentalities of the
 2 state, including counties, municipalities, public corporations, boards,
 3 commissions, and universities shall be urged to dedicate as nature
 4 preserves within the system under the procedures outlined in this Act,
 5 suitable areas or portions of areas within their jurisdiction.

1 SEC. 13. Nothing contained in this Act shall be construed as inter-
 2 fering with the purposes stated in the establishment of or pertaining
 3 to any state or local park, preserve, wildlife refuge, or other area or
 4 the proper management and development thereof except that any
 5 agency administering any area designated as a nature preserve under
 6 the system shall be responsible for preserving the natural character of
 7 the area in accordance with the articles of dedication.

8 Designation of an area as a preserve within the system shall not
 9 void or replace any protected status under law which the area would
 10 have were it not so designated.

Approved May 26, 1965.

CHAPTER 136

CIVIL ENGINEERS AND LAND SURVEYORS

S. F. 408

AN ACT relating to the registration of professional engineers and land surveyors and the regulation of these professions.

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

1 SECTION 1. Section one hundred fourteen point two (114.2), Code
 2 1962, is hereby amended by adding the following:

3 "The term 'in responsible charge' as used in this chapter means
 4 having direct control of and personal supervision over any professional
 5 engineering work or land surveying work. One or more persons,
 6 jointly or severally, may be in responsible charge."

7 "The term 'engineering documents' as used in this chapter includes
 8 all plans, specifications, drawings, and reports, if the preparation there-
 9 of constitutes or requires the practice of professional engineering."

10 "The term 'land surveying documents' as used in this chapter in-
 11 cludes all plats, maps, surveys, and reports, if the preparation thereof
 12 constitutes or requires the practice of land surveying."

1 SEC. 2. Section one hundred fourteen point sixteen (114.16), Code
 2 1962, is hereby repealed and the following is enacted in lieu thereof:

3 "Each registrant, upon registration, may obtain a seal. If he obtains
 4 or uses a seal, it shall be of a design approved by the board, bearing
 5 the registrant's name, Iowa registration number, and the words 'pro-

6 fessional engineer' or 'land surveyor' or both, as the case may be. A
7 legible rubber stamp or other facsimile of the seal may be used and
8 shall have the same effect as the use of the actual seal."

9 "All engineering documents and land surveying documents shall be
10 dated and shall contain the following: (1) the signature of the regis-
11 trant in responsible charge; (2) a certificate that the work was done
12 by such registrant or under his direct personal supervision; and (3)
13 the Iowa registration number or legible seal of such registrant."

14 "If engineering documents or land surveying documents comply
15 with this section, reproductions thereof also comply with this section
16 if the date, signature, certificate, and registration number thereon are
17 legibly reproduced."

18 "No agency of this state and no subdivision or municipal corporation
19 of this state, nor any officer thereof, shall file for record or approve any
20 engineering document or land surveying document which does not
21 comply with this section."

22 "No registrant shall place his signature or seal on any engineering
23 document or land surveying document unless he was in responsible
24 charge of the work, except that he may do so if he contributed to the
25 work and the registrant in responsible charge has signed and certified
26 the work."

27 "Violation of this section by a registrant shall be deemed fraud and
28 deceit in his practice."

1 SEC. 3. Section one hundred fourteen point twenty-one (114.21),
2 Code 1962, is hereby repealed and the following is enacted in lieu
3 thereof:

4 "The board shall have the power by a four-fifths vote of the entire
5 board to suspend for a period not exceeding two years, or to revoke
6 the certificate of registration of, or to reprimand any registrant who
7 is found guilty of any fraud or deceit in obtaining a registration, any
8 fraud or deceit in his practice, or any gross negligence, incompetence,
9 or misconduct in his practice, or who is found to have been convicted
10 of any felony or of any misdemeanor involving moral turpitude."

1 SEC. 4. Section one hundred fourteen point twenty-two (114.22),
2 Code 1962, is hereby amended by striking the words "the revocation of
3 a certificate of registration" in lines one (1) and two (2) and inserting
4 in lieu thereof the words "any action under section one hundred four-
5 teen point twenty-one (114.21)".

1 SEC. 5. Section one hundred fourteen point twenty-six (114.26),
2 Code 1962, is hereby amended by inserting in line fifteen (15) of the
3 second (2nd) paragraph after the word "chapter" the words "if such
4 assistant is not placed in responsible charge of any professional engi-
5 neering or land surveying work".

Approved June 4, 1965.

CHAPTER 137

ACCOUNTANCY EXAMINATIONS

S. F. 379

AN ACT to amend chapter* one hundred sixteen point nine (116.9), Code 1962, relating to qualifications for accountancy examination.

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

1 SECTION 1. Section one hundred sixteen point nine (116.9), Code
2 1962, is amended as follows:

3 1. Strike from lines thirteen (13) and fourteen (14) the words "of
4 at least three years,".

5 2. Strike from line fourteen (14) the word "and", and further
6 strike all of lines fifteen (15) through eighteen (18), and insert in
7 lieu thereof the following: "or an undergraduate student majoring in
8 accounting in his or her final semester immediately preceding gradu-
9 ation and upon the recommendation of the appropriate college or
10 university officials."

11 3. Strike from line twenty-one (21) the words "and the one year
12 of service".

1 SEC. 2. Section one hundred sixteen point ten (116.10), Code 1962,
2 is amended as follows:

3 1. By inserting in line five (5) after the figures "116.8," the follow-
4 ing: "and have at least one (1) year's experience in service as a staff
5 accountant in the employ of a practitioner entitled to registration
6 under this chapter, or one (1) year's experience in service as a staff
7 accountant in the employ of a governmental department of the state
8 or federal government when the accountant has been under the direct
9 full-time supervision of a certified public accountant entitled to regis-
10 tration under,".

11 2. By adding the following new paragraph:

12 "In lieu of the one (1) year's required experience in service as a
13 staff accountant, the applicant may have three years' continuous em-
14 ployment as a full-time accounting teacher at a rank no lower than
15 assistant professor in a college or university qualified to give a degree
16 in accounting as recognized by the board of accountancy."

Approved May 20, 1965.

*According to enrolled Act.

CHAPTER 138

PRACTICE OF ARCHITECTURE

H. F. 358

AN ACT to regulate the practice of architecture and to amend chapter one hundred eighteen (118), Code 1962.

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

- 1 SECTION 1. Chapter one hundred eighteen (118), Code 1962, is
 2 hereby amended by adding the following new sections as follows:
 3 1. "It shall be unlawful for any person to practice or to offer to
 4 practice architecture in this state or use in connection with his name,
 5 or to otherwise assume, use or advertise any title or description tend-
 6 ing to convey the impression that he is an architect unless such person
 7 is qualified by registration as herein provided."
 8 2. "The practice of architecture includes any professional service,
 9 such as consultation, investigation, evaluation, planning, and design,
 10 or responsible supervision of construction, in connection with the con-
 11 struction of buildings, or related structures and projects, or the addi-
 12 tion to or alteration thereof, wherein the safeguarding of life, health,
 13 or property is concerned or involved."
 14 3. "The provisions of this chapter shall not apply to:
 15 a. Professional engineers registered under chapter one hundred
 16 fourteen (114) of the Code;
 17 b. Persons acting under the instruction, control or supervision of,
 18 and those executing the plans of, a registered architect or a profes-
 19 sional engineer registered under chapter one hundred fourteen (114)
 20 of the Code, provided that such unregistered persons shall not be placed
 21 in responsible charge of architectural or professional engineering
 22 work.
 23 c. Superintendents, inspectors, foremen and building trades crafts-
 24 men while performing their customary duties."
 25 4. "Nothing contained in this chapter shall prevent persons from
 26 performing those services enumerated herein in connection with any
 27 of the following:
 28 a. Residential buildings not more than three (3) stories and out-
 29 buildings in connection therewith;
 30 b. Buildings used primarily for agricultural purposes including
 31 grain elevators and feed mills;
 32 c. Nonstructural alterations to existing buildings not otherwise
 33 excluded;
 34 d. Warehouses, light industrial and commercial buildings not more
 35 than two (2) stories in height;
 36 e. Churches or church properties."
 37 5. "Any person who practices or offers to practice architecture or
 38 who uses the word architect or any word or any letters or figures indi-
 39 cating or tending to imply that the person using the same is an archi-
 40 tect, without first having complied with the provisions of this chapter,
 41 shall be deemed guilty of a misdemeanor and shall be punished with a
 42 fine of not more than two hundred dollars (\$200.00) or imprisonment
 43 for not more than one (1) year, or both such fine and imprisonment."
 44 6. "In addition to any other remedies, and on the petition of the

45 board or any person, any violators of this chapter may be restrained
46 and permanently enjoined."

47 7. "Corporations may be formed under the provisions of the Iowa
48 Business Corporation Act for the purpose of practicing architecture
49 as herein defined. No corporation shall be eligible for registration
50 under this chapter. A domestic or foreign corporation may practice
51 architecture in this state, but only if all of the following requirements
52 are met:

53 1. The entire practice of architecture by the corporation in this
54 state and in connection with buildings, structures, and projects located
55 in this state shall be done by or under the responsible supervision of
56 an architect or architects qualified by registration as provided in this
57 chapter.

58 2. All directors of the corporation and the president and all vice-
59 presidents of the corporation shall be qualified by registration as pro-
60 vided in this chapter or chapter one hundred fourteen (114), Code
61 1962, or qualified by registration under similar laws of another state
62 of the United States.

63 The practice of architecture by or through a corporation shall not
64 relieve any person of any liability for professional errors or omissions
65 which would exist if he were practicing as an individual, including
66 but not limited to any liability arising out of negligent supervision of
67 the work of subordinates."

1 SEC. 2. Section one hundred eighteen point eight (118.8), Code
2 1962, is hereby amended as follows:

3 1. By striking from lines one (1), two (2), and three (3) thereof
4 the words "Any citizen of the United States, or any person who has
5 declared his intention of becoming such citizen" and inserting in lieu
6 thereof the words "Any person".

7 2. By striking lines six (6) and seven (7) of subsection one (1) and
8 inserting in lieu thereof the following: "three (3) years experience
9 under the direction of a registered architect."

1 SEC. 3. Section one hundred eighteen point eleven (118.11), Code
2 1962, is hereby amended as follows:

3 1. By striking from lines* eight (8) thereof the word "ten" and
4 inserting in lieu thereof the word "fifteen (15)".

5 2. By striking from lines thirteen (13) and fourteen (14) thereof
6 the following: ", which shall be continued from year to year,".

7 3. By adding thereto the following: "Any balance remaining in
8 such fund at the end of each fiscal year in excess of fifteen thousand
9 dollars (\$15,000.00) or the expenses of the board of such fiscal year,
10 whichever sum is the larger, shall be paid into the general fund of the
11 state."

1 SEC. 4. Section one hundred eighteen point thirteen (118.13),
2 Code 1962, is hereby amended as follows:

3 1. By striking the word "gross" from line two (2) of subsection
4 three (3) thereof.

5 2. By inserting after the word "of" in line three (3) of subsection
6 three (3) thereof the word "gross".

*According to enrolled Act.

1 SEC. 5. Section one hundred eighteen point six (118.6), Code 1962,
2 is hereby repealed.

1 SEC. 6. Section one hundred eighteen point seven (118.7), Code
2 1962, is hereby repealed.

1 SEC. 7. Section one hundred eighteen point fourteen (118.14),
2 Code 1962, is hereby repealed.

1 SEC. 8. If any provisions of this Act, or the application of such
2 provisions to any persons or circumstances, shall be held invalid, the
3 remainder of this Act, or the application of such provisions to persons
4 or circumstances other than those to which it is invalid, shall not be
5 thereby affected.

Approved May 27, 1965.

CHAPTER 139

ENTRANCES FOR HANDICAPPED TO PUBLIC BUILDINGS

S. F. 352

AN ACT to require that all buildings and facilities used by the public and constructed in the state with the use of state, county, or municipal funds be made accessible to and functional for the physically handicapped.

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

1 SECTION 1. It is the intent of this Act that state and political sub-
2 divisions follow standards and specifications in the construction of
3 public buildings and facilities to ensure that such buildings and facili-
4 ties are accessible to and functional for the physically handicapped.

1 SEC. 2. The standards and specifications set forth in this Act shall
2 apply to all buildings and facilities, temporary and permanent, used
3 by the public which are constructed in whole or in part by the use of
4 state funds or the funds of any political subdivision of the state from
5 and after the effective date of this Act.

1 SEC. 3. Whenever any building or facility as described in section
2 two (2) of this Act is constructed, provision shall be made in the con-
3 struction that:

4 1. The site on which the facility is constructed shall be graded so that
5 the ground shall attain a level with at least one (1) normal entrance
6 which shall make the facility accessible to individuals with handicaps.

7 2. At least one (1) public walk to the primary entrance at grade
8 level as described in subsection one (1) of this section shall be acces-
9 sible for individuals with physical handicaps. Such walk shall be at
10 least forty-eight (48) inches wide, shall have a gradient not greater
11 than five (5) percent, shall be of a continuing common surface, and
12 shall not be interrupted by steps or abrupt changes in level.

13 3. The primary entrance or entrances at grade level to each facility
14 shall be usable by individuals in wheel chairs and other physically
15 handicapped persons. Such entrance or entrances shall be on a level

16 that shall make the elevators, if any, accessible from that level.

17 4. Doors at the primary entrance or entrances at grade level shall
18 have a clear opening of no less than thirty-two (32) inches when open
19 and shall be operable by a single effort. The floor on the inside and
20 outside of each doorway shall be level for a distance of five (5) feet
21 from the door in the direction the door swings and shall extend one
22 (1) foot beyond each side of the door. Sharp inclines and abrupt
23 changes in level shall be avoided at doorsills. Thresholds shall be flush
24 with the floor to such an extent as is practicable.

25 5. Floors shall, wherever practicable, have a nonslip surface. Floors
26 on the same story shall be of a common level throughout or be con-
27 nected by a ramp.

28 6. Elevators, when provided in planning, shall be accessible to and
29 usable by the physically handicapped at all levels normally used by the
30 general public. Elevators shall have control buttons with identifying
31 features for the benefit of the blind and shall allow for wheel chair
32 traffic.

1 SEC. 4. Any ramp where gradients are necessary at any entrance
2 to a building or facility shall be constructed so that such ramp shall:

3 1. Have a slope not greater than one (1) foot rise in twelve (12)
4 feet or eight point thirty-three (8.33) percent or four (4) degrees
5 fifty (50) minutes.

6 2. Have smooth handrails on at least one (1) side and preferably
7 two (2) sides, thirty-two (32) inches in height measured from the
8 surface of the ramp, extending one (1) foot beyond the top and bot-
9 tom of the ramp.

10 3. Have a surface that is nonslip.

11 4. Have a level platform at the top which is at least five (5) feet
12 by five (5) feet, if a door swings out onto the platform or toward the
13 ramp.

1 SEC. 5. The standards and specifications set forth in this Act shall
2 be adhered to in those buildings and facilities under construction on
3 the effective date of this Act unless the authority responsible for the
4 construction shall determine the construction has reached a state
5 where compliance will result in a substantial increase in cost or delay
6 in construction.

1 SEC. 6. In addition to complying with the standards and specifi-
2 cations set forth in sections three (3) and four (4) of this Act, the
3 authority responsible for the construction of any building or facility
4 covered by section two (2) of this Act shall insofar as feasible in the
5 opinion of the contracting authority conform with the standards and
6 specifications approved by American standards association, inc. on
7 October 31, 1961, known as "American Standard Specifications for
8 Making Buildings and Facilities Accessible to and Usable by the
9 Physically Handicapped, A 117.1 - 1961."

1 SEC. 7. Section nineteen point thirty-two (19.32), Code 1962, is
2 hereby repealed.

Approved April 12, 1965.

CHAPTER 140

STATE STANDARD TIME

S. F. 157

AN ACT relating to establishing time for the state of Iowa.

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

1 SECTION 1. The standard time in this state shall be the solar time
2 of the ninetieth (90th) meridian of longitude west of Greenwich,
3 commonly known as central standard time, except from two (2)
4 o'clock ante meridiem of Memorial Day in every year and until two
5 (2) o'clock ante meridiem of the day following Labor Day in the same
6 year, standard time shall be advanced one (1) hour. The period of
7 time so advanced shall be known as "daylight savings time".

8 In the event Memorial Day should fall on a Sunday, the effective
9 time of the one (1) hour advance will be at two (2) o'clock ante
10 meridiem the preceding day.

1 SEC. 2. In all laws, statutes, orders, decrees, rules, and regulations
2 relating to the time of performance of any act by any officer or depart-
3 ment of this state, including the legislative, executive, and judicial
4 branches of the state government, or any county, city, town, or district
5 thereof, relating to the time in which any rights shall accrue or deter-
6 mine, or within which any act shall or shall not be performed by any
7 person subject to the jurisdiction of this state and in all the public
8 schools and institutions of this state, or of any county, city, town, or
9 district thereof, and in all contracts and choses in action made or to be
10 performed in this state, the time shall be the time established in section
11 one (1) of this Act.

1 SEC. 3. This Act being deemed of immediate importance shall take
2 effect and be in force from and after its passage and publication in the
3 Coon Rapids Enterprise, a newspaper published in Coon Rapids, Iowa,
4 and The Emmetsburg Democrat, a newspaper published in Emmets-
5 burg, Iowa.

Approved April 14, 1965.

I hereby certify that the foregoing Act, Senate File 157, was published in the Coon Rapids Enterprise, Coon Rapids, Iowa, April 22, 1965, and in The Emmetsburg Democrat, Emmetsburg, Iowa, April 22, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 141

PROOF OF AGE BY LIQUOR BUYER

H. F. 26

AN ACT relating to proof of age required of a prospective purchaser of intoxicating liquors.

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

- 1 SECTION 1. Section two (2) of chapter one hundred sixteen (116),
- 2 Acts 60th General Assembly is amended by striking from line five (5)
- 3 the word and figures "thirteen (13)" and inserting in lieu thereof the
- 4 word and figures "eleven (11)".

Approved February 10, 1965.

CHAPTER 142

LIQUOR DISCOUNTS

S. F. 431

AN ACT relating to discounts for quantity purchases of liquor.

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

- 1 SECTION 1. Section one hundred twenty-three point eighteen
- 2 (123.18), Code 1962, is amended by adding at the end thereof the
- 3 following:
- 4 "The commission may allow a discount from the sale price as estab-
- 5 lished by the commission for quantity purchases of liquor by the
- 6 holders of a liquor control license only."

Approved May 19, 1965.

CHAPTER 143

LIQUOR LICENSE QUALIFICATIONS

H. F. 75

AN ACT to amend chapter one hundred fourteen (114), Acts of the 60th General Assembly relating to qualifications for a liquor license.

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

- 1 SECTION 1. Chapter one hundred fourteen (114), Acts of the 60th
- 2 General Assembly is amended by inserting after the period (.) in line
- 3 twenty-one (21) of section ten (10) the following: "However, if his
- 4 conviction of a felony occurred more than five (5) years before the
- 5 date of the application for a license, and if the applicant's rights of
- 6 citizenship have been restored by the governor, the commission may
- 7 issue a license notwithstanding such conviction."

Approved April 13, 1965.

CHAPTER 144
LIQUOR CONTROL

H. F. 425

AN ACT to amend section ten (10) of the liquor control Act, chapter one hundred fourteen (114), Acts of the Sixtieth General Assembly, relating to interior access to residential or sleeping quarters.

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

1 SECTION 1. Section ten (10) of chapter one hundred fourteen
2 (114), Acts of the Sixtieth General Assembly, is hereby amended by
3 striking all of subsection five (5) after the word "thereto" in line
4 thirty-two (32) of said section and inserting in lieu thereof the follow-
5 ing:
6 "Nor shall any licensee have or maintain any interior access to
7 residential or sleeping quarters, unless permission is specifically
8 granted by the Iowa Liquor Control Commission in the form of a
9 living quarters permit."

Approved May 14, 1965.

CHAPTER 145
LIQUOR CONTROL LICENSEES

S. F. 30

AN ACT relating to solicitation from liquor control licensees.

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

1 SECTION 1. Chapter one hundred fourteen (114), Acts of the Six-
2 tieth General Assembly is hereby amended as follows:
3 1. By inserting in line two hundred thirty-seven (237) * after the
4 word "gratuities," the word "political".
5 2. By adding to section ten (10) the following new subsection:
6 "It shall be unlawful for any individual who is seeking public office
7 to accept or solicit donations, gratuities, political advertising, gifts, or
8 other favors directly or indirectly from any licensee hereunder. For
9 the purpose of this subsection a person is considered to be seeking
10 public office from the date of filing nomination papers or announcing
11 his intention to run for office whichever occurs first to the date that
12 the individual who is elected officially takes office. Anyone violating
13 this section shall be guilty of a misdemeanor and upon conviction shall
14 be punished as provided in subsection twelve (12) of this section."

Approved May 14, 1965.

*According to enrolled Act.

CHAPTER 146

SEASONAL LIQUOR LICENSES

S. F. 441

AN ACT providing for seasonal liquor licenses.

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

1 SECTION 1. Section ten (10) of chapter one hundred fourteen
 2 (114), Acts of the Sixtieth (60th) General Assembly is amended by
 3 adding after the period (.) in line two hundred twenty-nine (229) the
 4 following:

5 "Provided, however, the commission is authorized to issue six-month
 6 (6) or eight-month (8) seasonal licenses for a proportionate part of
 7 the license fee hereinafter specified. No refund shall be made for
 8 seasonal licenses. No seasonal license shall be renewed except after a
 9 period of two (2) months."

Approved July 1, 1965.

CHAPTER 147

SUSPENSION OR CANCELLATION OF LIQUOR LICENSES

S. F. 531

AN ACT relating to suspension or cancellation of liquor control licenses.

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

1 SECTION 1. Section thirteen (13) of chapter one hundred fourteen
 2 (114), Acts 60th General Assembly is hereby repealed and the follow-
 3 ing enacted in lieu thereof:

4 "Sec. 13. Chapter one hundred twenty-three (123), Code 1962, is
 5 amended by adding the following new section:

6 "Any liquor control license issued under this chapter may, after
 7 notice in writing to the license holder and reasonable opportunity for
 8 hearing, be suspended or canceled by the issuing authority or the
 9 commission for any of the following causes:

10 a. Misrepresentation of any material fact in the application for such
 11 license, or

12 b. Violation of any of the provisions of this chapter as amended or
 13 regulations of the commission, or

14 c. Any change in the ownership or interest in the business operated
 15 under a class "A", class "B", or class "C" license, which change was
 16 not previously reported to the commission and approved by it, or

17 d. An event which would have resulted in disqualification from re-
 18 ceiving such license when originally issued, or

19 e. Any sale, hypothecation, or transfer of such license.

20 f. Any liquor control licensee whose license is revoked or canceled
 21 for cause shall not thereafter be permitted to hold a liquor control
 22 license in the state of Iowa. The spouse and business associates of a
 23 person whose license has been canceled or revoked for cause shall not
 24 be issued a liquor control license, and no liquor control license shall be

25 issued which covers any business in which such person has a financial
 26 interest. In the event a license is revoked for cause the premises
 27 covered by a revoked license shall not be relicensed for one year'."

Approved May 25, 1965.

CHAPTER 148

LIQUOR SALE HOURS

H. F. 416

AN ACT to amend chapter one hundred fourteen (114), Acts of the Sixtieth General Assembly, relating to the hours during which alcoholic liquor may be sold and consumed on the premises of licensed establishments.

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

1 SECTION 1. Chapter one hundred fourteen (114), Acts of the Six-
 2 tieth General Assembly, is hereby amended by striking from section
 3 sixteen (16) all of lines ten (10), eleven (11), twelve (12), thirteen
 4 (13), fourteen (14) and fifteen (15) and inserting in lieu thereof the
 5 following: "or permit the consumption thereon between the hours of
 6 two (2) a.m. and seven (7) a.m. on any week day, and between the
 7 hours of one (1) a.m. on Sunday and seven (7) a.m. on the following
 8 Monday, or".

1 SEC. 2. This Act being deemed of immediate importance shall be
 2 in full force and effect from and after its passage and publication in
 3 The Jefferson Bee, a newspaper published in Jefferson, Iowa, and in
 4 the Anita Tribune, a newspaper published in Anita, Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, House File 416, was published in The Jefferson Bee, Jefferson, Iowa, June 8, 1965, and in the Anita Tribune, Anita, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 149

LIQUOR LICENSE EXCEPTIONS

H. F. 22

AN ACT to amend section thirty (30) of the Liquor Control Act, chapter one hundred fourteen (114), Acts of the 60th General Assembly relating to bona fide conventions or meetings and occasional private social gatherings of friends or relatives.

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

1 SECTION 1. Section thirty (30) of chapter one hundred fourteen
 2 (114), Acts of the Sixtieth (60) General Assembly is hereby amended
 3 by striking therefrom lines eight (8) through thirteen (13) and in-
 4 serting in lieu thereof the following:

5 "However, bona fide conventions or meetings may bring their own
6 liquor on to the licensed premises if the liquor is served to delegates
7 or guests without cost. All other provisions of this chapter shall be
8 applicable to such premises. The provisions of this section shall have
9 no application to private social gatherings of friends or relatives in a
10 private home or a private place which is not of a commercial nature
11 nor where goods or services may be purchased or sold nor any charge
12 or rent or other thing of value is exchanged for the use thereof ex-
13 cepting it be for sleeping quarters."

Approved April 12, 1965.

CHAPTER 150

SUSPENSION OF BEER PERMITS

H. F. 66

AN ACT for the provision of a suspension of the permit for violation of the beer laws.

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

1 SECTION 1. Section one hundred twenty-four point five (124.5),
2 Code 1962, is hereby amended by inserting after the word "revoke"
3 in line eight (8) the following: "or suspend".

4 Further amend said section by inserting in line sixteen (16) after
5 the word "revoke" the following: "or suspend".

1 SEC. 2. Subsection six (6) of section one hundred twenty-four
2 point two (124.2), Code 1962, is repealed and the following is sub-
3 stituted therefor:

4 "6. The term 'person of good moral character' as used in this chap-
5 ter shall mean any person who meets all of the following require-
6 ments:

7 a. He has such financial standing and good reputation as will satisfy
8 the issuing authority that he will comply with this chapter and all
9 laws, ordinances, and regulations applicable to his operations under
10 this chapter.

11 b. He does not possess a federal gambling stamp.

12 c. He is not prohibited by the provisions of section one hundred
13 twenty-four point thirty (124.30), Code 1962, from obtaining a per-
14 mit.

15 d. He has not been convicted of a felony. However, if his conviction
16 of a felony occurred more than five (5) years before the date of the
17 application for a permit, and if his rights of citizenship have been
18 restored by the governor, the issuing authority may determine that he
19 is a person of good moral character notwithstanding such conviction.

20 e. If such person is a corporation, firm, co-partnership, or associa-
21 tion, the requirements of this subsection shall apply to each of the
22 officers, directors, and partners of such person, and to any person who
23 directly or indirectly owns or controls ten (10) per cent or more of
24 any class of stock of such person or has an interest of ten (10) per
25 cent or more in the ownership or profits of such person. For the pur-

26 poses of this provision, an individual and his spouse shall be regarded
27 as one person.

1 SEC. 3. Section one hundred twenty-four point two (124.2), Code
2 1962, is amended by adding the following new subsection:

3 "Minor" as used in this chapter shall mean any person under the
4 age of twenty-one (21) years."

1 SEC. 4. Section one hundred twenty-four point twenty (124.20),
2 Code 1962, is amended by numbering the first two (2) paragraphs as
3 subsections one (1) and two (2) and by striking the third (3rd) para-
4 graph and inserting the following in lieu thereof:

5 "3. No person shall knowingly sell, give, supply, or offer any alco-
6 holic beverage or beer to any minor, except within a private home and
7 with the knowledge and consent of the parent or guardian of said
8 minor. No person shall knowingly permit any minor to purchase or
9 consume any alcoholic beverage or beer on the premises of a class 'B'
10 or class 'C' permit holder.

11 "4. No minor shall purchase, obtain, or attempt to purchase or ob-
12 tain any alcoholic beverage or beer from any person, except within a
13 private home and with the knowledge and consent of the parent or
14 guardian of said minor.

15 "5. No minor shall misrepresent his or her age for the purpose of
16 purchasing, obtaining, or attempting to purchase or obtain any alco-
17 holic beverage or beer. If any minor shall misrepresent his or her age,
18 and if the permit holder shall establish that he made reasonable in-
19 quiry to determine whether such prospective purchaser is a minor,
20 the permit holder shall not be guilty of selling to a minor.

21 "6. No class 'B' or 'C' permit holder shall knowingly permit any
22 gaming, gambling, solicitation for immoral purposes, immoral or dis-
23 orderly conduct in or about his place of business.

24 "7. No class 'B' or 'C' permit holder shall knowingly allow the mix-
25 ing or adding of alcohol or any alcoholic beverage to beer or any other
26 beverage in or about his place of business, except as permitted under
27 a license issued under chapter one hundred twenty-three (123) of the
28 Code."

1 SEC. 5. Section one hundred twenty-four point thirty (124.30),
2 Code 1962, is repealed and the following is substituted therefor:

3 "The permit under this chapter shall automatically be revoked and
4 shall immediately be surrendered by the permit holder, and the bond
5 of the permit holder shall be forfeited, upon any of the following
6 events:

7 1. If the permit holder is convicted of any violation of subsection
8 three (3), six (6), or seven (7) of section one hundred twenty-four
9 point twenty (124.20) of the Code.

10 2. If the permit holder is convicted of any violation of section one
11 hundred twenty-four point thirty-one (124.31) of the Code.

12 3. If any agent or employee of the permit holder is convicted of any
13 violation of subsection three (3) of section one hundred twenty-four
14 point twenty (124.20) of the Code in or about the place of business
15 for which the permit is issued.

16 4. If the permit holder is convicted of a felony.

17 "If after the effective date of this Act any permit is revoked under

18 the provisions of this section or revoked for cause under any other
 19 provision of this section, the person whose permit is revoked shall not
 20 thereafter be allowed to obtain or hold a permit under this chapter.
 21 The spouse of such person shall not thereafter be allowed to obtain or
 22 hold a permit under this chapter. No permit under this chapter shall
 23 be issued which covers any business in which such person directly or
 24 indirectly owns or controls ten (10) per cent or more of any class of
 25 stock or has an interest of ten (10) per cent or more in the ownership
 26 or profits of such business; and for the purposes of this provision an
 27 individual and his spouse shall be regarded as one person.

28 "However, a conviction of a felony shall not prevent the issuance of
 29 a permit if (a) the conviction occurred more than five (5) years before
 30 the date of the application for a permit, (b) the rights of citizenship
 31 of such person have been restored by the governor, and (c) the issu-
 32 ing authority determines that such person is a person of good moral
 33 character notwithstanding such conviction.

34 "If a permit is revoked upon any of the events specified in subsec-
 35 tions one (1), two (2), and three (3) of this section, no permit under
 36 this chapter shall be issued for the place of business covered by the
 37 revoked permit during the period of one (1) year after such revoca-
 38 tion."

1 SEC. 6. Section one hundred twenty-four point thirty-four
 2 (124.34), Code 1962, is amended by inserting after the word "revoke"
 3 in line five (5) the following: "or suspend for a period of not more
 4 than sixty days".

1 SEC. 7. Section one hundred twenty-four point thirty-seven
 2 (124.37), Code 1962, is amended by inserting after the word "revoca-
 3 tion" in line eight (8) the following: "or suspension".

1 SEC. 8. Section one hundred twenty-four point forty (124.40),
 2 Code 1962, is amended by inserting in line two (2) after the word
 3 "revocation" the following: "or suspension".

4 Further amend said section by inserting in line forty-six (46) after
 5 the word "revocation" the following: "or suspension" and in line
 6 forty-seven (47) following the word "revoke" insert "or suspend"
 7 and in line forty-nine (49) following the word "forfeited" insert "if
 8 the permit is revoked".

Approved April 14, 1965.

CHAPTER 151

SURRENDER OF BEER PERMIT

H. F. 61

AN ACT relating to voluntary surrender of class "A" beer permit.

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

1 SECTION 1. Amend section one hundred twenty-four point six
 2 (124.6), Code 1962, by inserting in line one (1) of the second para-
 3 graph after the word "class" the following: "'A' or".

1 SEC. 2. Further amend said section by inserting after the word
2 "the" in line twenty-seven (27) of the second paragraph the word:
3 "commission,".

Approved April 12, 1965.

CHAPTER 152

SALE OF BEER

H. F. 404

AN ACT relating to the time when beer may be sold.

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

1 SECTION 1. Section one hundred twenty-four point twenty
2 (124.20), Code 1962, is hereby amended by striking the words "twelve
3 o'clock midnight on Saturday" in line four (4) of paragraph two (2)
4 and inserting in lieu thereof the following: "one o'clock a.m. on
5 Sunday".

1 SEC. 2. Section one hundred twenty-four point thirty-four
2 (124.34), Code 1962, is hereby amended by striking all after the word
3 "chapter" in line forty-two (42) through line fifty-six (56) and in-
4 serting in lieu thereof the following: ". Subject to the express pro-
5 visions of section one hundred twenty-four point twenty (124.20),
6 Code 1962, no sale or consumption of beer shall be allowed on the
7 premises of a class "B" permittee between the hours of two (2) a.m.
8 and seven (7) a.m. City and town councils are empowered to adopt
9 ordinances for the location of the premises of class "B" permittees;
10 and are empowered to adopt ordinances, not in conflict with the pro-
11 visions of this chapter and that do not diminish the hours during
12 which beer may be sold or consumed, governing".

1 SEC. 3. Section one hundred twenty-four point thirty-five
2 (124.35), Code 1962, is hereby amended by striking all of lines six (6)
3 through lines fifteen (15) and inserting in lieu thereof the following:
4 "two (2) a.m. and seven (7) a.m. Boards of supervisors are author-
5 ized and empowered to adopt rules and regulations for the prohibiting
6 or regulation of dancing in places where beer is sold; and are empow-
7 ered to adopt rules and regulations, not in conflict with the provisions
8 of this chapter and that do not diminish the hours during which beer
9 may be sold or consumed, governing any other activities".

1 SEC. 4. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 the Burlington Labor News, a newspaper published in Burlington,

4 Iowa, and in The Scranton Journal, a newspaper published in Scranton,
5 Iowa.

Approved June 7, 1965.

I hereby certify that the foregoing Act, House File 404, was published in the Burlington Labor News, Burlington, Iowa, June 10, 1965, and in The Scranton Journal, Scranton, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 153

DANCING PERMITS IN TAVERNS

H. F. 79

AN ACT to change the mandatory five hundred square footage requirement for class "B" beer permittees authorized to allow dancing.

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

1 SECTION 1. Section one hundred twenty-four point thirty-nine
2 (124.39), Code 1962, is hereby amended by striking the word "five"
3 in line ten (10) of subsection one (1) and inserting in lieu thereof
4 the word "two".

Approved April 22, 1965.

CHAPTER 154

SUPERVISION OF DANCING IN TAVERNS

H. F. 64

AN ACT relating to supervision of dancing where beer is sold.

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

1 SECTION 1. Section one hundred twenty-four point thirty-nine
2 (124.39), Code 1962, is hereby amended by striking all of subsection
3 two (2) of such section.

Approved April 14, 1965.

CHAPTER 155

POSSESSION OF BEER OR LIQUOR BY MINORS

H. F. 27

AN ACT relating to the possession of beer or liquor by persons under twenty-one years of age.

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

1 SECTION 1. Chapter one hundred twenty-five (125), Code 1962, is
2 hereby amended by adding thereto the following section:

3 "Any person or persons under the age of twenty-one years who
4 shall individually or jointly have in his or their possession or control
5 beer as defined in section one hundred twenty-four point two (124.2)
6 of the Code or liquor shall be subject to a fine of not more than one
7 hundred dollars or imprisonment in the county jail for not more than
8 thirty days. The provisions of this section shall not apply to any per-
9 son under the age of twenty-one years who:

10 1. Is provided liquor as permitted in section one hundred twenty-
11 three point forty-three (123.43) of the Code.

12 2. Is a regular employee of a class "A", "B" or "C" permit holder
13 as defined in chapter one hundred twenty-four (124) of the Code
14 while performing regular duties during the course of employment.

1 SEC. 2. Section one hundred twenty-three point forty-three
2 (123.43), Code 1962, is hereby amended by striking from line three
3 (3) the words "by parent or guardian" an inserting in lieu thereof
4 the following:

5 "within a private home and with the knowledge and consent of the
6 parent or guardian".

Approved March 18, 1965.

CHAPTER 156

STATE COMMISSIONER OF HEALTH

H. F. 58

AN ACT relating to the office of the commissioner of public health.

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

1 SECTION 1. Section one hundred thirty-five point three (135.3),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:

4 "The commissioner shall not hold any other lucrative office of this
5 state, elective or appointive, during his term; provided, however, that
6 the commissioner may serve without compensation as an officer or
7 member of the instructional staff of any of the state educational in-
8 stitutions if any such additional duties and responsibilities do not pro-
9 hibit him from performing the duties of the office of commissioner."

Approved March 18, 1965.

CHAPTER 157
PHENYLKETONURIA

S. F. 463

AN ACT relating to the testing of infants for phenylketonuria.

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

1 SECTION 1. Chapter one hundred thirty-five (135), Code 1962, is
2 hereby amended by adding thereto the following new section:
3 "It is hereby declared to be the policy of this state that every infant
4 born within the borders of Iowa shall, insofar as practicable, be tested
5 for the presence of the disease known as phenylketonuria within a
6 reasonable period following birth. It shall be the responsibility of the
7 state department of health to implement this policy at such time and
8 with such rules and regulations as the commissioner of public health
9 deems advisable. All state, county, and city health or welfare agencies
10 shall cooperate and participate in the implementation of this Act and
11 such rules and regulations, when requested by the commissioner of
12 public health."

Approved May 19, 1965.

CHAPTER 158
HOSPITAL AND HEALTH FACILITY COUNCIL

H. F. 372

AN ACT relating to the composition of the hospital and other health facilities advisory council.

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

1 SECTION 1. Section one hundred thirty-five A point five (135A.5),
2 Code 1962, is hereby amended by striking from line eight (8) the
3 word "seventeen" and inserting in lieu thereof the following: "twenty-
4 six (26)".

1 SEC. 2. Section one hundred thirty-five A point five (135A.5),
2 Code 1962, is hereby further amended by inserting after the word
3 "include" in line nine (9) the following: "representatives of non-
4 governmental organizations or groups, and of public agencies, con-
5 cerned with the operation, construction, or utilization of hospital or
6 other facilities for diagnosis, prevention, or treatment of illness or
7 disease, or for provision of rehabilitation services as follows".

1 SEC. 3. Section one hundred thirty-five A point five (135A.5),
2 Code 1962, is hereby further amended by striking all of lines twenty-
3 four (24), twenty-five (25), and twenty-six (26) and inserting in lieu
4 thereof the following: "and thirteen (13) representatives of con-
5 sumers familiar with the need for the services provided by such facili-
6 ties. The governor shall".

1 SEC. 4. Section one hundred thirty-five A point five (135A.5),
 2 Code 1962, is hereby further amended by striking from line twenty-
 3 seven (27) the word "four" and inserting in lieu thereof the follow-
 4 ing: "six (6)", by striking from line twenty-eight (28) the first word
 5 "four" and inserting in lieu thereof the following: "six (6)", by
 6 striking from line twenty-eight (28) the second word "four" and in-
 7 serting in lieu thereof the following: "seven (7)", and by striking
 8 from line twenty-nine (29) the word "five" and inserting in lieu
 9 thereof the following: "seven (7)".

1 SEC. 5. Section one hundred thirty-five A point five (135A.5),
 2 Code 1962, is hereby further amended by striking all of line thirty
 3 (30) after the word "years", by striking all of lines thirty-one (31)
 4 and thirty-two (32) and by striking from line thirty-three (33) the
 5 following: "shall expire in the same year".

Approved April 29, 1965.

CHAPTER 159

MOBILE HOMES

H. F. 467

AN ACT relating to mobile homes.

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

1 SECTION 1. Section one hundred thirty-five D point fourteen
 2 (135D.14), Code 1962, is amended as follows:
 3 1. By striking from lines three (3) and four (4) the words "or
 4 political subdivision of this state".
 5 2. By adding thereto the following new sentence:
 6 "Any mobile home park owned or operated by any agency or depart-
 7 ment of this state shall meet all the requirements of this Act except
 8 those set forth in section one hundred thirty-five D point five
 9 (135D.5)."

Approved June 2, 1965.

CHAPTER 160

MOBILE HOMES

H. F. 484

AN ACT relating to mobile homes.

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

1 SECTION 1. Chapter one hundred eighteen (118), Acts of the Six-
 2 tieth General Assembly, is amended as follows:

- 3 1. By inserting in line two (2) of subsection* three (3) after the
4 word "on" the words "or before".
- 5 2. By inserting in line five (5) of section three (3) after the word
6 "paid." the following new sentence:
7 "The semiannual payment of taxes and license may be paid at one
8 time if so desired."
- 9 3. By striking from line fourteen (14) of section three (3) the
10 words "the tenth day of each month" and inserting in lieu thereof the
11 words "the tenth (10th) day of January and July with supplemental
12 monthly reports listing arrivals, departures, and unlicensed mobile
13 homes".

Approved June 3, 1965.

*According to enrolled Act.

CHAPTER 161

STATE BOARD OF HEALTH

H. F. 242

AN ACT relating to the state board of health.

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

- 1 SECTION 1. Section one hundred thirty-six point one (136.1), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:
3 "The state board of health shall consist of the following members:
4 nine (9) members learned in health-related disciplines."
5 "The commissioner of public health shall serve as secretary of the
6 board."
- 1 SEC. 2. Section one hundred thirty-six point two (136.2), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:
3 "All members of the state board of health shall be appointed by the
4 governor and shall serve for a period of three (3) years except the
5 terms of the nine (9) initial appointees shall be as follows:
6 1. Three (3) members shall serve from the effective date of this Act
7 to June 30, 1966.
8 2. Three (3) members shall serve from the effective date of this Act
9 to June 30, 1967.
10 3. Three (3) members shall serve from the effective date of this Act
11 to June 30, 1968.
12 "The governor shall appoint annually successors to the three (3)
13 board members whose terms expire on June 30 of that year. Any va-
14 cancy occurring on the board shall be filled by the governor for the
15 unexpired term of the vacancy."
- 1 SEC. 3. Section one hundred thirty-six point three (136.3), Code
2 1962, is hereby amended as follows:
3 1. By striking from line two (2) the words "an advisory body to"
4 and inserting in lieu thereof the words "the policy making body for".
5 2. By striking from line one (1) of paragraph *d*, subsection two (2)

6 of such section the words "Contagious and infectious diseases" and
 7 inserting in lieu thereof the words "Communicable and infectious dis-
 8 eases including zoonotic diseases".

9 3. By striking subsection three (3) and inserting in lieu thereof the
 10 following:

11 "3. Establish policies governing the performance of the department
 12 in the discharge of any duties imposed on it by law."

13 4. By striking subsection four (4) and inserting in lieu thereof the
 14 following:

15 "4. Establish policies for the guidance of the commissioner in the
 16 discharge of his duties."

17 5. By striking subsection seven (7) and inserting in lieu thereof the
 18 following:

19 "7. Adopt, promulgate, amend, and repeal rules and regulations con-
 20 sistent with law for the protection of the public health, and for the
 21 guidance of the department. All rules and regulations which have
 22 been or are hereafter adopted by the department shall be subject to
 23 approval by the board."

1 SEC. 4. Section one hundred thirty-six point five (136.5), Code
 2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "The board shall meet on the second (2nd) Wednesday in July and
 4 on the second (2nd) Wednesday of every second (2nd) month there-
 5 after and at such other times as may be deemed necessary by the
 6 president of the board. The president shall give each board member
 7 adequate notice of all special meetings. A majority of the members of
 8 the board shall constitute a quorum."

1 SEC. 5. Section one hundred thirty-six point seven (136.7), Code
 2 1962, is hereby amended by striking from line two (2) the words "and
 3 secretary".

Approved May 13, 1965.

CHAPTER 162

WATER SUPPLY SYSTEMS

H. F. 345

AN ACT to protect the public health and to conserve and protect the water resources of the state by classifying all public water supply systems and wastewater treatment plants in this state and by requiring the examination of operators and certification of their competency to supervise the operation of such facilities.

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

1 SECTION 1. As used in this Act:

2 1. "Commissioner" is the commissioner of public health.

3 2. "Board" is the board of certification.

4 3. "Certificate" is the certificate of competency issued by the com-
 5 missioner stating that the operator has met the requirements for the
 6 specified operator classification of the certification program.

7 4. "Water supply system" is the system of pipes, structures, and

8 facilities through which a public water supply is obtained, treated and
9 sold or distributed for human consumption or household use.

10 5. "Water treatment plant" is that portion of the water supply
11 system which in some way alters the physical, chemical, or bacteri-
12 ological quality of the water.

13 6. "Wastewater treatment plant" is the facility or group of units
14 used for the treatment of wastewater from public sewer systems and
15 for the reduction and handling of solids removed from such wastes.

16 7. "Water distribution system" is that portion of the water supply
17 system in which water is conveyed from the water treatment plant or
18 other supply point to the premises of the consumer.

19 8. "Operator" is the person who has direct responsibility for the
20 operation of a water treatment plant, water distribution system, or
21 wastewater treatment plant.

1 SEC. 2. The commissioner shall classify all water treatment plants,
2 water distribution systems, and wastewater treatment plants affecting
3 the public welfare with regard to the size, type, character of water
4 and wastewater to be treated and other physical conditions affecting
5 such treatment plants and distribution systems, and according to the
6 skill, knowledge, and experience that an operator must have to super-
7 vise the operation of said facilities to protect the public health and
8 prevent pollution.

1 SEC. 3. The commissioner shall certify persons as to their quali-
2 fications to supervise the operation of such treatment plants and water
3 distribution systems after considering the recommendations of the
4 board.

1 SEC. 4. The commissioner shall appoint a board of certification
2 composed of five (5) persons as follows: One (1) member who is a
3 water works operator holding a valid certificate of the highest classi-
4 fication issued by the commissioner; one (1) member who is a waste-
5 water works operator holding a valid certificate of the highest classi-
6 fication issued by the commissioner; one (1) member from the state
7 department of health who is either the state sanitary engineer or a
8 qualified member of his staff; one (1) member who is a university or
9 college faculty member whose major field is related to water supply or
10 wastewater collection and treatment; and one (1) member who is an
11 employee of a municipality required to employ a certified operator,
12 and who holds the position of either city manager, city engineer, direc-
13 tor of public works or an equivalent position.

1 SEC. 5. Each member of the board, with the exception of the mem-
2 ber from the state department of health, shall be appointed for a three
3 (3) year term, except in the case of the initial appointments the
4 municipal representative shall be appointed for one (1) year, one (1)
5 operator and the faculty member for two (2) years and the remaining
6 operator for three (3) years. Vacancies shall be filled by appointment
7 by the commissioner for unexpired terms.

1 SEC. 6. Members of the original board, at the call of the commis-
2 sioner, shall organize and elect from their number a chairman. There-
3 after, a chairman shall be elected at each annual board meeting. The

4 state health department representative of the board shall serve as sec-
5 retary of the board and be responsible for maintaining records.

1 SEC. 7. The board shall hold at least one (1) examination each
2 year for the purpose of examining candidates for certification at a
3 time and place designated by the board. Those applicants whose com-
4 petency is acceptable to the board shall be recommended to the com-
5 missioner for certification. Additional meetings may be called by the
6 chairman or commissioner as may be necessary to carry out the pro-
7 visions of the Act. Three (3) members shall constitute a quorum.

1 SEC. 8. The members of the board shall serve without compensa-
2 tion, except for their actual and necessary expenses incurred while
3 discharging their official duties.

1 SEC. 9. When the commissioner is satisfied that an applicant is
2 qualified by examination or otherwise, and upon recommendation of
3 the board, the commissioner shall issue a certificate attesting to the
4 competency of the applicant as an operator. The certificate shall indi-
5 cate the classification of works which the operator is qualified to
6 supervise.

1 SEC. 10. Certificates shall continue in effect for one (1) year from
2 the date of issuance unless sooner revoked by the commissioner, but
3 such certificates shall remain the property of the board and the cer-
4 tificate shall so state.

1 SEC. 11. The commissioner may revoke the certificate of an oper-
2 ator, following a hearing before the commissioner or his designated
3 representative, when it is found that the operator has practiced fraud
4 or deception in obtaining the certificate or in the performance of his
5 duties as an operator; when it is found that reasonable care, judg-
6 ment, or the application of his knowledge or ability was not used in
7 the performance of his duties; or when it is found that the operator
8 is incompetent or unable properly to perform his duties as an operator.

1 SEC. 12. Certificates in appropriate classification shall be issued to
2 operators, who, on the effective date of this Act, hold certificates of
3 competency attained by examination under the voluntary certification
4 program sponsored jointly by the state department of health, the Iowa
5 section of the American water works association, and the Iowa water
6 pollution control association.

1 SEC. 13. Certificates of proper classification shall be issued with-
2 out examination to persons certified by a governing body or owner to
3 have been the operator of a treatment plant or a water distribution
4 system on the effective date of this Act. A certificate so issued will be
5 valid only for that particular treatment plant or system, but shall
6 remain in effect indefinitely unless revoked by the commissioner as
7 provided in this Act.

1 SEC. 14. The commissioner, with the approval of the board, is
2 authorized to charge a fee for certificates issued under this Act, but
3 such fees shall not exceed five (5) dollars for an initial certificate, nor
4 more than three (3) dollars for the annual renewal certificate. All
5 such fees collected shall be remitted to the treasurer of state, who shall

6 hold such monies in a special fund to be known as the "operators
7 certification fund," to be used by the state department of health to
8 administer and enforce the provisions of this Act, and to pay the
9 expenses of the board authorized in section eight (8) of this Act.
10 Such fund shall be subject at all times to the warrant of the state
11 comptroller, drawn upon written requisition of the commissioner and
12 attested by the secretary of the board. Any remainder in such fund at
13 the end of each fiscal year shall be paid into the general fund of the
14 state.

1 SEC. 15. The commissioner, with the advice of the board, may
2 promulgate such rules and regulations as are necessary to carry out
3 the provisions of this Act.

1 SEC. 16. On and after one (1) year following the effective date of
2 this Act, it shall be unlawful for any person, firm, corporation, municipi-
3 pal corporation, or other governmental subdivision or agency, operat-
4 ing a water treatment plant, water distribution system or wastewater
5 treatment plant to operate same unless the competency of the oper-
6 ator to operate such plant or system is duly certified to by the commis-
7 sioner under the provisions of this Act. It shall also be unlawful for
8 any person to perform the duties of an operator, as defined herein,
9 without being duly certified under the provisions of this Act.

1 SEC. 17. Any person, including any firm, corporation, municipal
2 corporation, or other governmental subdivision or agency, violating
3 any provisions of this Act or the rules and regulations adopted there-
4 under after written notice thereof by the commissioner is guilty of a
5 misdemeanor. Each day of operation in such violation of this Act or
6 any rules or regulations adopted thereunder shall constitute a separate
7 offense. Upon conviction, such persons shall be fined not exceeding
8 one hundred (100) dollars, or be imprisoned in the county jail for not
9 more than thirty (30) days, or by both such fine and imprisonment.
10 It shall be the duty of the appropriate county attorney to secure in-
11 junctions of continuing violations of any provisions of this Act or the
12 rules and regulations adopted thereunder.

Approved May 17, 1965.

CHAPTER 163

LOCAL BOARD OF HEALTH

S. F. 385

AN ACT relating to powers of a local board of health, its officers and agents, and providing criminal penalties.

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

1 SECTION 1. Section one hundred thirty-seven point nineteen
2 (137.19), Code 1962, is hereby amended by striking the period at the
3 end thereof and adding the following:

4 "and shall be punished by a fine not to exceed one hundred dollars
 5 or by imprisonment in the county jail for not more than thirty days.
 6 Each additional week of neglect or failure to comply with such provi-
 7 sion, rule or lawful order shall constitute a separate offense."

Approved June 4, 1965.

CHAPTER 164

COPIES OF DEATH CERTIFICATES

S. F. 126

AN ACT repealing the provision requiring the county registrar to transmit copies of all death certificates to the county auditor.

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

1 SECTION 1. Amend section one hundred forty-four point ten
 2 (144.10), Code 1962, by striking all of subsection three (3) and re-
 3 numbering the remaining subsection.

Approved March 26, 1965.

CHAPTER 165

TERMS OF MEDICAL EXAMINERS

H. F. 117

AN ACT relating to the terms of medical members of the board of medical examiners.

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

1 SECTION 1. Section seven (7) of chapter one hundred twenty-two
 2 (122), Acts 60th General Assembly is amended by striking from line
 3 six (6) the word "five" and inserting in lieu thereof the word "six".
 4 Nothing in this Act shall affect the terms of present members of the
 5 board of medical examiners.

Approved March 18, 1965.

CHAPTER 166

OPTOMETRY

S. F. 426

AN ACT to amend chapter one hundred forty-seven (147), Code 1962, relating to appointment of inspector by board of optometry examiners and fixing compensation therefor, and relating to optometry license renewal fees and the expenditure thereof.

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

1 SECTION 1. Amend chapter one hundred forty-seven (147), Code
 2 1962, by adding the following:

3 "The board of optometry examiners is authorized to employ an in-
 4 spector or attorney, who shall not be a member of the examining board,
 5 at such per diem compensation as shall be fixed by the executive coun-
 6 cil and payable from a special fund in the office of the treasurer of the
 7 state known as the state board of optometry examiners fund.

1 SEC. 2. Further amend chapter one hundred forty-seven (147),
 2 Code 1962, by adding the following:

3 "The secretary of the optometry examiners shall annually add
 4 twenty dollars (\$20.00) to the renewal fee provided in this chapter for
 5 a person licensed to practice optometry. Such additional amount shall
 6 be considered as a part of the regular renewal fee and payment of
 7 same by a licensee shall be a prerequisite to the renewal of his license.
 8 The funds derived from the additional renewal fee collected under this
 9 section shall be placed in a special fund by the treasurer of the state
 10 and the state comptroller to be known as the 'State Board of Optom-
 11 etry Examiners Fund', to be used by the examining board to assist in
 12 administering and enforcing the laws relating to the practice of optom-
 13 etry, and no part of such expense shall be paid out of the state treasury.
 14 Any remainder in said fund at the end of each fiscal year shall be paid
 15 into the general fund of the state. Said fund shall be subject at all
 16 times to the warrant of the state comptroller, drawn upon written
 17 requisition of the chairman of examining board and attested by the
 18 secretary, for the payment of all salaries, per diem expense, and other
 19 expenses necessary to administer and aid in the enforcement of the
 20 provisions of law relating to the practice of optometry, but in no event
 21 shall the total expenses therefor exceed the total fees collected and de-
 22 posited to the credit of said fund.

Approved July 1, 1965.

CHAPTER 167

PHYSICAL THERAPISTS

S. F. 275

AN ACT relating to the licensing and qualifications of physical therapists.

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

1 SECTION 1. For the purposes of this Act, physical therapy is de-
 2 fined as that branch of science that deals with the treatment of disease
 3 or injury by the application of the modalities and rehabilitation proce-
 4 dures incident to the practice of physical therapy for the alleviation
 5 of human ailments and the maintenance or restoration of health as
 6 prescribed by a physician licensed as such in Iowa.

1 SEC. 2. For the purpose of this Act the following classes of per-
 2 sons shall be deemed to be engaged in the practice of physical therapy:

3 1. Persons who treat human ailments by physical therapy as defined
 4 in this Act.

5 2. Persons who publicly profess to be physical therapists or who

6 publicly profess to perform the functions incident to the practice of
7 physical therapy.

1 SEC. 3. Section one (1) shall not be construed to include the fol-
2 lowing classes of persons:

3 1. Licensed physicians and surgeons, osteopaths, osteopathic physi-
4 cians and surgeons, podiatrists, chiropractors, nurses, dentists, cosme-
5 tologists, and barbers, who are engaged in the practice of their respec-
6 tive professions.

7 2. Students of physical therapy who practice physical therapy under
8 the supervision of a licensed physical therapist in connection with the
9 regular course of instruction at a school of physical therapy.

10 3. Physical therapists of the United States army, navy, or public
11 health service, or physical therapists licensed in another state, when
12 incidentally called into this state in consultation with a physician and
13 surgeon or physical therapists licensed in this state.

14 4. Nonprofessional workers in hospitals, clinics, offices, sanitoriums
15 or nursing homes who perform their services under the supervision of
16 a physician or physical therapist licensed as such in Iowa and pro-
17 vided that such worker does not hold himself out as or accept employ-
18 ment as a licensed physical therapist.

19 5. Massage therapists, massage technicians, masseurs and mas-
20 seuses who administer body massage by Swedish or other massage
21 technique, including modalities, in a massage establishment, health
22 club, athletic club or school athletic department, but in no instance
23 shall they designate themselves as physical therapists.

1 SEC. 4. Each applicant for a license to practice physical therapy
2 shall:

3 1. Have attained the age of twenty-one (21) years.

4 2. Be a graduate of an accredited high school and have completed a
5 course of study in, and hold a diploma or certificate issued by a school
6 of physical therapy approved by the board of physical therapy exam-
7 iners.

8 3. Have passed an examination administered by the board of phys-
9 ical therapy examiners.

1 SEC. 5. A person, who is or has been engaged in the practice of
2 physical therapy on or before the effective date of this Act, may be
3 issued a license as a physical therapist upon submitting to the physical
4 therapy examiners satisfactory evidence:

5 1. That, under the direction of a licensed physician or surgeon or
6 osteopathic physician or surgeon, he has practiced physical therapy
7 either in a hospital, sanitorium, clinic, office or nursing home for not
8 less than three (3) years within a five (5) year period immediately
9 before application;

10 2. That he has taught physical therapy in a school approved by the
11 physical therapy examiners for not less than one (1) year within a
12 five (5) year period immediately before application or has been a
13 student in a school of physical therapy approved by the board of phys-
14 ical therapy examiners prior to January 1, 1966; or

15 3. That on or before the effective date of this Act he has graduated
16 from a school or course of physical therapy approved by the board of
17 physical therapy examiners. The application under this title shall be

18 filed with the physical therapy examiners and accompanied by a fee of
 19 twenty (20) dollars, and submitted within ninety (90) days after the
 20 effective date of this Act.

1 SEC. 6. Section one hundred forty-six point five (146.5), Code
 2 1962, is hereby amended by inserting in line eight (8) after the word
 3 "pharmacists," the words "physical therapists,".

1 SEC. 7. Section one hundred forty-seven point one (147.1), subsec-
 2 tion two (2), Code 1962, as amended by section one (1) of chapter
 3 one hundred twenty-two (122), Acts of the Sixtieth General Assembly
 4 is further amended by inserting in line four (4) after the word
 5 "pharmacist," the words "physical therapist,".

1 SEC. 8. Section one hundred forty-seven point one (147.1), subsec-
 2 tion three (3), Code 1962, as amended by section one (1) of chapter
 3 one hundred twenty-two (122), Acts of the Sixtieth General Assembly
 4 is further amended by inserting in line four (4) after the word "phar-
 5 macy," the words "physical therapy,".

1 SEC. 9. Section one hundred forty-seven point two (147.2), Code
 2 1962, as amended by section two (2) of chapter one hundred twenty-
 3 two (122), Acts of the Sixtieth General Assembly is further amended
 4 by inserting in line four (4) after the word "chiropractic," the words
 5 "physical therapy,".

1 SEC. 10. Section one hundred forty-seven point thirteen (147.13),
 2 Code 1962, as amended by section three (3) of chapter one hundred
 3 twenty-two (122) and section nine (9) of chapter one hundred twenty-
 4 five (125), Acts of the Sixtieth General Assembly, is further amended
 5 by inserting in line seven (7) after the word "examiners;" the words
 6 "for physical therapists, physical therapy examiners;".

1 SEC. 11. Section five (5) of chapter one hundred twenty-two
 2 (122), Acts of the 60th General Assembly, is hereby amended by add-
 3 ing thereto the following: "Three of the physical therapy examiners
 4 shall be licensed to practice physical therapy and one of the physical
 5 therapy examiners shall be licensed to practice medicine and surgery."

1 SEC. 12. Section seven (7) of chapter one hundred twenty-two
 2 (122), Acts of the Sixtieth General Assembly, is hereby amended by
 3 adding thereto the following:

4 "The terms of the first physical therapy examiners board members
 5 shall be, one (1) for a term of one (1) year, one (1) for a term of two
 6 (2) years, and two (2) for terms of three years. Their successors
 7 shall be appointed for terms of three (3) years."

1 SEC. 13. Section one hundred forty-seven point fourteen (147.14),
 2 Code 1962, as amended by section four (4) of chapter one hundred
 3 twenty-two (122), Acts of the 60th General Assembly, is hereby
 4 amended by inserting after the word "members" in line five (5)
 5 thereof the words "and the physical therapy examining board which
 6 shall consist of four members".

1 SEC. 14. Section one hundred forty-seven point sixteen (147.16),
 2 Code 1962, is hereby amended by inserting in line five (5) after the
 3 word "except" the words "physical therapist examiners and".

1 SEC. 15. Section one hundred forty-seven point thirty-four
2 (147.34), Code 1962, is hereby amended as follows:

3 1. By striking from line six (6) the word "and".

4 2. By inserting in line six (6) after the words "pharmacy examin-
5 ers" the words ", and physical therapy examiners".

1 SEC. 16. Section one hundred forty-seven point seventy-four
2 (147.74), Code 1962, as amended by section twelve (12) of chapter
3 one hundred twenty-two (122), Acts of the Sixtieth General Assembly,
4 is further amended by adding thereto the following new paragraph:

5 "A physical therapist shall be entitled to use the words 'licensed
6 physical therapist' after their name or to signify the same by the use
7 of the letters 'L.P.T.' after their name."

1 SEC. 17. Section one hundred forty-seven point eighty (147.80),
2 Code 1962, is hereby amended by inserting in line two (2) of subsec-
3 tion three (3) of such section after the word "chiropractic," the words
4 "physical therapy,".

1 SEC. 18. Section one hundred forty-eight point two (148.2), sub-
2 section four (4), Code 1962, as amended by section seventeen (17) of
3 chapter one hundred twenty-two (122), Acts of the Sixtieth General
4 Assembly, is further amended by inserting in line two (2) after the
5 word "chiropractors," the words "physical therapists,".

1 SEC. 19. Section one hundred fifty point three (150.3), subsection
2 one (1), Code 1962, as amended by section twenty-four (24) of chap-
3 ter one hundred twenty-two (122), Acts of the Sixtieth General As-
4 sembly, is further amended by inserting in line two (2) after the word
5 "chiropractors," the words "physical therapists,".

1 SEC. 20. Section one hundred fifty-one point two (151.2), Code
2 1962, is hereby amended by inserting in line three (3) of subsection
3 one (1) of such section after the word "surgeons" the words ", and
4 physical therapists".

1 SEC. 21. Section one hundred fifty-seven point two (157.2), Code
2 1962, is hereby amended as follows:

3 1. By striking from line two (2) of subsection one (1) of such sec-
4 tion the word "and".

5 2. By inserting in line three (3) of subsection one (1) of such sec-
6 tion after the word "chiropractors" the words ", and physical thera-
7 pists".

1 SEC. 22. Section one hundred fifty-eight point two (158.2), Code
2 1962, as amended by section one (1) of chapter one hundred twenty-
3 eight (128), Acts of the Sixtieth General Assembly, is hereby amended
4 by inserting in line two (2) of subsection one (1) of such section after
5 the word "chiropractors," the words "physical therapists,".

1 SEC. 23. Section one hundred forty-seven point one hundred fif-
2 teen (147.115), Code 1962, is hereby amended by adding thereto the
3 following:

4 "The state department of health shall collect an initial fee of twenty
5 (20) dollars from each applicant for a license to practice physical
6 therapy and the department of health shall annually add four (4)

7 dollars to the renewal fee provided for in subsection seven (7) of sec-
 8 tion one hundred forty-seven point eighty (147.80) of the Code, for a
 9 person licensed to practice physical therapy. Such additional amounts
 10 shall be accepted as a part of the regular initial and regular renewal
 11 fee. The payment of the same shall be prerequisite to the issuance of
 12 a license and to the renewal of such license. The funds derived by the
 13 state department of health from the additional initial and renewal fees
 14 collected under the* section shall be placed in a special fund by the
 15 treasurer of the state and the state comptroller to be known as the
 16 'State Board of Physical Therapy Examiners Fund' to be used by the
 17 board of physical therapy examiners to:

18 1. Assist in administering and enforcing the laws relating to the
 19 practice of physical therapy.

20 2. Assist the board of physical therapy examiners or the Iowa chap-
 21 ter of the American physical therapy association in conducting educa-
 22 tional meetings for its members.

23 3. Assist in the advancement of the arts and sciences of physical
 24 therapy. In no event shall any part of such expense be paid out of the
 25 state treasury. Any remainder in said fund at the end of each fiscal
 26 year shall be paid into the general fund of the state. Said fund shall
 27 be subject at all times to the warrant of the state comptroller drawn
 28 upon written requisition of the chairman of the examining board and
 29 attested by the secretary, for the payment of all salaries, per diem
 30 expense, and other expenses necessary to administer and aid in the
 31 enforcement of the provisions of law relating to the practice of phys-
 32 ical therapy, but in no event shall the total expenses therefor exceed
 33 the total fees collected and deposited to the credit of said fund.

Approved May 27, 1965.

*According to enrolled Act.

CHAPTER 168

OSTEOPATHIC MEDICINE AND SURGERY

H. F. 382

AN ACT to amend chapter one hundred twenty-two (122), Acts of the Sixtieth General Assembly, relating to the issuance of a "resident osteopathic physician and surgeon license" to practice osteopathic medicine and surgery.

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

1 SECTION 1. Section twenty-nine (29), of chapter one hundred
 2 twenty-two (122), Acts of the Sixtieth General Assembly, is hereby
 3 amended by adding the following subsection:

4 "Any osteopathic physician and surgeon who is a graduate of a
 5 college of osteopathic medicine and surgery approved by the medical
 6 examiners and is serving only as a resident osteopathic physician and
 7 surgeon and who is not licensed to practice osteopathic medicine and
 8 surgery in this state, shall be required to obtain from the medical
 9 examiners a temporary or special license to practice as a resident
 10 osteopathic physician and surgeon. The license shall be designated

11 "Resident Osteopathic Physician and Surgeon License", and shall
 12 authorize the licensee to serve as a resident only, under the super-
 13 vision of a licensed practitioner of osteopathic medicine and surgery,
 14 in an institution approved for this purpose by the medical examiners.
 15 Such license shall be valid for one year and may be annually renewed
 16 at the discretion of the medical examiners for a period not to exceed
 17 six additional years. The fee for this license shall be \$15.00, and if
 18 extended beyond one year, an annual renewal fee of \$3.00 per year
 19 shall be required. The medical examiners shall determine in each
 20 instance those eligible for this license, whether or not examinations
 21 shall be given, and the type of examinations. No requirements of the
 22 law pertaining to regular permanent licensure shall be mandatory for
 23 this resident licensure except as specifically designated by the medical
 24 examiners. The granting of a resident osteopathic physician and sur-
 25 geon's license does not in any way indicate that the person so licensed
 26 is necessarily eligible for regular licensure, nor are the medical exam-
 27 iners in any way obligated to so license such individual. The medical
 28 examiners shall revoke said license at any time they shall determine
 29 either that the caliber of work done by the licensee or the type of
 30 supervision being given such licensee does not conform to reasonable
 31 standards established by the medical examiners."

Approved April 16, 1965.

CHAPTER 169

DRUGS AND MEDICINES

S. F. 285

AN ACT relating to drugs and medicines.

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

- 1 SECTION 1. Section one hundred fifty-five point three (155.3),
 2 Code 1962, is hereby amended by adding the following subsections:
 3 1. "'Prescription' means a written order or an oral order later
 4 reduced to writing by a practitioner for a drug or medicine for a par-
 5 ticular patient with the specific date of issue, the name and address of
 6 the practitioner, the name and address of the patient, the name and
 7 quantity of the drug or medicine prescribed, directions for use of the
 8 drug or medicine, and in case of a written order the signature of the
 9 practitioner."
 10 2. "'Prescription drug' means (a) any drug or medicine the label
 11 of which is required by federal law to bear the statement: 'Caution:
 12 federal law prohibits dispensing without a prescription', (b) any drug
 13 or medicine which, because of its toxicity or other potentiality for
 14 harmful effect, or the method of its use, or the collateral measures
 15 necessary to its use, is not safe for use except under the supervision
 16 of a practitioner licensed by law to prescribe, administer, or dispense
 17 such drug or medicine, or (c) a new drug or medicine which is limited
 18 under state law to use under the professional supervision of a practi-

19 tioner licensed by law to prescribe, administer, or dispense such drug
20 or medicine.

1 SEC. 2. Section one hundred fifty-five point three (155.3), Code
2 1962, is further amended by striking lines twenty-nine (29) through
3 thirty-two (32) of subsection seven (7) of such section and inserting
4 in lieu thereof the words "to any prescription drug."

1 SEC. 3. Section one hundred fifty-five point twenty (155.20), Code
2 1962, is hereby amended as follows:

3 1. By striking lines two (2) through six (6) and inserting in lieu
4 thereof the words "prescription drug".

5 2. By striking from lines ten (10) and eleven (11) the words "pre-
6 scription-legend drug or medicine" and inserting in lieu thereof the
7 words "prescription drug".

1 SEC. 4. Section one hundred fifty-five point twenty-one (155.21),
2 Code 1962, is hereby amended by striking lines four (4) through eight
3 (8) and inserting in lieu thereof the words "any prescription drug to
4 any re -".

1 SEC. 5. Section one hundred fifty-five point twenty-six (155.26),
2 Code 1962, is hereby amended by inserting in line twelve (12) after
3 the word "physician" the words "or the board of pharmacy examiners,
4 its officers, agents, inspectors, and representatives".

1 SEC. 6. Section one hundred fifty-five point twenty-seven (155.27),
2 Code 1962, is hereby amended by striking from line nine (9) the words
3 "less than thirty days" and inserting in lieu thereof the words "more
4 than six (6) months".

1 SEC. 7. Chapter one hundred fifty-five (155), Code 1962, is hereby
2 amended by adding the following sections:

3 1. "No person shall:

4 a. "Obtain or attempt to obtain a prescription drug or procure or
5 attempt to procure the administration of a prescription drug by:

6 (1) "Fraud, deceit, misrepresentation, or subterfuge.

7 (2) "Forgery or alteration of a prescription or of any written
8 order.

9 (3) "Concealment of a material fact.

10 (4) "Use of a false name or the giving of a false address.

11 b. "Willfully make a false statement in any prescription, report, or
12 record required by this chapter.

13 c. "For the purpose of obtaining a prescription drug, falsely assume
14 the title of or represent himself to be a manufacturer, wholesaler,
15 pharmacist, pharmacy owner, physician, dentist, veterinarian, or
16 other authorized person.

17 d. "Make or utter any false or forged prescription or written order.

18 e. "Affix any false or forged label to a package or receptacle contain-
19 ing prescription drugs.

20 "Information communicated to a physician in an unlawful effort to
21 procure a prescription drug or to procure the administration of any
22 such drug shall not be deemed a privileged communication."

23 2. "Any person who sells or offers for sale, gives away, or admin-
24 isters to another person any prescription drug shall be deemed guilty

25 of violating the provisions of this subsection or any person who vio-
 26 lates any provisions of subsection one (1) of this section and upon
 27 conviction thereof, shall be fined not more than one thousand (1,000)
 28 dollars or be imprisoned in the county jail for not more than one (1)
 29 year, or both. For a second (2nd) offense, or if in case of a first (1st)
 30 conviction of violation of any provision of subsection one (1) of this
 31 section or of violation of any provision of this subsection, the offender
 32 shall previously have been convicted of any violation of the laws of the
 33 United States or of any state, territory, or district thereof relating to
 34 prescription drugs, the offender upon conviction shall be fined not
 35 more than two thousand (2,000) dollars and be imprisoned in the state
 36 penitentiary not less than two (2) or more than five (5) years. For
 37 a third (3rd) or subsequent offense in violation of this subsection or
 38 in violation of subsection one (1) of this section, or if the offender
 39 shall previously have been convicted two (2) or more times in the
 40 aggregate of any violation of the laws of the United States or of any
 41 state, territory, or district thereof relating to prescription drugs, the
 42 offender upon conviction shall be fined not more than five thousand
 43 (5,000) dollars and be imprisoned in the state penitentiary not less
 44 than five (5) or more than ten (10) years.

45 "Any person violating any provision of this chapter by selling, giv-
 46 ing away, or administering any prescription drug to a minor shall
 47 upon conviction thereof be punished by imprisonment in the state
 48 penitentiary for not less than five (5) or more than twenty (20) years.

49 "Nothing in this subsection shall be construed to prevent a licensed
 50 practitioner of medicine, dentistry, nursing, veterinary medicine, or
 51 pharmacy from such acts necessary in the ethical and legal perform-
 52 ance of his profession."

53 3. "In any complaint, information, or indictment, and in any action
 54 or proceeding brought for the enforcement of any provisions of this
 55 chapter, it shall not be necessary to negative any exception, excuse,
 56 proviso, or exemption contained in this chapter, and the burden of
 57 proof of any such exception, excuse, proviso, or exemption shall be
 58 upon the defendant."

59 4. "It is hereby made the duty of the board of pharmacy examiners,
 60 its officers, agents, inspectors, and representatives, and of all peace
 61 officers within the state, and of all county attorneys to enforce all
 62 provisions of this chapter, except those specifically delegated, and to
 63 cooperate with all agencies charged with the enforcement of the laws
 64 of the United States, of this state, and of all other states relating to
 65 prescription drugs. Officers, agents, inspectors, and representatives
 66 of the board of pharmacy examiners shall have the powers and status
 67 of peace officers when enforcing the provisions of this chapter."

1 SEC. 8. Section one hundred forty-seven point ninety-five (147.95),
 2 Code 1962, is hereby amended by adding thereto the following:

3 "Officers, agents, inspectors, and representatives of the board of
 4 pharmacy examiners shall have the powers and status of peace officers
 5 when enforcing the provisions of this title."

1 SEC. 9. Section seven hundred forty-eight point three (748.3),
 2 Code 1962, is hereby amended by adding the following subsection:

3 "All agents appointed by the secretary of the board of pharmacy
4 examiners."

1 SEC. 10. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its publication in The
3 Mapleton Press, a newspaper published in Mapleton, Iowa, and in The
4 Woodbine Twiner, a newspaper published in Woodbine, Iowa.

Approved May 7, 1965.

I hereby certify that the foregoing Act, Senate File 285, was published in The Mapleton Press, Mapleton, Iowa, May 20, 1965, and in The Woodbine Twiner, Woodbine, Iowa, May 13, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 170

STATE APIARIST

S. F. 150

AN ACT relating to the state apiarist.

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

1 SECTION 1. Section one hundred sixty point two (160.2), Code
2 1962, is hereby amended by inserting in line seven (7) after the word
3 "honey" the words ", to examine the bees, combs, and beekeeping
4 appliances in any locality which he may suspect of being affected with
5 foulbrood or any other contagious or infectious disease common to
6 bees, and to inspect bees before removal from the state".

1 SEC. 2. Section one hundred sixty point four (160.4), Code 1962,
2 is hereby repealed.

1 SEC. 3. Section one hundred sixty point six (160.6), Code 1962, is
2 hereby amended as follows:

3 1. By striking from line four (4) the word "treatment" and insert-
4 ing in lieu thereof the word "disinfection".

5 2. By inserting in line four (4) after the word "days" the words
6 "with immediate action in emergency cases".

1 SEC. 4. Section one hundred sixty point seven (160.7), Code 1962,
2 is hereby amended by striking from line three (3) the word "treat-
3 ment" and inserting in lieu thereof the word "disinfection".

1 SEC. 5. Section one hundred sixty point twelve (160.12), Code
2 1962, is hereby repealed.

1 SEC. 6. Section one hundred sixty point thirteen (160.13), Code
2 1962, is hereby amended by striking lines five (5) and six (6) and
3 inserting in lieu thereof the words "given, the number of examinations
4 and inspections made, together with such".

1 SEC. 7. Section one hundred sixty point fifteen (160.15), Code
2 1962, is hereby amended by striking lines one (1) through seven (7)

3 and inserting in lieu thereof the words "All expenses, except salaries,
4 incurred by the state apiarist or his assistants in the performance of
5 their duties within a county shall be paid not to exceed two hundred
6 (200) dollars per annum from the general fund of such county for the
7 purpose of eradication of diseases among bees. Such work of eradica-
8 tion".

1 SEC. 8. Chapter one hundred sixty (160), Code 1962, is hereby
2 amended by adding the following new section:

3 "Each colony of bees moved into Iowa from another state by non-
4 residents of Iowa shall be assessed a fifty (50) cents entry fee. The
5 fee, together with the certificate of inspection from the state of origin,
6 shall be collected by the state apiarist who shall forward such fees to
7 the auditor of the county where the bees are to be located. Only non-
8 residents of Iowa shall be subject to such entry fee."

Approved March 19, 1965.

CHAPTER 171

CERTIFICATION OF ANIMALS

H. F. 319

AN ACT relating to certification of animals.

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

1 SECTION 1. Section one hundred sixty-two point twenty-one
2 (162.21), Code 1962, is hereby amended by striking from line two (2)
3 the words "one dollar" and inserting in lieu thereof the words "three
4 (3) dollars".

Approved April 16, 1965.

CHAPTER 172

IMPORTATION OF SWINE

S. F. 340

AN ACT relating to the importation of swine into Iowa.

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

1 SECTION 1. Section one hundred sixty-three point thirty (163.30),
2 Code 1962, is amended by striking from subsection three (3) line ten
3 (10) the word "immunized" and inserting in lieu thereof the words
4 "officially vaccinated".

5 Further amend said subsection three (3) by striking from line four-
6 teen (14) the word "immunization" and inserting in lieu thereof the
7 words "official vaccination".

8 Further amend said subsection three (3) by striking from line six-

9 teen (16) the word "immunized" and inserting in lieu thereof the
10 words "officially vaccinated".

11 Said section one hundred sixty-three point thirty (163.30), Code
12 1962, is further amended by striking the remainder of subsection
13 three (3) beginning with the words "Such health" in line twenty-six
14 (26) and inserting in lieu thereof the following:

15 "Such health certificate shall show that the swine have been in-
16 spected within forty-eight hours prior to the time of importation, and
17 that they are apparently free of symptoms of infections, contagious or
18 communicable diseases and shall include a record of official vaccination,
19 when applicable. Swine shall not be imported when treated with anti-
20 hog-cholera serum or antibody concentrate alone."

21 Said section one hundred sixty-three point thirty (163.30), Code
22 1962, is further amended by striking all of subsections four (4), five
23 (5), six (6) and seven (7) and inserting in lieu thereof the following:

24 "4. All feeding and breeding swine having been officially vac-
25 cinated not less than twenty-one days nor more than one year with
26 modified live virus vaccine, or not less than twenty-one days nor more
27 than six months with killed virus vaccine prior to importation, moved
28 to a livestock market for the purpose of resale, may be exchanged
29 freely provided that such swine are inspected for contagious and in-
30 fectious diseases by a qualified veterinarian prior to release from such
31 market.

32 Results of such inspection and proof of official vaccination shall be
33 reported on a certificate supplied by the department and such certifi-
34 cate forwarded immediately to the division of animal industry of the
35 department of agriculture.

36 "5. Swine may be imported into Iowa that have been officially vac-
37 cinated less than twenty-four hours by a licensed veterinarian with
38 anti-hog-cholera serum or antibody concentrate and modified live virus
39 vaccine, but must be quarantined twenty-one days at the point of
40 destination, but in no case shall such swine be in transit from point of
41 origin to point of destination more than forty-eight hours after vac-
42 cination.

43 "6. Swine may be imported into this state subject to official vac-
44 cination upon arrival and held under quarantine twenty-one days from
45 date of vaccination.

46 "7. Unvaccinated swine imported to a state-federal approved mar-
47 ket may be held up to seventy-two hours after importation, during
48 which time such swine must be officially vaccinated and delivered
49 immediately to the purchaser's premises. All swine held longer than
50 the seventy-two hours period will be subject to twenty-one days quar-
51 antine on the market premises.

52 Proof of official vaccination and quarantine shall be forwarded im-
53 mediately to the division of animal industry of the department of
54 agriculture."

55 Said section one hundred sixty-three point thirty (163.30), Code
56 1962, is further amended by striking subsections eight (8) and nine
57 (9) and inserting in lieu thereof a paragraph as follows:

58 "The provisions of this section shall not apply to the intra-state
59 movement of native Iowa swine."

Approved June 30, 1965.

CHAPTER 173

BRUCELLOSIS IN SWINE

S. F. 234

AN ACT relating to brucellosis in swine.

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

1 SECTION 1. Section one hundred sixty-three A point one (163A.1),
2 Code 1962, is hereby amended by striking from line one (1) of sub-
3 section ten (10) of such section the word "Certified" and inserting in
4 lieu thereof the word "Validated" and striking the word "certification"
5 in line 7 and inserting in lieu thereof the word "validation".

1 SEC. 2. Section one hundred sixty-three A point three (163A.3),
2 Code 1962, as amended by section two (2) of chapter one hundred
3 thirty (130), Acts of the Sixtieth General Assembly, is hereby
4 amended as follows:

5 1. By striking from line fourteen (14) the word "certified" and
6 inserting in lieu thereof the word "validated".

7 2. By striking from line sixteen (16) the word "certified" and in-
8 serting in lieu thereof the word "validated".

1 SEC. 3. Section one hundred sixty-three A point five (163A.5),
2 Code 1962, is hereby amended by striking from line eleven (11) the
3 word "certified" and inserting in lieu thereof the word "validated".

1 SEC. 4. Section one hundred sixty-three A point six (163A.6),
2 Code 1962, is hereby amended by striking from line nine (9) the word
3 "certified" and inserting in lieu thereof the word "validated".

1 SEC. 5. Section one hundred sixty-three A point seven (163A.7),
2 Code 1962, as amended by section four (4) of chapter one hundred
3 thirty (130), Acts of the Sixtieth General Assembly, is hereby re-
4 pealed and the following enacted in lieu thereof:

5 "All breeding swine showing a positive reaction to the brucellosis
6 test shall be tagged in the left ear with a reactor identification tag and
7 moved to slaughter on such form as shall be designated by the depart-
8 ment within a thirty (30) day period from the date of test. The herd
9 of origin shall be placed under immediate quarantine to be retested no
10 sooner than thirty (30) days or later than sixty (60) days from the
11 date of the test showing the positive reaction. Such quarantine shall
12 remain in effect until a complete negative herd test is conducted."

Approved April 12, 1965.

CHAPTER 174

BOVINE BRUCELLOSIS

H. F. 417

AN ACT relating to the eradication of bovine brucellosis.

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

1 SECTION 1. Chapter one hundred thirty-one (131), Acts of the
 2 Sixtieth General Assembly, section three (3) is hereby amended by
 3 striking in lines six (6) and seven (7) the following: "In a hardship
 4 case the department may issue a permit for the movement of such
 5 animals providing it is warranted." and inserting in lieu thereof the
 6 following: "In a hardship case the department may issue a permit for
 7 the movement of female cattle not having met brucellosis vaccination
 8 requirements, subject to brucellosis test conducted at the owner's
 9 expense. At no time will indemnity be paid for animals condemned to
 10 slaughter when tested under hardship permit."

Approved July 1, 1965.

CHAPTER 175

CATTLE TESTING

S. F. 114

AN ACT relating to cattle testing and to amend section one hundred sixty-five point seventeen (165.17), Code 1962.

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

1 SECTION 1. Section one hundred sixty-five point seventeen
 2 (165.17), Code 1962, is hereby repealed and the following substituted
 3 in lieu thereof:
 4 "An inspector shall receive compensation for such testing as deter-
 5 mined by the department."

Approved February 19, 1965.

CHAPTER 176

ANTI-HOG-CHOLERA VIRUS AND SERUM

H. F. 316

AN ACT relating to anti-hog-cholera virus and serum dealer permits.

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

1 SECTION 1. Section one hundred sixty-six point three (166.3),
 2 Code 1962, is hereby amended by adding thereto the following:
 3 "No pharmacy licensed under chapter one hundred fifty-five (155)
 4 of the Code shall be required to obtain a dealer's permit to deal in
 5 biological products."

1 SEC. 2. Section one hundred sixty-six point ten (166.10), Code
 2 1962, is hereby amended by striking from line one (1) of subsection
 3 two (2) of such section the words "one dollar" and inserting in lieu
 4 thereof the words "five (5) dollars".

Approved April 12, 1965.

CHAPTER 177

HOG-CHOLERA VIRUS PERMITS

H. F. 586

AN ACT relating to permits for administering hog-cholera virus.

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

1 SECTION 1. Section one hundred sixty-six point sixteen (166.16),
 2 Code 1962, is hereby amended by striking from lines eleven (11),
 3 twelve (12), and thirteen (13) of subsection five (5) of such section
 4 the words "including those persons who are holders of valid unrevoked
 5 written permits to administer the same".

1 SEC. 2. Sections one hundred sixty-six point seventeen (166.17)
 2 through one hundred sixty-six point twenty-eight (166.28), and sec-
 3 tions one hundred sixty-six point thirty (166.30), one hundred sixty-
 4 six point thirty-one (166.31), one hundred sixty-six point thirty-three
 5 (166.33), and one hundred sixty-six point forty (166.40), Code 1962,
 6 are hereby repealed.

1 SEC. 3. Section one hundred sixty-six point thirty-two (166.32),
 2 Code 1962, is hereby repealed and the following enacted in lieu there-
 3 of:

4 "The department shall upon written request, without charge, send a
 5 complete list of every manufacturer and dealer licensed to manufac-
 6 ture or distribute biological products to every county agent. Any
 7 necessary changes and corrections to the list shall be sent to such agent
 8 at least once every three (3) months."

Approved May 3, 1965.

CHAPTER 178

HOG-CHOLERA VIRUS AND SERUM

H. F. 275

AN ACT relating to hog-cholera virus and serum.

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

1 SECTION 1. Chapter one hundred sixty-six (166), Code 1962, is
 2 hereby amended by adding thereto the following new section:

- 3 "It shall be unlawful for any person or persons:
 4 1. To sell modified live virus hog-cholera vaccine direct to a user
 5 other than a licensed veterinarian, without selling a minimum dosage
 6 of ten (10) cubic centimeters of anti-hog-cholera serum or five (5)
 7 cubic centimeters of antibody concentrate for every two (2) cubic
 8 centimeters of modified live virus hog-cholera vaccine.
 9 2. Other than a licensed veterinarian to administer modified live
 10 hog-cholera vaccine without the simultaneous use of a minimum dos-
 11 age of ten (10) cubic centimeters of anti-hog-cholera serum or five (5)
 12 cubic centimeters of antibody concentrate."

Approved June 2, 1965.

CHAPTER 179

ERADICATION OF HOG CHOLERA

H. F. 599

AN ACT relating to the eradication of hog cholera.

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

- 1 **SECTION 1. Definitions.** As used in this Act:
 2 1. "Hog cholera" means the contagious, infectious, and communi-
 3 cable disease of swine commonly known as hog cholera.
 4 2. "Destroy" means condemn under state authority and slaughter or
 5 otherwise kill as a result of or pursuant to such condemnation.
 6 3. "Department of agriculture" means the department of agricul-
 7 ture of the State of Iowa.
- 1 **SEC. 2. General Authority.** The department of agriculture may
 2 destroy or require the destruction of any swine which the state veteri-
 3 narian knows to be, or suspects is, affected with or exposed to hog
 4 cholera, whenever the department of agriculture finds such destruction
 5 to be necessary to prevent or reduce the danger of the spread of hog
 6 cholera. Before being condemned and ordered to be destroyed, a posi-
 7 tive diagnosis of hog cholera affecting the herd must be confirmed by
 8 a state or federal laboratory or personnel approved by the department
 9 of agriculture and the United States Department of Agriculture.
- 1 **SEC. 3. Appraisal and Identification.** The department of agricul-
 2 ture shall appraise any swine destroyed or ordered destroyed pursuant
 3 to this Act not to exceed current market value and shall indemnify the
 4 owner of such swine in an amount not to exceed fifty (50) dollars for
 5 registered stock and forty (40) dollars for grade stock, provided that
 6 fifty (50) percent of such price is paid by the United States Depart-
 7 ment of Agriculture.
- 1 **SEC. 4. Institution of Indemnification.** It is hereby recognized
 2 and declared that indemnification for destruction of swine infected
 3 with or exposed to hog cholera is an expression of the public policy of
 4 this state but employed only in the final stages of eradication of the
 5 disease, or as a means of preventing or minimizing its recurrence.

6 The department of agriculture shall not therefore institute an initial
7 program of indemnification pursuant to the Act until it is mutually
8 agreed between the state department of agriculture and the United
9 States Department of Agriculture that such action is necessary in
10 order to carry out the hog cholera eradication program.

1 **SEC. 5. Cooperation with United States.** The department of agri-
2 culture may cooperate with the United States, or any department,
3 agency or officer thereof, in the control and eradication of hog cholera,
4 including the sharing in payment of indemnities for swine destroyed.

1 **SEC. 6. Rules and Regulations.** The department of agriculture
2 may make, promulgate, amend, repeal, and enforce necessary rules
3 and regulations for implementing this Act.

1 **SEC. 7. Review.** Any act or omission of the department of agri-
2 culture pursuant to or within the purview of this Act shall be review-
3 able on petition filed within twenty (20) days in the district court of
4 the county, wherein the hogs are situated.

Approved April 23, 1965.

CHAPTER 180

VETERINARY MEDICAL EXAMINERS

S. F. 115

AN ACT relating to veterinary medicine and to amend section one hundred sixty-nine point ten (169.10), and section one hundred sixty-nine point twenty-two (169.22), Code 1962, and chapter one hundred thirty-three (133) of the Laws of the Sixtieth General Assembly.

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

1 **SECTION 1.** Section one hundred sixty-nine point ten (169.10),
2 Code 1962, is amended by adding to subsection three (3) thereof, the
3 following:

4 "The state department of agriculture, with the approval of the
5 veterinary medical examiners, may accept in lieu of the requirements
6 in subsection three (3) of this section, certificate of satisfactory
7 examination issued by the national board of veterinary medical ex-
8 aminers of the United States of America, but every applicant for a
9 license upon the basis of such certificate shall be required to pay the
10 prescribed fee for a license issued in another state. The state depart-
11 ment of agriculture, with the approval of the veterinary medical
12 examiners, may also require applicants to take and pass the exami-
13 nation issued by the national board of veterinary medical examiners
14 of the United States of America, and such applicants shall pay the fee
15 required for such national board examination in addition to the fees
16 required by this chapter."

1 **SEC. 2.** Section one hundred sixty-nine point twenty-two (169.22),
2 Code 1962, is amended by striking the first two (2) lines thereof and
3 substituting therefor the following:

4 "The department may designate members of the examining board
5 and the secretary thereof to attend".

1 SEC. 3. Section three (3) of chapter one hundred thirty-three
2 (133), laws of the Sixtieth General Assembly is hereby amended by
3 striking from line five (5) thereof the words and figures "ten dollars
4 (\$10.00)" and substituting in lieu thereof the words and figures
5 "twenty-five dollars (\$25.00)".

1 SEC. 4. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its passage and publication in
3 The Sioux Center News, a newspaper published in Sioux Center, Iowa,
4 and The Clayton County Register, a newspaper published in Elkader,
5 Iowa.

Approved February 24, 1965.

I hereby certify that the foregoing Act, Senate File 115, was published in The Sioux Center News, Sioux Center, Iowa, April 15, 1965, and in The Clayton County Register, Elkader, Iowa, March 4, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 181

HOTELS, RESTAURANTS AND FOOD ESTABLISHMENTS

H. F. 445

AN ACT relating to hotels, restaurants, and food establishments.

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

1 SECTION 1. Section one hundred seventy point one (170.1), Code
2 1962, is hereby amended as follows:

3 1. By inserting in line three (3) of subsection one (1) of such sec-
4 tion after the word "hotel," the words "motel, motor inn,".

5 2. By striking all of subsection four (4) of such section and insert-
6 ing in lieu thereof the following:

7 " 'Restaurant' shall mean any building or structure equipped, used,
8 advertised as, or held out to the public to be a restaurant, cafe, cafe-
9 teria, dining hall, lunch counter, tavern, cocktail lounge, lunch wagon,
10 or other like place where food is prepared or served for pay or profit
11 for on the premise consumption, except such places as are used by
12 churches, fraternal societies, and civic organizations which engage in
13 the serving of food less frequently than once a week."

14 3. By striking all of subsection six (6) of such section and inserting
15 in lieu thereof the following:

16 " 'Food establishment' shall include any building, room, basement,
17 or other place, used as a bakery, confectionery, cannery, packing
18 house, slaughterhouse, dairy, creamery, cheese factory, retail grocery,
19 meat market, or other place in which food is kept, produced, prepared,
20 or distributed for commercial purposes for off the premise consump-
21 tion."

1 SEC. 2. Section one hundred seventy point two (170.2), Code 1962,
2 is hereby repealed and the following enacted in lieu thereof:

3 "No person shall maintain a food establishment, tavern, motor inn,
4 hotel, or restaurant until he has obtained a license from the depart-
5 ment of agriculture. However, cigar stores, drug stores, egg, cream,
6 or poultry buying stations, or any other establishment selling or offer-
7 ing for sale only candy or gum, schools selling or offering for sale
8 refreshments at athletic contests, band festivals, or similar events,
9 and children selling or offering for sale lemonade or other soft drinks
10 and candy or gum on lawns, curbing, sidewalks, or any other prop-
11 erty shall not be required to obtain a license. Each license shall expire
12 September 1 following the date of issue except a hotel license which
13 shall expire on the last day of December following the date of issue
14 and a restaurant license which shall expire one (1) year from date of
15 issue. This section shall not be construed to require the licensing of
16 establishments or persons involved in a hot-lunch program in any
17 public or parochial school of the state of Iowa or to vehicles selling
18 only milk and dairy products licensed as required by section one hun-
19 dred ninety-two point three (192.3) of the Code."

1 SEC. 3. Section one hundred seventy point four (170.4), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "No person shall open or operate a hotel, motor inn, tavern, res-
4 taurant, or food establishment until inspection has been made by the
5 department of agriculture or proper application for license has been
6 made at least fourteen (14) days in advance of opening."

1 SEC. 4. Section one hundred seventy point five (170.5), Code 1962,
2 is hereby amended as follows:

3 1. By striking from line two (2) of subsection one (1) of such sec-
4 tion the word "four" and inserting in lieu thereof the word "six".

5 2. By striking from line two (2) of subsection two (2) of such sec-
6 tion the word "six" and inserting in lieu thereof the word "nine".

7 3. By striking from line two (2) of subsection three (3) of such
8 section the word "eight" and inserting in lieu thereof the word
9 "twelve".

10 4. By striking from line three (3) of subsection four (4) of such
11 section the word "ten" and inserting in lieu thereof the word "fifteen".

12 5. By striking from line two (2) of subsection five (5) of such sec-
13 tion the words "fifteen dollars" and inserting in lieu thereof the words
14 "twenty-two dollars fifty cents".

15 6. By striking from subsection six (6) of such section the word
16 "three" and inserting in lieu thereof the word "five".

17 7. By striking subsection seven (7) of such section and inserting in
18 lieu thereof the following:

19 "For transient or movable lunch stands to be operated only at fairs,
20 street fairs, and carnivals, five (5) dollars for each location for four-
21 teen (14) days or ten (10) dollars per year, at the option of the appli-
22 cant."

23 8. By adding thereto the following subsection:

24 "For each restaurant, tavern, motor inn, or hotel kitchen, ten (10)
25 dollars."

26 9. By adding thereto the following:

27 "All licenses issued under this chapter that are not renewed by the
28 licensee on or before the expiration date shall be subject to a penalty
29 of ten (10) percent of license fee per month."

1 SEC. 5. Section one hundred seventy point six (170.6), Code 1962,
2 is hereby repealed.

1 SEC. 6. Section one hundred seventy point seven (170.7), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "All restaurant, hotel, motor inn, and tavern license fees shall upon
4 receipt thereof by the department be paid to and receipted for by the
5 treasurer of state and shall be kept by him in a separate fund to be
6 known as the 'hotel and restaurant fund'. Such hotel and restaurant
7 fund shall be continued from year to year and the treasurer shall keep
8 a separate account thereof showing receipts and disbursements as
9 authorized by law. No part of such fund shall be used for any other
10 purpose than the administration and enforcement of the laws relating
11 to hotels and restaurants and for conducting educational programs
12 and sanitary training courses and for providing literature and suit-
13 able promotional work for the industries licensed under this chapter.
14 If on July 1 of any year there is a balance remaining in said hotel and
15 restaurant fund which, in the opinion of the secretary of agriculture,
16 is greater than is necessary for the proper administration of such laws
17 and for conducting and providing the services authorized under this
18 section, the treasurer of state is hereby authorized, on the recommen-
19 dation and with the approval of the secretary of agriculture, to trans-
20 fer to the general fund of the state such portion of said hotel and
21 restaurant fund as the secretary of agriculture shall deem advisable
22 to so transfer."

1 SEC. 7. Section one hundred seventy point fourteen (170.14), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "The doors, windows, and other openings of every hotel, motor inn,
4 restaurant, tavern, and food establishment, during summer season
5 shall be fitted with self-closing doors and window screens, if not other-
6 wise protected."

1 SEC. 8. Section one hundred seventy point sixteen (170.16), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "Hotels, motor inns, taverns, cocktail lounges, restaurants, cafe-
4 terias, and food establishments shall provide toilet rooms. All toilet
5 rooms shall be completely enclosed, have tight fitting, self-closing
6 doors, and shall be vented to the outside of the building. Toilet fix-
7 tures shall be of a sanitary design, readily cleanable, and shall be kept
8 in a clean condition and in good repair. The floors of such rooms shall
9 be of suitable, non-absorbent, impermeable material and the walls and
10 ceilings shall be of material that can be easily cleaned and kept in a
11 sanitary condition. All places serving beer, cocktails, or alcoholic
12 beverages shall provide separate toilet rooms for men and women."

1 SEC. 9. Section one hundred seventy point seventeen (170.17),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:

4 "The lavatories in hotels, motor inns, restaurants, taverns, and food
5 establishments shall be in or adjacent to toilet rooms and shall be sup-
6 plied with soap, running water, and clean towels or air driers and
7 shall be maintained in a sanitary condition."

1 SEC. 10. Section one hundred seventy point eighteen (170.18),
2 Code 1962, is hereby amended by inserting in line one (1) after the
3 word "Every" the words "hotel, motor inn, restaurant, tavern, and".

1 SEC. 11. Section one hundred seventy point nineteen (170.19),
2 Code 1962, is hereby amended as follows:

3 1. By inserting in line three (3) of subsection four (4) of such sec-
4 tion after the word "clean" the words ", keep their fingernails well
5 trimmed,".

6 2. By adding thereto the following subsections:

7 a. "Smoking by proprietors, cooks, and help shall be strictly for-
8 bidden while preparing or serving food. Proprietors shall be held
9 responsible when employees violate this rule."

10 b. "Female employees shall wear hairnets and male employees shall
11 wear caps at all times while preparing food."

12 c. "No dogs or pets shall be allowed in any food establishment, res-
13 taurant, cafeteria, cocktail lounge, or tavern, except as provided in
14 section three hundred fifty-one point thirty (351.30) of the Code."

1 SEC. 12. Section one hundred seventy point twenty-three (170.23),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:

4 "All plates, cups, saucers, dishes, and silverware shall be washed
5 and sanitized by methods approved by the department of agriculture
6 and no soiled or unsanitary table cloths, napkins, or other table linen
7 shall be used in any hotel, motor inn, restaurant, or tavern."

1 SEC. 13. Section one hundred seventy point twenty-four (170.24),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:

4 "No person shall expectorate within any food establishment, res-
5 taurant, hotel, motor inn, cocktail lounge, or tavern."

1 SEC. 14. Section one hundred seventy point twenty-six (170.26),
2 Code 1962, is hereby amended by inserting in line three (3) after the
3 word "any" the words "hotel, motor inn, restaurant, tavern, cocktail
4 lounge, or".

Approved April 16, 1965.

CHAPTER 182
STATE FAIR BOARD

H. F. 498

AN ACT relating to the state fair board.

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

1 SECTION 1. Section one hundred seventy-three point one (173.1),
2 Code 1962, is hereby amended as follows:

3 1. By striking lines one (1) and two (2) of subsection two (2) of
4 such section and inserting in lieu thereof the following:

5 "One (1) director from each congressional district and three (3)
6 directors at large, to be".

7 2. By striking subsection three (3) of such section and inserting in
8 lieu thereof the following:

9 "A president and vice-president to be elected by the state fair board
10 from the ten (10) elected directors."

11 3. By adding thereto the following subsection:

12 "A secretary and a treasurer to be elected by the state fair board."

1 SEC. 2. Section one hundred seventy-three point five (173.5), Code
2 1962, is hereby amended by striking subsection one (1) of such section
3 and inserting in lieu thereof the following:

4 "A successor to each of the three (3) directors at large whose term
5 expires at noon on the day following the adjournment of the conven-
6 tion. No two (2) directors at large shall be elected from the same
7 congressional district."

1 SEC. 3. Section one hundred seventy-three point six (173.6), Code
2 1962, is hereby amended by striking all of such section after the word
3 "years." in line three (3) and inserting in lieu thereof the following:

4 "No person shall hold the office of president for more than three (3)
5 consecutive years. The term of a director shall begin at noon on the
6 day following the adjournment of the convention at which the director
7 was elected and shall continue until a successor is elected and qualified
8 as provided in this chapter."

1 SEC. 4. Section one hundred seventy-three point eight (173.8),
2 Code 1962, is hereby amended by striking from line three (3) the word
3 "ten" and inserting in lieu thereof the word "twenty (20)".

1 SEC. 5. Section one hundred seventy-three point sixteen (173.16),
2 Code 1962, is hereby amended by striking everything after the word
3 "purpose" in line nine (9) and inserting in lieu thereof a period, and
4 by adding the following: "An individual member of the state fair
5 board shall not be personally liable because of any act performed or
6 debt created by action of the board in carrying out the purposes and
7 provisions of this chapter."

1 SEC. 6. All members of the state fair board serving as of the effec-
2 tive date of this Act shall continue to serve in such capacity until such
3 time as successors and new members can be elected and qualified as
4 prescribed in sections one (1) and two (2) of this Act.

Approved June 7, 1965.

CHAPTER 183

IOWA SOYBEAN ASSOCIATION

S. F. 478

AN ACT to provide for an additional agricultural producer association and including such association in the agriculture marketing board.

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

Title nine (IX), Code 1962, is hereby amended by adding thereto the following new chapter consisting of sections one (1) and two (2) of this Act.

1 SECTION 1. The corporation known as the Iowa soybean associa-
2 tion incorporated under the laws of this state shall be entitled to the
3 benefits of this chapter by filing each year with the department of
4 agriculture verified proofs of its organization, names of its officers,
5 and five hundred persons who are bona fide members thereof together
6 with such other information as the department may require.

1 SEC. 2. The Iowa soybean association shall:

2 1. Aid in the promotion of the soybean industry of Iowa through
3 education, research, marketing, transportation study, and public re-
4 lations programs, and to foster research designed to develop new,
5 additional and improved uses for soybean products and determine bet-
6 ter methods of converting them to various industrial and human uses.

7 2. Make an annual report of the proceedings to the secretary of
8 agriculture.

1 SEC. 3. Section one hundred fifty-nine point twenty-five (159.25),
2 Code 1962, is amended by inserting after the word "association" in
3 line fifteen (15) the words ", Iowa soybean association".

4 Further amend said section by inserting in line thirty-two (32)
5 after the word "association" the words ", Iowa soybean association".

6 However, in the year 1965 three names shall be submitted by the
7 Iowa soybean association for a member to be appointed to the agri-
8 culture marketing board for a term of three years ending July 1, 1968.

Approved July 1, 1965.

CHAPTER 184

BRANDING LIVESTOCK

H. F. 59

AN ACT relating to marking and branding livestock.

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

Chapter one hundred eighty-seven (187), Code 1962, is hereby re-
pealed and the following enacted in lieu thereof:

1 SECTION 1. When used in this Act:

2 1. "Secretary" means the secretary of agriculture.

3 2. "Person" means an individual, firm, association, partnership, or

4 corporation; the singular shall also mean the plural where applicable.

5 3. "Brand" means an identification mark that is burned into the
6 hide of a live animal by a hot iron or another method approved by the
7 secretary.

1 SEC. 2. Any person having cattle, sheep, horses, mules, or asses
2 shall have the right to adopt a brand for the use of which he shall have
3 the exclusive right in this state, after recording such brand as pro-
4 vided in sections four (4) and six (6) or nine (9) of this Act.

1 SEC. 3. No evidence of ownership by brand shall be permitted in
2 any court in this state unless the brand shall be recorded as provided
3 in sections four (4) and six (6) or nine (9) of this Act.

1 SEC. 4. Any person desiring to adopt a brand shall forward to the
2 secretary proper brand application forms of such desired brand, to-
3 gether with a recording fee of fifteen (15) dollars. Upon receipt of
4 such application and fee, the secretary shall file the same and unless
5 such brand is of record as that of some other person or conflicts with
6 or closely resembles the brand of another person, the secretary shall
7 record the same. If the secretary determines that such brand is of
8 record or conflicts with or closely resembles the brand of another
9 person he shall not record it but shall return such facsimile and fee to
10 the forwarding person. The power of examination, approval, accept-
11 ance, or rejection shall be vested in the secretary. It shall be the duty
12 of the secretary to file all brands offered for record pending the exami-
13 nation provided for in this section. The secretary shall make such
14 examination as promptly as possible. If the brand is accepted, the
15 ownership thereof shall vest in the person recording it from the date
16 of filing.

1 SEC. 5. The recording provided for in sections four (4) and six
2 (6) or nine (9) of this Act shall secure the brand to the person and
3 shall be considered personal property of said owner.

1 SEC. 6. As soon as the brand is recorded by the secretary, he shall
2 furnish the owner thereof with two (2) certified copies of the record
3 of such brand. Additional certified copies may be obtained by the pay-
4 ment of five (5) dollars for each copy. Upon receipt by the owner of
5 the certified copies of the record of such brand from the secretary, the
6 owner shall within ten (10) days file one (1) of the certified copies in
7 the office of the county recorder of the county where the owner's prin-
8 cipal place of business is located and one (1) copy in each county
9 where such branded animals are to be kept.

1 SEC. 7. It shall be unlawful to use any brand for branding any
2 horses, cattle, sheep, mules, or asses unless the brand has been re-
3 corded as provided by this Act. Anyone convicted of violating this
4 section shall be fined a sum not to exceed one hundred (100) dollars
5 or imprisoned in the county jail not to exceed thirty (30) days.

1 SEC. 8. Any brand recorded as provided in section four (4) of this
2 Act shall be the property of the person causing such record to be made
3 and shall be subject to sale, assignment, transfer, devise, and descent
4 as personal property. Instruments of writing, evidencing the sale,
5 assignment, or transfer of such brand shall be recorded by the secre-

6 tary and the fee for recording such sale, assignment, or transfer shall
7 be five (5) dollars.

1 SEC. 9. As soon as instruments of writing evidencing the sale, as-
2 signment, or transfer of a brand have been recorded by the secretary,
3 he shall furnish such new owner certified copies of such sale, assign-
4 ment, or transfer. Upon receipt of the certified copies from the sec-
5 retary, such person shall within ten (10) days file one (1) of such
6 certified copies in the office of the county recorder of the county or
7 counties where the certified copy or copies of the prior record of such
8 brand was filed under section six (6) or this section of this Act, one
9 (1) certified copy in the office of the county recorder of the county in
10 which such new owner's principal place of business is located, and one
11 (1) copy in each county where such branded animals are to be kept.

1 SEC. 10. In all suits at law or equity or in any criminal proceed-
2 ings in which the title to animals is an issue, the certified copies re-
3 corded as provided for in sections six (6) or nine (9) shall be prima-
4 facie evidence of the ownership of such animal by the person in whose
5 name the brand is recorded.

1 SEC. 11. It shall be the duty of the secretary from time to time to
2 cause to be published in book form a list of all brands on record at the
3 time of such publication. Such lists may be supplemented from time
4 to time. The publication shall contain a facsimile of all brands re-
5 corded and the owner's name and post-office address. The records shall
6 be arranged in convenient form for reference. It shall be the duty of
7 the secretary to send one (1) copy of the brand book and supplements
8 to the county recorder of each county. Such books and supplements
9 shall be without cost to the county and shall be kept as a matter of
10 public record. The books and supplements may be sold to the general
11 public at the cost of printing and mailing each book.

1 SEC. 12. All fees and money, collected under the provisions of sec-
2 tions four (4), six (6), eight (8), and thirteen (13) of this Act by
3 the secretary shall be placed in the general fund.

1 SEC. 13. Each owner of a brand of record beginning on January
2 1, 1970 shall pay to the secretary a fee of five (5) dollars and a fee of
3 five (5) dollars on January 1 of each fifth (5th) year thereafter. The
4 secretary shall give a receipt for all such payments made and if any
5 owner of a brand of record shall fail, refuse, or neglect to pay such
6 fee by July 1 of each year in which it is due, such brand shall become
7 forfeited and no longer carried in the record. Any such forfeited
8 brand shall not be issued to any other person within a period of less
9 than ten (10) years following date of forfeiture.

1 SEC. 14. Any person who shall brand, attempt to brand, or cause
2 to be branded the animals of another, or who shall efface, deface, or
3 obliterate or attempt to efface, deface, or obliterate any brand upon
4 any animal or animals of another, or who shall brand, attempt to
5 brand, or cause to be branded the recorded brand of another on any
6 animal shall be imprisoned in the penitentiary not to exceed two (2)
7 years or fined not to exceed one thousand (1,000) dollars, or both.

1 SEC. 15. Any person having duly recorded a brand or mark used
 2 on live animals in the office of any county recorder of any county in
 3 Iowa before the effective date of this Act shall be presumed to be the
 4 owner of such brand or mark and shall be protected in the use of such
 5 brand or mark for a period of ninety (90) days from the effective date
 6 of this Act. In the event any two (2) or more persons present for
 7 recording the same or similar brand, the one (1)* whose brand was
 8 recorded first (1st) with any county recorder shall be the one (1)*
 9 entitled to record, use, and own such brand pursuant to this Act. If
 10 such presumed owner fails to file application, facsimile, and recording
 11 fee as provided for in section four (4) of this Act within the ninety
 12 (90) day period, title to such brand or mark which may have been
 13 acquired by such recording shall terminate as of midnight of the last
 14 day of the ninety (90) day period. If such presumed owner files an
 15 application, facsimile, and recording fee as provided for in section
 16 four (4) of this Act it shall be the duty of the secretary to give pri-
 17 ority to examination of such application.

1 SEC. 16. The secretary may appoint a state branding committee to
 2 help initiate this program.

Approved May 10, 1965.

*According to enrolled Act.

CHAPTER 185

LABELING FOOD

S. F. 520

AN ACT relating to the labeling of foods and food products.

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

1 SECTION 1. Section one hundred eighty-nine point eleven (189.11),
 2 Code 1962, is hereby amended by inserting in line twelve (12) after
 3 the word "chapter" the words "or of chapter one hundred ninety (190)
 4 of the Code".

1 SEC. 2. Section one hundred ninety point one (190.1), Code 1962,
 2 is hereby amended by striking lines eighty-four (84) and eighty-five
 3 (85) of paragraph *a* of subsection thirty-five (35) of such section.

Approved May 19, 1965.

CHAPTER 186

MEAT AND POULTRY INSPECTION

H. F. 658

AN ACT relating to meat and poultry inspection and making an appropriation therefor.

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

1 SECTION 1. This Act shall be known as the "Meat and Poultry
2 Inspection Act".

1 SEC. 2. For the purposes of this Act, unless the context otherwise
2 requires:

3 1. "Federal inspection" means the meat and poultry inspection
4 service conducted by the meat inspection branch or the poultry in-
5 spection branch of the United States department of agriculture.

6 2. "State inspection" means the meat and poultry inspection serv-
7 ice conducted by the department of agriculture of the state of Iowa.

8 3. "Person" means any individual, partnership, corporation, asso-
9 ciation, or any other business unit.

10 4. "Establishment" means all premises where animals or poultry
11 are slaughtered or otherwise prepared for food purposes, meat or
12 poultry canneries, sausage factories, smoking or curing operations,
13 and similar places.

14 5. "Animals" means cattle, calves, sheep, swine, rabbits, and goats.

15 6. "Poultry" means domesticated fowl and includes chickens, tur-
16 keys, ducks, geese, and any other domesticated birds used for human
17 food.

18 7. "Carcass" means all parts including viscera of slaughtered ani-
19 mals or poultry that are capable of being used for human food.

20 8. "Meat and poultry products" means the carcasses or parts of
21 carcasses of animals and poultry produced entirely or in substantial
22 part from such animals or poultry, including but not limited to such
23 products cooked, pressed, smoked, dried, pickled, frozen or similarly
24 processed.

25 9. "Wholesome" means sound, healthful, clean, and otherwise fit
26 for human food.

27 10. "Unwholesome" means:

28 a. Unsound, diseased, unclean, injurious to health, or otherwise
29 unfit for human food.

30 b. Consisting in whole or in part of any filthy, putrid, or decom-
31 posed substance.

32 c. Processed, prepared, packaged, or held under unsanitary condi-
33 tions whereby any animal or poultry carcass or parts thereof or any
34 meat or poultry products may have become contaminated, or whereby
35 a meat or poultry product has been rendered injurious to health.

36 d. Produced in whole or in part from animals or poultry which
37 show clinical evidence of disease or from animals or poultry which
38 have died other than by slaughter.

39 e. Produced in whole or in part in such manner that the product
40 contains any poisonous or deleterious substance which may render it
41 injurious to health.

42 f. Containing any poisonous or deleterious substance, unless such

43 substance is permitted in production or unavoidable under processing
44 practices as may be determined by rules and regulations prescribed
45 by the state department of agriculture or other provisions of law
46 limiting or tolerating the quantity of such added substance on or in
47 such product: provided however, that any quantity of such added
48 substance which exceeds the limits so established shall be considered
49 as adulteration and as unwholesome.

50 *g.* Any substance which has been substituted wholly or in part
51 therefor.

52 *h.* Damage or inferior quality which has been concealed in any
53 manner.

54 11. "Department" means the Iowa department of agriculture.

55 12. "Secretary" means the Iowa secretary of agriculture.

56 13. "Iowa inspected and passed" means the meat and poultry prod-
57 uct so stamped and identified has been inspected and passed under the
58 provisions of this Act and the rules and regulations pertaining thereto
59 and at the time of inspection and identification was found to be sound,
60 clean, wholesome, and free from disease.

61 14. "Iowa retained" means the meat and poultry product so identi-
62 fied is held for further clinical examination by a veterinary inspector
63 to determine its disposal.

64 15. "Iowa inspected and condemned" means the meat and poultry
65 product so identified and marked is unhealthful, diseased, unwhole-
66 some, or otherwise unfit for human food and shall be disposed of in
67 the manner prescribed by the department.

68 16. "Iowa suspect" means the animal or poultry so marked and
69 identified is suspected of being affected with a disease or condition
70 which may require its condemnation, in whole or in part when
71 slaughtered, and may be subject to further examination by an in-
72 spector to determine its disposal.

73 17. "Producer" means any person engaged in producing agricul-
74 tural products, but does not mean any person engaged in producing
75 agricultural products who:

76 *a.* Actively engages in buying or trading animals or poultry.

77 *b.* Actively engages directly or indirectly in conducting a business
78 which includes the slaughter of animals or poultry for sale for human
79 food purposes.

80 *c.* Actively engages, directly or indirectly, in canning, curing,
81 pickling, freezing, salting meat or poultry, or in preparing meat or
82 poultry products for sale.

83 18. "Product content" means the kind and amount of various in-
84 gredients included in any manufactured, fabricated, or processed
85 meat or poultry product.

86 19. "Label" means a statement or legend affixed to any meat or
87 poultry product bearing a list of ingredients used in the processing,
88 fabrication, or manufacture of such product and shall include the
89 processor's brand or trademark, place of doing business, inspection
90 legend, manner in which prepared or processed and instructions for
91 use or further preparation required.

92 20. "Inspector" means any person with authority designated by the
93 secretary to perform the functions of an inspector under the provi-
94 sions of this Act.

95 *a.* "Veterinary inspector" means a graduate veterinarian with ap-

96 appropriate training to perform the inspection functions under the
97 provisions of this Act.

98 *b.* "Meat inspector" means any nonveterinarian with the appro-
99 priate training to perform the inspection functions under the pro-
100 visions of this Act.

101 21. "Ingredient" means any item included in the manufacture,
102 processing, or fabrication of any meat or poultry product that is
103 normally consumed with the product or is used to impart flavor, tex-
104 ture, color, or other characteristics to the product.

1 SEC. 3. No person shall operate an establishment without first
2 securing a license from the department except as exempted by this
3 Act. The license fee shall be twenty-five (25) dollars for establish-
4 ments processing for sale or resale more than twenty thousand
5 (20,000) pounds of poultry, live weight, or twenty thousand (20,000)
6 pounds of processed, manufactured or fabricated meat or poultry
7 product, or more than two hundred thousand (200,000) pounds, live
8 weight, of other meat animals and ten (10) dollars for all other
9 establishments annually or for any part of a year. The funds shall
10 be deposited in the department of agriculture. The license year shall
11 be from July 1 to June 30. Applications for licenses shall be in writ-
12 ing on forms prescribed by the department.

1 SEC. 4. The provisions of this Act requiring inspection by the
2 secretary shall not apply:

3 1. To animals or poultry slaughtered by any producer on the farm,
4 nor to animals or poultry slaughtered for the owner thereof for the
5 personal or family use of such owner, or to bona fide gifts of meat by
6 such owner.

7 2. To retail dealers or retail butchers with respect to meat and
8 poultry products sold directly to consumers in retail stores; provided
9 that the only processing operation performed by such retail dealers
10 or retail butchers is the cutting up of meat or poultry products which
11 have been inspected under the provisions of this Act. Products,
12 product content, and labeling of all meat processed by chopping, can-
13 ning, curing, and similar methods of manufacture by these retail
14 dealers or retail butchers shall be subject to the provision of this Act
15 with the exception of the licensing under section three (3) of this
16 Act.

17 3. To establishments processing for sale or resale less than twenty
18 thousand (20,000) pounds of poultry, live weight, or twenty thousand
19 (20,000) pounds of processed, manufactured, or fabricated meat or
20 poultry products or two hundred thousand (200,000) pounds of other
21 meat animals, live weight, annually. Sections seven (7), eight (8)
22 and nine (9) of this Act shall not apply to these establishments,
23 provided that:

24 *a.* Such establishments register with the secretary.

25 *b.* Such establishments be subject to all of the provisions of this
26 Act and such regulations as prescribed by the secretary except as
27 herein exempted.

28 *c.* Such establishments be subject to periodic inspection as pre-
29 scribed by the secretary.

30 *d.* Such establishments mark and identify products produced there-
31 in in a manner prescribed by the secretary.

32 4. To establishments which operate subject to the Federal Meat
33 Inspection Act of March 4, 1907 and amendments thereto or under
34 the Federal Poultry Inspection Act of August 28, 1957.

35 5. Where the provisions are in conflict with the slaughtering or
36 dietary rules of any established religious group.

1 SEC. 5. The secretary shall administer this Act and shall employ
2 veterinarians to administer this Act and veterinarians licensed in the
3 state of Iowa as veterinary inspectors. The secretary is also author-
4 ized to employ as meat inspectors other persons who have qualified
5 and are skilled in the inspection of meat and poultry products and
6 any other additional employees he deems necessary to carry out the
7 provisions of this Act. The meat inspectors shall be under the super-
8 vision of a veterinary inspector. The secretary may also enter into
9 contracts with qualified individuals to perform inspection services as
10 he may designate for a fee per head or per unit volume to be deter-
11 mined by the secretary provided such persons are not employed in the
12 establishment in which the inspection takes place. The secretary may
13 utilize any employee, agent, or equipment of the department in the
14 enforcement of this Act, and may assign to inspectors other duties
15 related to the acceptance of meat and poultry products.

1 SEC. 6. The operator of any establishment shall require all em-
2 ployees of such establishment to have a health examination by a
3 physician and a certified health certificate for each employee shall be
4 kept on file by the operator. The secretary may at any time require
5 an employee of an establishment to submit to a health examination by
6 a physician. No person suffering from any communicable disease,
7 including any communicable skin disease, and no person with infected
8 wounds, and no person who is a "carrier" of a communicable disease
9 shall be employed in any capacity in an establishment. No person
10 shall work or be employed in or about any establishment during the
11 time in which a communicable disease exists in the home in which
12 such person resides unless such person has obtained a certificate from
13 a physician to the effect that no danger of public contagion or infec-
14 tion will result from the employment of such person in such estab-
15 lishment. Every person employed by an establishment and engaged
16 in direct physical contact with meat or poultry products during its
17 preparation, processing, or storage, shall be clean in person, wear
18 clean washable outer garments and a suitable cap or other head cov-
19 ering used exclusively in such work. Only persons specifically desig-
20 nated by the operator of an establishment shall be permitted to touch
21 meat or poultry products with their hands, and the persons so desig-
22 nated shall keep their hands scrupulously clean.

1 SEC. 7. The department shall, wherever slaughter operations are
2 conducted at an establishment, cause to be made by inspectors ante
3 mortem inspection of all animals and poultry in a manner prescribed
4 by the secretary. The owner or operator of any such establishment
5 shall furnish satisfactory facilities and assistance as may be required
6 by the secretary to facilitate such ante mortem inspection. Facilities
7 shall also be furnished for the holding of animals or poultry for
8 further clinical examination. Such animals or poultry held for re-
9 inspection shall be identified as "Iowa suspect" in a manner deter-

10 mined by the secretary. Following such reinspection as conducted
11 by a licensed and approved veterinarian and finding that the animals
12 or poultry show no symptoms of disease or other abnormal conditions
13 the animals or poultry may be released for slaughter. Upon rein-
14 spection and finding symptoms of disease or other abnormal condi-
15 tions which render the animals or poultry unfit for human food, the
16 animals or poultry shall be tagged or permanently identified as "Iowa
17 inspected and condemned" and unfit for human food and shall be dis-
18 posed of in a manner as prescribed by the secretary. Any person who
19 slaughters for human food such condemned animals or poultry is
20 guilty of a misdemeanor and shall be punished as provided by section
21 seventeen (17) of this Act. No owner or person shall be required to
22 hold animals or poultry for a longer period than seventy-two (72)
23 hours.

1 SEC. 8. The secretary shall provide post-mortem inspection of all
2 animals or poultry for human food in any establishment in this state
3 except as exempted by section four (4) of this Act. Under no cir-
4 cumstances shall the carcass of animals or poultry which have died
5 otherwise than by slaughter be brought into any room in which meat
6 or poultry products are processed, handled, or stored. The head,
7 tongue, tail, viscera, and other parts, and blood used in the prepara-
8 tion of meat or poultry products, or medicinal products shall be
9 retained in such a manner as to preserve their identity until after the
10 post-mortem examination has been completed. Carcasses and parts
11 thereof found to be sound, healthful, and wholesome after inspec-
12 tion and otherwise fit for human food shall be passed and may be
13 marked in the following manner: "Iowa inspected and passed".
14 These marks may also include any number given the establishment by
15 the department. Each carcass or part thereof which is found on post-
16 mortem inspection to be unsound, unhealthful, unwholesome, or
17 otherwise unfit for human food shall be marked conspicuously by the
18 inspector at the time of inspection with the words, "Iowa inspected
19 and condemned" and such carcasses or parts thereof, under the super-
20 vision of an inspector, shall be rendered unfit for human consumption
21 in a manner approved by the secretary. All unborn or stillborn ani-
22 mals shall be condemned and no hide, skin or any other part thereof
23 shall be removed within a room where edible meat or poultry products
24 are handled or prepared.

1 SEC. 9. The secretary may require operations at licensed estab-
2 lishments to be conducted during reasonable hours. The owner or
3 operator of each licensed establishment shall keep the secretary in-
4 formed in advance of intended hours of operation.

1 SEC. 10. All meat or poultry products in channels of trade,
2 whether fresh, frozen, smoked, cured, pickled, or otherwise prepared
3 even though previously inspected and passed, shall be subject to re-
4 inspection by inspectors of the department as often as may be neces-
5 sary in order to determine whether such meat or poultry products are
6 maintained in a healthful, wholesome condition and fit for human
7 food. All meat imported from foreign countries for processing or
8 consumption in Iowa shall be subject to reinspection in a manner
9 prescribed by the secretary. If upon reinspection any meat or poultry

10 product is found to have become unsound, unhealthy, or unwhole-
11 some or in any way unfit for human food it shall be condemned:
12 provided, that when meat or poultry products are found to be affected
13 by any unsound or unwholesome condition that can be satisfactorily
14 removed by methods approved by the secretary, such meat or poultry
15 product may be so reconditioned under the direction of an inspector.
16 If upon final inspection the meat or poultry product is found to be
17 sound and wholesome, it shall be approved for human food; otherwise
18 it shall be condemned.

19 It is unlawful for any person except employees of the United States
20 department of agriculture, the department or other authorized state
21 or federal agencies, to possess, use, or keep an inspection stamp,
22 mark, or brand provided or used for stamping, marking, branding,
23 or otherwise identifying carcasses of meat or poultry products, or
24 to possess, use or keep any stamp, mark or brand having thereon a
25 device, words, or insignia the same or similar in character or import
26 to the stamps, marks, or brands provided or used by the United States
27 department of agriculture, or the department for stamping, marking,
28 branding or otherwise identifying the carcasses of meat or poultry
29 products or parts thereof intended for human food.

1 SEC. 11. No person shall deny access to any authorized inspectors
2 upon the presentation of proper identification at any reasonable time
3 to establishments and to all parts of such premises for the purposes
4 of making inspections under this Act.

5 When meat has been inspected and approved by the department,
6 such inspection must be accepted by state agencies and political sub-
7 divisions of the state and no other inspection can be required.

1 SEC. 12. The secretary is hereby authorized to prohibit the en-
2 trance into channels of trade of any meat or poultry products found
3 to be unwholesome, improperly labeled, or otherwise not in accord-
4 ance with the provisions of this Act or the rules and regulations
5 established hereunder. Any meat or poultry product found in chan-
6 nels of trade by an inspector which is not in compliance with the
7 provisions of this Act shall be subject to seizure and confiscation by
8 the department. Seized and confiscated meat and poultry products
9 shall be condemned unless it is of such character that it can be made
10 to conform with the provisions of this Act by methods approved by
11 the secretary. Condemned meat or poultry products shall be effec-
12 tively destroyed for human food purposes by the owner of the meat
13 or poultry product under the supervision of an inspector in such
14 manner as the secretary may prescribe.

1 SEC. 13. The secretary shall promulgate such rules and regula-
2 tions as may be necessary for the effective administration of this Act.

1 SEC. 14. Final administrative decisions of the department may be
2 appealed to the district court.

1 SEC. 15. The secretary is hereby authorized to co-operate with all
2 other agencies, federal and state, in order to carry out the effective
3 administration of this Act.

1 SEC. 16. The secretary shall promulgate rules and regulations
2 pertaining to the product content, product definition, and labeling of

3 all processed, fabricated, and manufactured meat or poultry products.
4 Any meat or poultry product fabricated from two (2) or more ingre-
5 dients shall bear a label on which shall be plainly listed by their com-
6 mon name in descending order of preponderance all ingredients used
7 in preparing such product, except that spices need not be individually
8 listed but may be grouped under the term "spices". All such ingredi-
9 ents which are derivatives of meat or poultry shall be obtained only
10 from animals or poultry inspected as required by this Act.

1 SEC. 17. Any person violating any of the provisions of this Act
2 or the rules and regulations established under this Act, or selling,
3 offering for sale, or transporting any meat or poultry products which
4 are diseased, unsound, unhealthful, unwholesome, or otherwise unfit
5 for human food, knowing that such meat or poultry products are
6 intended for human consumption, upon conviction shall be deemed
7 guilty of a misdemeanor. For the first offense such person shall be
8 punished by a fine of not less than one hundred (100) dollars nor
9 more than five hundred (500) dollars; for the second offense, and
10 for each subsequent offense, by a fine of not less than two hundred
11 (200) dollars nor more than one thousand (1,000) dollars or im-
12 prisonment for a period of not more than one (1) year, or both such
13 fine and imprisonment at the discretion of the court. The secretary
14 is authorized to refuse, suspend, or revoke a licence for violations by
15 an establishment of the provisions of this Act or the rules and regu-
16 lations issued hereunder.

1 SEC. 18. It shall be the policy of the secretary of agriculture to
2 require inspectors and individuals providing meat inspection services
3 under this Act to actively seek the cooperation of slaughter plant
4 operators in the use of humane slaughter practices, taking into con-
5 sideration all practical problems involved. All meat inspectors or
6 individuals performing such services shall in their reports to the
7 secretary, make note of the slaughter facilities and practices followed
8 in the various slaughter plants.

1 SEC. 19. The secretary of agriculture shall report to the members
2 of the Sixty-second General Assembly his findings and any recom-
3 mendations he may wish to make in regard to humane slaughter of
4 livestock practices within the state.

1 SEC. 20. If any section, subsection, clause, provision, or portion
2 of this Act shall be held to be invalid or unconstitutional by any court
3 of competent jurisdiction or the applicability thereof to any person,
4 substance, or product is held invalid, such holding shall not affect
5 any other section, subsection, clause, provision, or portion of this Act,
6 or any other person, substance, or product covered by the provisions
7 of the Act.

1 SEC. 21. There is hereby appropriated to the department of agri-
2 culture for the fiscal year beginning July 1, 1966 and ending June 30,
3 1967 the sum of two hundred fifty thousand (250,000) dollars, or so
4 much thereof as may be necessary, for the purposes of carrying out

5 the provisions of this Act. Any unused portion of this appropriation
6 shall revert to the general fund of the state.

1 SEC. 22. This Act shall take effect July 1, 1966.

Approved June 30, 1965.

CHAPTER 187

STANDARDS FOR CHEESE

H. F. 327

AN ACT relating to the specifications and standards for cheeses and cheese products.

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

1 SECTION 1. Section one hundred ninety point one (190.1), Code
2 1962, is hereby amended by striking from line seven (7) of subsection
3 four (4) of such section the number "1960" and inserting in lieu
4 thereof the number "1964".

Approved April 12, 1965.

CHAPTER 188

FROZEN DESSERTS

S. F. 508

AN ACT relating to frozen desserts.

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

1 SECTION 1. Section one hundred ninety point one (190.1), Code
2 1962, is hereby amended as follows:
3 1. By striking from line ten (10) of subsection thirty-two (32) of
4 such section the word "twelve" and inserting in lieu thereof the word
5 "ten (10)".
6 2. By striking from line four (4) of subsection thirty-three (33) of
7 such section the word "twelve" and inserting in lieu thereof the word
8 "ten (10)".
9 3. By striking from line eleven (11) of subsection thirty-three (33)
10 of such section the word "ten" and inserting in lieu thereof the word
11 "eight (8)".
12 4. By striking from line seven (7) of paragraph *e* of subsection
13 thirty-four (34) of such section the word "twelve" and inserting in
14 lieu thereof the word "ten (10)".
15 5. By striking from lines thirteen (13) and fourteen (14) of para-
16 graph *a* of subsection thirty-five (35) of such section the words "three
17 and one-fourth percent and not more than six" and inserting in lieu
18 thereof the words "two (2) percent and not more than seven (7)".
19 6. By striking from subsection thirty-five (35) of such section para-
20 graph *b* and paragraph *c*.

21 7. By striking from line eleven (11) of paragraph *a* of subsection
22 thirty-six (36) of such section the word "four" and inserting in lieu
23 thereof the words "two (2) percent and not more than five (5)".

24 8. By inserting in line twelve (12) of paragraph *a* of subsection
25 thirty-six (36) of such section after the word "solids" the words "and
26 the milk fat content thereof shall be not less than one (1) percent and
27 not more than two (2) percent".

Approved May 19, 1965.

CHAPTER 189

LABELING COLORED MARGARINE

S. F. 27

AN ACT relating to the labeling and imprinting of colored oleo, oleomargarine, or margarine when sold or offered for sale at retail.

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

1 SECTION 1. Section one hundred ninety-one point two (191.2),
2 Code 1962, is hereby amended by striking from subsection three (3)
3 of such section all of lines eighteen (18) through twenty-two (22)
4 thereof.

Approved February 10, 1965.

CHAPTER 190

FARM PRODUCE

H. F. 356

AN ACT relating to farm produce.

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

1 SECTION 1. Section one hundred ninety-two point three (192.3),
2 Code 1962, is hereby amended by striking from line two (2) the words
3 "one dollar" and inserting in lieu thereof the words "three (3) dol-
4 lars".

1 SEC. 2. Section one hundred ninety-two point seventeen (192.17),
2 Code 1962, is hereby amended by striking from line two (2) the words
3 "two dollars and fifty cents" and inserting in lieu thereof the words
4 "three (3) dollars".

1 SEC. 3. Section one hundred ninety-four point thirteen (194.13),
2 Code 1962, is hereby amended by inserting in line four (4) after the
3 word "milk" the words "or cream".

1 SEC. 4. Section one hundred ninety-four point fourteen (194.14),
2 Code 1962, is hereby amended by striking from line three (3) the word
3 "two" and inserting in lieu thereof the word "three (3)".

1 SEC. 5. Section one hundred ninety-five point seven (195.7), Code
2 1962, is hereby amended by inserting in line five (5) after the word
3 "cream" the words "or milk".

1 SEC. 6. Section one hundred ninety-five point eight (195.8), Code
2 1962, is hereby amended by inserting in line four (4) after the word
3 "cream" the words "or milk".

1 SEC. 7. Section one hundred ninety-five point nine (195.9), Code
2 1962, is hereby amended by striking from lines three (3) and four (4)
3 the words "one dollar" and inserting in lieu thereof the words "three
4 (3) dollars".

1 SEC. 8. Section one hundred ninety-five point seventeen (195.17),
2 Code 1962, is hereby amended as follows:

3 1. By striking from lines two (2) and three (3) the words "be valid
4 for one year from" and inserting in lieu thereof the words "expire
5 December 31 after".

6 2. By striking from subsection two (2) of such section the words
7 "one dollar" and inserting in lieu thereof the words "three (3) dol-
8 lars".

9 3. By striking from subsection three (3) of such section the words
10 "one dollar" and inserting in lieu thereof the words "three (3) dol-
11 lars".

1 SEC. 9. Section one hundred ninety-six point six (196.6), Code
2 1962, is hereby amended as follows:

3 1. By striking from lines nineteen (19) and twenty (20) the words
4 "More than one hundred twenty-five cases and" and inserting in lieu
5 thereof the words "One hundred twenty-five (125) cases but".

6 2. By striking line twenty-two (22) and inserting in lieu thereof
7 the words "Two hundred fifty (250) cases but less".

8 3. By striking from line twenty-five (25) the words "More than one
9 thousand cases" and inserting in lieu thereof the words "One thousand
10 (1,000) cases or more".

1 SEC. 10. Section one hundred ninety-six point seven (196.7), Code
2 1962, is hereby amended by striking from line four (4) the word
3 "two" and inserting in lieu thereof the word "three (3)".

1 SEC. 11. Section one hundred ninety-seven point two (197.2),
2 Code 1962, is hereby amended by striking from lines one (1) and two
3 (2) the words "one dollar" and inserting in lieu thereof the words
4 "three (3) dollars".

Approved April 12, 1965.

CHAPTER 191

CREAMERY AND CHEESE FACTORIES

S. F. 632

AN ACT to amend House File 356 relating to payment of license fees for creamery and cheese factories.

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

- 1 SECTION 1. House File 356, Acts of the 61st General Assembly, is
 2 hereby amended by adding the following subsections to section eight
 3 (8) thereof:
 4 "4. By striking from subsection one (1) of such section the words
 5 "three dollars" and inserting in lieu thereof the words "five (5) dol-
 6 lars".
 7 "5. By striking from subsection four (4) of such section the words
 8 "three dollars" and inserting in lieu thereof the words "five (5) dol-
 9 lars"."

Approved June 30, 1965.

CHAPTER 192

MARKETING DAIRY PRODUCTS

H. F. 230

AN ACT relating to the marketing of dairy products.

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

- 1 SECTION 1. For the purpose of this Act:
 2 1. "Dairy product" means milk, skim milk, cream, sour cream, ice
 3 cream, ice cream mix, ice milk except that sold in semifrozen form,
 4 ice milk mix, cottage cheese, frozen desserts, reconstituted milk, mini-
 5 mal milk fat products, and any additive variant of any dairy product.
 6 2. "Department" means state department of agriculture.
 7 3. "Secretary" means the secretary of agriculture of the state of
 8 Iowa.
 9 4. "Person" means any individual, corporation, co-operative, associ-
 10 ation, partnership, or other business unit.
 11 5. "Processor" means any person engaged in the business of manu-
 12 facturing, processing, or packaging dairy products.
 13 "Distributor" means any person engaged in the business of selling
 14 any dairy product at wholesale and any person engaged in the business
 15 of selling any dairy product at retail on home delivery routes.
 16 7. "Retailer" means any person within this state engaged in the
 17 business of operating any retail establishment or institution, including
 18 but not limited to hotels, restaurants, grocery stores, drug stores, and
 19 automatic vending machines where dairy products are consumed or
 20 sold to customers. This subsection shall not apply to schools, churches
 21 or other charitable institutions not operated for profit.
 22 8. "Broker" means any person engaged in negotiating sales or pur-

23 chases of selected dairy products for or on behalf of a processor, dis-
24 tributor, or retailer.

25 9. "Sale" or "sell" means and includes any commercial transfer for
26 consideration, exchange, barter, gift, or offer for sale and distribution
27 in any manner or by any means.

28 10. Any subsidiary or affiliate corporation, co-operative, officer, di-
29 rector, or partner of a corporation, co-operative, or partnership which
30 is a processor or distributor of dairy products is deemed to be a proces-
31 sor or distributor of dairy products.

1 SEC. 2. The secretary of agriculture is hereby entrusted with the
2 administration and enforcement of this Act. There is hereby created
3 in the department of agriculture a division to be known as the "Divi-
4 sion of Dairy Trade Practices". The head of the division shall be the
5 "Chief of the Division of Dairy Trade Practices". All powers of the
6 secretary under this Act may be exercised by and through the chief of
7 the division of dairy trade practices. The secretary shall employ such
8 professional and other personnel as, in his judgment, shall be neces-
9 sary to the proper performance of his duties hereunder.

1 SEC. 3. It shall be unlawful for any person engaged in business
2 within the state of Iowa, either directly or indirectly, to discriminate
3 in price between different purchasers of dairy products of like grade
4 and quality where the effect of such discrimination may be substan-
5 tially to lessen competition or tend to create a monopoly*, or to injure,
6 destroy, or prevent competition with any person who either grants or
7 knowingly receives the benefit of such discrimination or with custom-
8 ers of either the grantor or receiver. Nothing herein shall prevent:

9 1. Differentials which make only due allowance for differences in
10 the cost of manufacture, sale, or delivery resulting from the differing
11 methods or quantities in which dairy products are sold or delivered to
12 purchasers or differentials otherwise permitted in this Act.

13 2. Persons engaged in selling dairy products from selecting their
14 own customers in bona fide transactions are not in restraint of trade.

15 3. Price changes from time to time in response to changing condi-
16 tions affecting the market for or the marketability of dairy products
17 such as, but not limited to, actual or imminent deterioration of perish-
18 able goods, obsolescence of seasonal goods, distress sales under court
19 process, or sales in good faith in discontinuance of business in dairy
20 products.

21 4. Price differentials made in good faith to meet an equally low price
22 of a competitor, whether the price of the competitor is in compliance
23 with or in violation of this Act.

1 SEC. 4. It shall be unlawful for any person to discriminate in price
2 by selling or offering to sell any dairy product to any purchaser in the
3 state of Iowa at prices lower than those exacted by such persons else-
4 where in the state for the purpose or with the effect of injuring com-
5 petition or tending to create a monopoly*; provided however, that
6 nothing herein contained shall prevent price differentials which make
7 only due allowance for differences in the cost of sale or transportation
8 resulting from differing methods or quantities in which such dairy
9 products are sold or transported to such purchasers; and provided

*Accorded to enrolled Act.

10 further, that nothing herein contained shall prevent sales made in good
11 faith to meet an equally low price of a competitor, whether the price of
12 the competitor is in compliance with or in violation of this Act.

1 SEC. 5. It shall be unlawful for any processor, distributor, or re-
2 tailer to engage in the following practice:

3 1. To enter into any agreement or contract with any other person
4 for the establishment or maintenance of minimum prices of dairy
5 products in restraint of trade and for the purpose of eliminating free
6 and open competition in the sale of dairy products.

1 SEC. 6. No processor or distributor shall give or extend discounts
2 or rebates, directly or indirectly, to retailers or other processors or
3 distributors on dairy products or give or extend to such purchasers
4 any services connected with the delivery, handling, or stocking of such
5 products except as provided in this Act. A processor or distributor
6 may provide services to a particular processor, distributor, or retailer
7 or may sell dairy products at a price necessary to meet a bona fide offer
8 by a competitor. The service or discount shall not be given until the
9 processor or distributor first files with the department a written record
10 of the date and terms of the competitive offer, the name of the proces-
11 sor, distributor, or retailer to whom the offer was made, and the name
12 of the competitor who made the offer. Any such record filed with the
13 department shall be used only for determining or verifying proof of
14 violations of this Act.

1 SEC. 7. Price list to be filed. All distributors offering dairy prod-
2 ucts for sale within the state shall file with the department on a form
3 provided by said department a complete price list showing the invoice
4 price of such distributor of all items of dairy products sold or offered
5 for sale by them. Distributors who offer dairy products for sale both
6 at their respective places of business and deliver to retailer or retail
7 outlets, shall include on such price lists filed with the department the
8 different prices established for dairy products offered for sale at their
9 respective places of business and for dairy products delivered to the
10 retailer or retail outlet. Distributors who offer dairy products for sale
11 to consumers on home delivery routes shall include on such price lists
12 filed with the department, the different prices established for dairy
13 products offered for sale to such consumers. Within thirty (30) days
14 after the effective date of this Act, every distributor shall file with the
15 department its initial price schedules and schedules of discounts and
16 rebates and thereafter, every distributor shall charge its prices in
17 accordance with its schedule on file with the department until such
18 price schedule is changed as hereinafter provided. Before any dis-
19 tributor may make any change in its price schedule and prices charged,
20 it shall give notice by certified mail to the department setting forth its
21 new schedule of prices or new schedule of discounts and rebates prior
22 to the effective date of any change in such schedule on file with the
23 department (except that where prices are changed in good faith to
24 meet an equally low price of a competitor, notice to the department of
25 the new schedule of prices shall be given within two (2) business days
26 after such change). The initial filing of schedules or any new sched-
27 ules shall be filed with the department either in person or by certified
28 mail. Price lists filed with the department shall be used only for deter-

29 mining and proving violations of this Act. Failure or refusal to file
30 current price lists with the department shall be a violation of this Act.

1 SEC. 8. No processor or distributor shall furnish, give, lend, sell,
2 or rent any advertising signs of a permanent nature except signs ad-
3 vertising the processor's or distributor's own products. Not more than
4 one-third ($\frac{1}{3}$) of the space or cost of advertising signs permitted
5 under this section may be used to identify the retailer.

1 SEC. 9. No processor or distributor shall make payments of money,
2 credit, gifts, or loans to retailers as rental for the storage or display
3 of dairy products on the premises where offered for sale by the retailer.

1 SEC. 10. No processor or distributor shall make or underwrite
2 loans to a retailer or become bound in any manner for the financial
3 obligation of any retailer except that a processor or distributor may
4 lend money to a retailer for the purchase of equipment for the storage,
5 transportation, and display of dairy products. Such loans may be made
6 to the retailer provided the loan is for not more than ninety (90) per-
7 cent of the purchase price with at least six (6) percent annual interest
8 on the principal amount and on the unconditional written promise of
9 the retailer that the loan shall be paid within a period not to exceed
10 thirty-six (36) months.

1 SEC. 11. No processor or distributor shall furnish, sell, give, lend,
2 or rent any equipment to a retailer except:

3 1. Processors and distributors, under a bill of sale or conditional
4 sales contract describing the property sold and specifying the price
5 and terms of sale, may sell equipment for the storage, transportation,
6 and display of dairy products to the retailer. The selling price of such
7 equipment shall be not less than the cost to the wholesaler less ten
8 (10) percent per year depreciation plus transportation and installation
9 costs plus at least six (6) percent, but in no event shall the price be less
10 than ten (10) dollars per unit. If the processor or distributor makes
11 the sale under a security agreement or conditional sales contract, the
12 terms of sale shall be no more favorable to the retailer than those pro-
13 vided in section eleven (11) of this Act.

14 2. Processors and distributors may provide without restriction coin-
15 vending machines from which the product vended is intended by such
16 processor or distributor to be consumed on the premises.

17 3. Processors and distributors may furnish equipment for the stor-
18 age, transportation, or display of dairy products for one period of not
19 longer than ten (10) consecutive days a year to any one retailer for
20 use at a fair, exhibition, exposition, or other promotional event for
21 agricultural, industrial, charitable, educational, religious, or recrea-
22 tional purposes.

1 SEC. 12. No processor or distributor shall maintain or make re-
2 pairs of any equipment owned by a retailer except equipment used
3 exclusively for dairy products. On such maintenance or repairs, the
4 processor or distributor shall make charges for the service and parts
5 at the same prices as are charged by third persons rendering such
6 service in the community where the retailer is located. In no event

7 shall the charges be less than the cost to the processor or distributor
8 plus a reasonable margin of profit.

1 SEC. 13. No processor or distributor shall give, offer to give, fur-
2 nish, finance, or otherwise make available any free goods to any person,
3 directly or indirectly, in connection with the sale of dairy products or
4 to any other person doing business with such person, or give, offer to
5 give, furnish, finance, or otherwise make available any payments, gifts,
6 or grants of anything of value to any retailer. Nothing in this section
7 shall prevent transactions with retailers of any of the following:

8 1. The furnishing of point of sale advertising material made of
9 paper, cardboard, or other material not of a permanent nature for the
10 use in the promotion of the products of such processor or distributor
11 which remain inside retailer locations.

12 2. The furnishing of hostesses or demonstrators at any retailer's
13 location to promote the products of the processor or distributor.

14 3. The advertising by a processor or distributor of products through
15 any advertising media the processor or distributor selects which does
16 not involve allowances, payments, or the furnishing of other property
17 to persons purchasing such products in a manner prohibited by this
18 section.

19 4. Advertising allowances which do no more than reimburse a re-
20 tailer for costs in advertising dairy products of the processor or dis-
21 tributor.

1 SEC. 14. No processor or distributor shall be prohibited from oper-
2 ating a retail outlet for retail sales or prohibited from using in the
3 retail outlet any equipment or advertising or miscellaneous matter
4 owned by the processor or distributor provided the retail outlet is
5 under direct control and management of the processor or distributor.

1 SEC. 15. No processor or distributor shall be prohibited from giv-
2 ing away dairy products to be consumed on the sale premises.

1 SEC. 16. It shall be unlawful for any retailer to receive, directly or
2 indirectly, from or through a processor, distributor, or broker, any
3 discount, rebate, allowance, service, price discrimination, advertising
4 material, loan, equipment, payment, or any other thing of value all as
5 prohibited by this Act.

1 SEC. 17. It shall be unlawful for a broker or any officer or agent
2 of any brokerage firm to participate, directly or indirectly, in any
3 practice prohibited by this Act. It shall be unlawful for any processor,
4 distributor, or retailer to engage or offer to engage, directly or indi-
5 rectly, through a broker in any practice prohibited by this Act.

1 SEC. 18. Any person claiming to be injured by another person
2 through the violation of any of the provisions of this Act may file in
3 writing a statement of such violation with the department. Upon
4 receipt of the written statement, the department shall immediately
5 cause an investigation to be made of the alleged violation. Whenever
6 it shall appear that any person is violating or threatening to violate
7 any of the provisions of this Act or the regulations or orders of the
8 secretary, then the department may call upon the county attorney of

9 any county in which such violation occurred to bring suit against such
10 person in the district court to restrain such person from continuing or
11 from carrying out the acts or practices alleged. In such suit he may
12 obtain such injunction prohibitory and mandatory including tempo-
13 rary restraining orders and temporary injunctions as the facts may
14 warrant without being required to prove that an adequate remedy at
15 law does not exist and without being required to give bond.

1 SEC. 19. Whenever the department has reason to believe that any
2 distributor or retailer or processor may be in possession of information
3 relevant to an investigation by it of suspected violations of the provi-
4 sions of this Act, the secretary may require such person to file with
5 him in such form as he may prescribe special reports or answers in
6 writing to specific questions furnishing such information. Such re-
7 ports and answers shall be made under oath or otherwise as the sec-
8 retary may prescribe and shall be filed with him within such reasonable
9 period as he may prescribe. Any person who fails without lawful cause
10 to file such reports or answers in writing within the period prescribed
11 or shall wilfully make or cause to be made any false statement in any
12 such report or answer in writing shall be guilty of a misdemeanor and
13 upon conviction thereof fined not less than five hundred (500) dollars
14 nor more than one thousand (1,000) dollars.

1 SEC. 20. Whenever the secretary has reason to believe that any
2 person has violated any of the provisions of this Act or any rules or
3 regulations adopted thereunder, he may enter an order requiring such
4 person to appear before him and show cause why an order should not
5 be entered requiring such person to cease and desist from the viola-
6 tions charged. Such order shall set forth the alleged violations, fix the
7 time and place of the hearing, and provide for notice thereof which
8 shall be given not less than twenty (20) days before the date of such
9 hearing. After hearing by the secretary, or if the person charged with
10 such violation fails to appear at the time of said hearing, if he finds
11 such person to be in violation he shall enter an order requiring such
12 person to cease and desist from the specific acts, practices, or omissions
13 so found to be in violation and from related acts, practices or omis-
14 sions. Any such order shall become final upon the expiration of thirty
15 (30) days after its entry if no appeal is taken therefrom.

16 Any person aggrieved by any order entered by the secretary or other
17 action of the secretary may take an appeal therefrom to the district
18 court as provided elsewhere herein for license denial, suspension or
19 revocation.

20 Any person violating any order of the secretary under the first para-
21 graph of this section after the same has become final or on the termi-
22 nation of any review proceedings shall be subject to a civil penalty to
23 be levied by the district court in a proceeding instituted for that pur-
24 pose in an amount of not less than five hundred (500) dollars and not
25 more than ten thousand (10,000) dollars provided that in the case of
26 continuing violations the minimum amount of such penalty shall be
27 either five hundred (500) dollars or twenty-five (25) dollars for each
28 day of violation, whichever is the larger.

1 SEC. 21. The department is authorized and empowered to admin-
2 ister oaths and to issue subpoenas for persons and pertinent operating

3 records in making investigations provided in section nineteen (19) of
4 this Act. If a person fails or refuses to obey a subpoena issued under
5 this Act, the department may apply to the district court to issue an
6 order requiring the person to appear before the department to produce
7 evidence or to give testimony concerning the matter under investiga-
8 tion. The application for the order shall be filed with the district court
9 within the county in which the investigation is conducted or in which
10 the person guilty of failure or refusal to obey is found or resides or
11 transacts business or has his principal place of business. Any person
12 wilfully failing to obey an order of the court is guilty of contempt of
13 court and shall be proceeded against as provided by law.

1 SEC. 22. Any person who is injured in business or property by
2 reason of another person's violation of any provisions of this Act may
3 intervene in the suit for injunction instituted against the other person.
4 The injured party may bring a separate action and recover three (3)
5 times the actual damages sustained as a result of the violation together
6 with the costs of the suit or may sue to enjoin the violation of any
7 provision of this Act.

1 SEC. 23. Whenever the department has reason to believe that any
2 processor or distributor required to obtain a license under section one
3 hundred ninety-two point one (192.1) of the Code has wilfully vio-
4 lated any cease and desist order issued under the provisions of this Act
5 after the same has become final and continued in such violation after
6 the expiration of a ten-day notice from the department of intention to
7 commence proceedings for the denial, suspension or revocation of such
8 license, and it appears to the department that a proceeding should be
9 had to determine whether his license should be denied, suspended, or
10 revoked, the department shall serve notice on such person in writing
11 by certified mail of the charges and grounds upon which a license is
12 sought to be denied, suspended, or revoked. The notice shall include
13 the time and place, not less than ten (10) days after the mailing of the
14 notice, at which a hearing shall be held to determine whether to deny,
15 suspend, or revoke the license.

1 SEC. 24. Any person whose license is sought to be denied, sus-
2 pended, or revoked shall have full rights to counsel and to produce
3 witnesses in his behalf at the hearing. After full investigation and
4 hearing, the department may deny, suspend, or revoke the license of
5 any person who is found to have wilfully violated any provision of this
6 Act. When the department finds that a violation warrants the sus-
7 pension of the license, no license shall be suspended for a period to
8 exceed thirty (30) days upon proof of a first violation or for a period
9 to exceed six (6) months upon proof of a second violation. Upon proof
10 of a third and subsequent violations, the license shall be suspended for
11 a period of one (1) year where the department finds that such viola-
12 tion warrants a suspension.

1 SEC. 25. The department shall by certified mail or by personal
2 service notify the person whose license has been denied, suspended, or
3 revoked setting forth the reasons for the decision. The denial, sus-
4 pension, or revocation shall become effective thirty (30) days after the
5 mailing or service of the notification unless the person whose license

6 has been denied, suspended, or revoked files within the thirty-day
7 period a notice of appeal in the district court and serves a copy of the
8 notice of appeal upon the department. Thereupon, the department
9 shall within thirty (30) days certify and file with the court a copy of
10 the record and decision including the transcript of the hearings upon
11 which the decision was based.

1 SEC. 26. The trial before the court shall be an equity action and
2 legal evidence pertaining to the issue of whether the license shall be
3 denied, suspended, or revoked may be submitted including new or addi-
4 tional evidence not submitted to the department. The court shall have
5 the power to affirm, modify, or reverse the decision of the department
6 but in no instance shall the court suspend a license for a period ex-
7 ceeding the suspensions provided in section twenty-five (25) of this
8 Act. The clerk of court upon entry of judgment of suspension, denial,
9 or revocation shall immediately forward to the department a certified
10 copy thereof. Pending final decision of the appeal the status quo of
11 the license shall be preserved.

1 SEC. 27. Any action arising under this Act, whether in law or
2 equity, shall be commenced within two (2) years after the right of
3 action first accrues or is forever barred.

1 SEC. 28. The department is authorized and directed to promulgate
2 rules and regulations to carry out the purposes of this Act.

1 SEC. 29. Storage cabinets prohibited under section twelve (12) of
2 this Act supplied by processors and distributors to retailers prior to
3 the effective date of this Act shall be removed from the retailer's
4 premises or sold as provided in this Act prior to June 30, 1966.

1 SEC. 30. For the purpose of administering and enforcing the pro-
2 visions of this Act, each processor shall pay to the secretary permit
3 fees in an amount, as from time to time set by the secretary, not to
4 exceed five (5) mills per hundredweight on milk processed into dairy
5 products as defined in section one (1) of this Act, and sold within the
6 state of Iowa, except ice cream and its additive variants and non-milk
7 fat imitations which amount shall not be in excess of three (3) mills
8 per gallon thereof. Products upon which fees have been paid shall be
9 exempt from further fees in successive transactions. The fees for each
10 month thus computed shall be paid by the dealer to the secretary on or
11 before the twenty-fifth (25th) day of the following month.

Approved June 30, 1965.

CHAPTER 193

EGGS

S. F. 398

AN ACT to amend chapter one hundred ninety-six (196), Code 1962, relating to the buying and selling of eggs.

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

1 SECTION 1. Section one hundred ninety-six point three (196.3),
2 Code 1962, is hereby amended by inserting after the word "egg" in
3 line one of last paragraph the following "classified as loss or inedible
4 and".

1 SEC. 2. Section one hundred ninety-six point eleven (196.11),
2 Code 1962, is hereby amended by striking the period in line three (3)
3 and inserting in lieu thereof the following: ", removing and refusing
4 to buy all eggs unfit for human food when received from the original
5 producer."

1 SEC. 3. Section one hundred ninety-six point twelve (196.12),
2 Code 1962, is hereby amended by striking from said section lines three
3 through ten and inserting in lieu thereof the following: "resale to a
4 processor, or a processor buying eggs for resale as manufactured eggs
5 shall candle such eggs, and every person buying eggs for resale other
6 than as manufactured eggs shall candle and grade such eggs according
7 to the United States standards for quality for individual eggs, or cause
8 to be candled, all eggs offered to him, and shall refuse to buy all eggs
9 unfit for human food. Such candling of manufactured eggs and such
10 candling and grading of other eggs shall be done in the presence of
11 the".

1 SEC. 4. Section one hundred ninety-six point fourteen (196.14),
2 Code 1962, is hereby amended by striking line one and substituting in
3 lieu thereof the following: "all eggs offered for sale to institutions,
4 restaurants, schools, or any other business, facility, or place in which
5 eggs are prepared or offered as food for use by its patrons, residents,
6 inmates or patients and all eggs offered for resale or retail except those
7 for resale as manufacturers eggs,".

8 Further amend said section by inserting in line seven after the word
9 "eggs", the following: "offered for sale to institutions, restaurants,
10 schools, or any other business, facility, or place in which eggs are pre-
11 pared or offered as food for use by its patrons, residents, inmates or
12 patients and,".

1 SEC. 5. Section one hundred ninety-six point sixteen (196.16),
2 Code 1962, is hereby amended by striking lines two, three and four
3 and inserting in lieu thereof the following: "the top of the bottom
4 layer of each case of eggs that is candled or of each case of eggs that
5 is candled and graded a certificate showing the date of candling or of
6 candling and grading, the grade, if required, the name or names".

7 Further amend by striking the period at end of section and in-
8 serting in lieu thereof ", if graded. Provided however that eggs that
9 are being processed by a processor as defined in section one hundred

10 ninety-six point three (196.3) of the Code shall be exempt from the
11 provisions of this section."

1 SEC. 6. Section one hundred ninety-six point eighteen (196.18)
2 Code 1962, is hereby amended by striking in line eight (8) the word
3 "second" and inserting in lieu thereof the word "third".

4 Further amend said section by striking the word "third" in line nine
5 (9) and inserting in lieu thereof the word "fourth".

1 SEC. 7. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 The Lamoni Chronicle, a newspaper published at Lamoni, Iowa, and in
4 The Bloomfield Democrat, a newspaper published at Bloomfield, Iowa.

Approved June 4, 1965.

I hereby certify that the foregoing Act, Senate File 398, was published in The Lamoni Chronicle, Lamoni, Iowa, June 17, 1965, and in The Bloomfield Democrat, Bloomfield, Iowa, June 17, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 194

FERTILIZERS AND SOIL CONDITIONERS

S. F. 500

AN ACT relating to the distribution of commercial fertilizer and soil conditioners, to provide for registration and examination of such materials, and regulation of their use and to promote safety in transporting, storing and handling of anhydrous ammonia.

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

Chapter two hundred (200), Code 1962, is hereby repealed and the following enacted in lieu thereof.

1 SECTION 1. **Title.** This Act shall be known and may be cited by
2 the short title of "Iowa Fertilizer Law."

1 SEC. 2. **Enforcing official.** This Act shall be administered by the
2 secretary of agriculture, hereinafter referred to as the secretary.

1 SEC. 3. **Definitions of words and terms.** When used in this Act:
2 1. The term "fertilizer" means any substance containing one or
3 more recognized plant nutrient which is used for its plant nutrient
4 content and which is designed for use and claimed to have value in
5 promoting plant growth except unmanipulated animal and vegetable
6 manures or calcium and magnesium carbonate materials used primar-
7 ily for correcting soil acidity.

8 2. The term "fertilizer material" means any substance used as a
9 fertilizer or for compounding a fertilizer containing one or more of the
10 recognized plant nutrients which are used for promoting plant growth
11 or altering plant composition.

12 3. The term "unmanipulated manures" means any substances com-

13 posed primarily of excreta, plant remains, or mixtures of such sub-
14 stances which have not been processed in any manner.

15 4. The term "commercial fertilizer" includes fertilizer and fertilizer
16 materials and fertilizer-pesticide mixtures.

17 5. A "specialty fertilizer" is a commercial fertilizer distributed pri-
18 marily for nonfarm use, such as home gardens, lawns, shrubbery,
19 flowers, golf courses, municipal parks, cemeteries, greenhouses and
20 nurseries, and may include commercial fertilizers used for research or
21 experimental purposes.

22 6. The term "bulk fertilizer" shall mean commercial fertilizer de-
23 livered to the purchaser in the solid, liquid, or gaseous state, in a non-
24 packaged form to which a label cannot be attached.

25 7. The term "anhydrous ammonia" means the compound formed by
26 the combination of two gaseous elements, nitrogen and hydrogen, in
27 the proportion of one part nitrogen to three parts hydrogen by volume.

28 8. The term "pesticide" as used in this Act means insecticides, miti-
29 cides, nematocides, fungicides, herbicides and any other substance used
30 in pest control.

31 9. A "soil conditioner" is any substance which when added to the
32 soil or applied to plants will produce a favorable growth, yield or qual-
33 ity of crop or soil flora or fauna or other soil characteristics, other
34 than a fertilizer, recognized pesticide, unmanipulated animal and
35 vegetable manures or calcium and magnesium carbonate materials
36 used primarily for correcting soil acidity.

37 10. The term "brand" means a term, design, or trademark used in
38 connection with one or several grades of commercial fertilizer.

39 11. The term "grade" means the percentages of total nitrogen,
40 available phosphorus or P_2O_5 or both, and soluble potassium or K_2O
41 or both stated in whole numbers in same terms, order and percentages
42 as in the "guaranteed analysis".

43 12. *Guaranteed analysis:*

44 a. The term "guaranteed analysis" shall mean the minimum per-
45 centage of plant nutrients claimed and reported as Total Nitrogen
46 (N), Available Phosphorus (P) or P_2O_5 or both, Soluble Potassium
47 (K) or K_2O or both and in the following form:

48 Total Nitrogen (N)percent
49 Available Phosphorus (P) or P_2O_5 or both.....percent
50 Soluble Potassium (K) or K_2O or both.....percent

51 Registration and guarantee of water soluble phosphorus (P) or
52 (P_2O_5) shall be permitted.

53 b. The term "guaranteed analysis", in the form specified in para-
54 graph "a" includes:

55 (1) For unacidulated mineral phosphatic materials and basic slag,
56 both total and available phosphorus or P_2O_5 or both and the degree of
57 fineness. For bone tankage and other organic phosphatic materials,
58 total phosphorus or P_2O_5 or both.

59 (2) When any additional plant nutrient elements contained in a
60 substance as identified in subsection one (1) of this section, are
61 claimed in writing, they shall be identified in the guarantee, expressed
62 as the element, and shall be subject to inspection and analysis in
63 accordance with the methods and regulations that may be prescribed
64 by the Association of Official Agricultural Chemists.

65 13. The term "official sample" means any sample of commercial fer-
66 tilizer taken by the secretary or his agent.

67 14. The term "ton" means a net weight of two thousand pounds
68 avoirdupois.

69 15. The term "percent or percentage" means the percentage by
70 weight.

71 16. The term "person" includes individual, partnership, association,
72 firm and corporation.

73 17. The term "distributor" means any person who imports, con-
74 signs, manufactures, produces, compounds, mixes, or blends commer-
75 cial fertilizer, or who offers for sale, sells, barter, or otherwise dis-
76 tributes commercial fertilizer in this state.

77 18. The term "sell" or "sale" includes exchange.

78 19. Words importing the singular number may extend and be ap-
79 plied to several persons or things, and words importing the plural
80 number may include the singular.

1 SEC. 4. Licenses.

2 1. Any person who manufactures, mixes, blends, or mixes to cus-
3 tomers order any fertilizer or soil conditioner offered for sale, sold, or
4 distributed in Iowa must first obtain a license from the secretary of
5 agriculture and shall pay a ten-dollar license fee for each plant or
6 place of manufacture, from which fertilizer or soil conditioner prod-
7 ucts are sold or distributed in Iowa. Such license fee shall be paid
8 annually on July 1 of each year and the manufacturer, blender or mixer
9 shall at the same time, list the name and address of each such plant or
10 place of manufacture, from which sale or distribution is made.

11 2. Said licensee shall at all times produce an intimate and uniform
12 mixture of fertilizers or soil conditioners. When two or more fertilizer
13 materials are delivered in the same load, they shall be thoroughly and
14 uniformly mixed unless they are in separate compartments.

1 SEC. 5. Registration.

2 1. Each brand and grade of commercial fertilizer and each soil con-
3 ditioner shall be registered before being offered for sale, sold or other-
4 wise distributed in this state; except that a commercial fertilizer for-
5 mulated according to special specifications furnished by a consumer to
6 fill his order shall not be required to be registered, but shall be labeled
7 as provided in subsection three (3) of section six (6). The application
8 for registration shall be submitted to the secretary on forms furnished
9 by the secretary and shall be accompanied by a label setting forth the
10 guaranteed analysis which shall be the same as that appearing on the
11 registered product.

12 2. All registration will be permanent, provided, however, that the
13 secretary may request a listing of products to be currently manufac-
14 tured. The application shall include the following information in the
15 following order:

16 a. Net weight, if sold in packaged form.

17 b. Name and address of the registrant.

18 c. Name of product.

19 d. Brand.

20 e. Grade.

21 f. Guaranteed analysis.

22 3. In addition to the information required in subsection two (2) of
23 this section, applications for registration of soil conditioners must
24 include the name or chemical designation and percentage of content of
25 each of the active ingredients.

26 4. The secretary is authorized, after public hearing, following due
27 notice, to adopt rules and regulations regulating the labeling and regis-
28 tration of specialty fertilizers and other fertilizer products, when
29 necessary in his opinion. He may require any reasonable information
30 in addition to subsection twelve (12) of section three (3), which is
31 necessary and useful to the purchasers of specialty fertilizers of this
32 state and to promote uniformity among states.

33 5. The secretary is authorized after public hearing, following due
34 notice, to establish minimum acceptable levels of trace and secondary
35 elements recognized as effective to aid crops produced in Iowa and to
36 require such warning statements as may be deemed necessary to pre-
37 vent injury to crops.

38 6. The secretary, whenever he deems it necessary in the adminis-
39 tration of this Act, may require the submission of additional data
40 about any fertilizer or product to support the claims made for it. If
41 it appears to the secretary that the composition of the article is such
42 as to warrant the claims made for it, and if the article, its labeling and
43 other material required to be submitted, comply with the requirements
44 of this Act, he shall register the product.

45 7. If it does not appear to the secretary that the article is such as to
46 warrant the proposed claims for it, or if the article and its labeling
47 and other material required to be submitted does not comply with the
48 provision of this Act, he shall notify the registrant of the manner in
49 which the article, labeling, or other material required to be submitted
50 fails to comply with this Act so as to afford the registrant an oppor-
51 tunity to make the necessary corrections before resubmitting the label.

52 8. It shall be the responsibility of the registrant to submit satis-
53 factory evidence of favorable effects and safety of the product.

54 9. A distributor shall not be required to register any brand and
55 grade of commercial fertilizer which is already registered under this
56 Act by another person.

1 SEC. 6. Labeling.

2 1. Any commercial fertilizer offered for sale or sold or distributed
3 in this state in bags, or other containers, shall have placed on or affixed
4 to the container in legibly written or printed form, the information
5 required by subsection two (2) of section five (5); either on tags
6 affixed to the end of the package or directly on the package.

7 2. If distributed in bulk, the shipment must be accompanied by a
8 written or printed statement giving the purchaser's name and address
9 in addition to the labeling requirement set forth in subsection two (2)
10 of section five (5).

11 3. A commercial fertilizer formulated according to specifications
12 which are furnished by a consumer prior to mixing shall be labeled to
13 show the net weight, guaranteed analysis, and the name and address
14 of the distributor and may show the net weight and guaranteed analy-
15 sis of each of the fertilizer materials or soil conditioners used. It is
16 the responsibility of the distributor to mix these materials uniformly

17 and intimately so that when sampled in the prescribed manner the
18 resulting analysis would meet the guarantee.

19 4. All bulk bins or intermediate storage of bulk commercial fer-
20 tilizer where being offered for sale or distributed direct to the con-
21 sumer shall be labeled showing brand, name and grade of product.

22 5. All fertilizers distributed or stored in bulk, unless in the manu-
23 facturers authorized containers shall be labeled as the responsibility
24 of the possessor.

25 6. Soil conditioners shall be labeled in accordance with subsection
26 one (1) of this section and in addition shall show the name or chemical
27 designation and content or the active ingredients.

1 **SEC. 7. Fertilizer-pesticide mixture.** Only those persons, licensed
2 under section four (4) of this Act shall be permitted to add pesticides
3 to commercial fertilizers. These persons shall at all times produce a
4 uniform mixture of fertilizer and pesticide and shall register and label
5 their product in compliance with both the Iowa Pesticide Act and this
6 Act.

1 **SEC. 8. Inspection fees.**

2 1. There shall be paid by the licensee to the secretary for all com-
3 mercial fertilizers and soil conditioners sold, or distributed in this
4 state, an inspection fee to be fixed annually by the secretary of agri-
5 culture at not more than twenty cents per ton: Except sales for manu-
6 facturing purposes only are hereby exempted from fees but must still
7 be reported showing manufacturer who purchased same. Payment of
8 said inspection fee by any licensee shall exempt all other persons, firms
9 or corporations from the payment thereof.

10 On individual packages of commercial fertilizer containing twenty-
11 five pounds or less there shall be paid a tonnage inspection fee of not
12 less than twenty-five dollars for each product registered, for each six-
13 month period of registration.

14 2. Every licensee under this Act in this state shall:

15 a. File not later than the last day of January and July of each year,
16 on forms furnished by secretary, a semiannual statement setting forth
17 the number of net tons of commercial fertilizer or soil conditioners
18 distributed in this state by grade for each county during the preceding
19 six months period; and upon filing such statement shall pay the in-
20 spection fee at the rate stated in subsection one (1) of this section.

21 b. If the tonnage report is not filed and the payment of inspection
22 fees is not made within ten days after the date due, a penalty amount-
23 ing to ten percent, minimum fifty dollars, of the amount due shall be
24 assessed against the licensee and the amount of fees due plus penalty
25 shall constitute a debt and become the basis of a judgment against the
26 licensee.

1 **SEC. 9. Fertilizer fund.** Fees collected for licenses and inspection
2 fees under sections four (4) and eight (8) shall be deposited in the
3 treasury to the credit of the fertilizer fund to be used only by the
4 department of agriculture for the purpose of inspection, sampling,
5 analysis, preparation and publishing of reports and other expenses
6 necessary for administration of this Act. The secretary may assign
7 moneys to the Iowa agricultural experiment station for research, work

8 projects, investigations as may be needed for the specific purpose of
9 improving the regulatory functions for enforcement of this Act.

1 **SEC. 10. Inspection, sampling and analysis.**

2 1. It shall be the duty of the secretary, who may act through his
3 authorized agent, to sample, inspect, make analysis of, and test com-
4 mercial fertilizers or soil conditioners distributed within this state at
5 time and place and to such an extent as he may deem necessary, to
6 determine whether such commercial fertilizers and soil conditioners
7 are in compliance with the provisions of this Act. In the performance
8 of the foregoing duty, the secretary shall counsel with the director of
9 the Iowa agricultural experimental station in respect to the time, place
10 and extent of sampling. The secretary individually or through his
11 agent, is authorized to enter upon any public or private premises or
12 conveyances during regular business hours in order to have access to
13 commercial fertilizers or soil conditioners subject to the provisions
14 of this Act and the rules and regulations pertaining thereto. It shall
15 be the duty of the secretary to maintain a laboratory with the neces-
16 sary equipment and to employ such employees as may be necessary to
17 aid in the administration and enforcement of this Act.

18 2. The methods of sampling and analysis shall be the official meth-
19 ods of the association of official agricultural chemists in all cases
20 where methods have been adopted by the association.

21 The findings of the state chemist or his deputy, as shown by the
22 sworn statement of the results of analysis of official samples of any
23 brand and grade of commercial fertilizer, fertilizer material or soil
24 conditioner, shall constitute prima-facie evidence of their correctness
25 in the courts of this state, as to the particular lots sampled and ana-
26 lyzed.

27 3. The secretary, in determining for administrative purposes
28 whether any commercial fertilizer is deficient in plant food, or soil
29 conditioner deficient in guaranteed active ingredients, shall be guided
30 by the official sample as defined in subsection thirteen (13) of section
31 three (3), and obtained and analyzed as provided for in subsection
32 two (2) of section ten (10).

33 4. The results of official analysis of any commercial fertilizer or soil
34 conditioner which has been found to be in violation of any provision
35 of this Act, shall be forwarded by the secretary to the registrant.
36 Upon request, the secretary shall furnish to the registrant a portion
37 of any sample.

1 **SEC. 11. Filler material.** It shall be unlawful for any person to
2 manufacture, offer for sale or sell in this state, any commercial fer-
3 tilizer, or soil conditioner containing any substance used as a filler
4 that is injurious to crop growth or deleterious to the soil, or to use in
5 such commercial fertilizer, or soil conditioner as a filler any substance
6 that contains inert or useless plant food material for the purpose or
7 with the effect of deceiving or defrauding the purchaser.

1 **SEC. 12. False or misleading statements.** A commercial fertilizer
2 or soil conditioner is misbranded if it does not identify substances
3 promoting plant growth as defined in subsection one (1) of section
4 three (3), or if it carries any false or misleading statement upon or
5 attached to the container or stated on the invoice or delivery ticket, or

6 if the container or on the invoice or delivery ticket or in any advertis-
7 ing matter whatsoever connected with, accompanying or associated
8 with the commercial fertilizer or soil conditioner. Further, the burden
9 of proof of the desirable effect of the product on plant growth shall be
10 the responsibility of the registrant.

1 **SEC. 13. Reports and publications.** The secretary shall publish at
2 least annually, in such forms as he may deem proper, information con-
3 cerning the sales of commercial fertilizers, together with such data on
4 their production and use as he may consider advisable. The secretary
5 shall report semiannually the results of the analysis based on official
6 samples taken of commercial fertilizers sold within the state as com-
7 pared with the analyses guaranteed under section five (5) and section
8 six (6) together with name and address of the manufacturer or dis-
9 tributor of such commercial fertilizer at the time the official sample
10 was taken. A copy of this semiannual report will be mailed by the
11 secretary to each corresponding county extension director in the state.

1 **SEC. 14. Rules and regulations.**

2 1. The secretary is authorized, after public hearing, following due
3 notice, to adopt rules and regulations setting forth minimum general
4 safety standards for the design, construction, location, installation and
5 operation of equipment for storage, handling, transportation by tank
6 truck or tank trailer, and utilization of anhydrous ammonia. The rules
7 and regulations shall be such as are reasonably necessary for the pro-
8 tection and safety of the public and persons using anhydrous ammonia,
9 and shall be in substantial conformity with the generally accepted
10 standards of safety.

11 It is hereby declared that rules and regulations in substantial con-
12 formity with the published standards of the agricultural ammonia
13 institute for the design, installation and construction of containers
14 and pertinent equipment for the storage and handling of anhydrous
15 ammonia, shall be deemed to be in substantial conformity with the
16 generally accepted standards of safety.

17 All anhydrous ammonia equipment shall be installed and maintained
18 in a safe operating condition and in conformity with the rules and
19 regulations of the secretary of agriculture. No person, firm or cor-
20 poration, other than the owner and those authorized by the owner to
21 do so, shall sell, fill, refill, deliver or permit to be delivered, or use in
22 any manner any anhydrous ammonia container or receptacle for any
23 gas, compound for any other purpose whatsoever.

24 2. The secretary is hereby charged with the enforcement of this
25 Act, and after due publicity and due public hearing, is empowered to
26 promulgate and adopt such reasonable rules and regulations as may
27 be necessary in order to carry into effect the purpose and intent of
28 this Act or to secure the efficient administration thereof.

29 3. All rules and regulations authorized under sections one (1) and
30 two (2) shall be approved by the legislative committee on administra-
31 tive rules before becoming effective.

32 4. Nothing in this Act shall prohibit the use of storage tanks
33 smaller than transporting tanks nor the transfer of all kinds of fer-
34 tilizer including anhydrous ammonia directly from transporting tanks
35 to implements of husbandry, if proper safety precautions are observed.

1 **SEC. 15. Refusal to register, or cancellation of registration and**
2 **licenses.**

3 The secretary is authorized and empowered to cancel the registra-
4 tion of any product of commercial fertilizer or soil conditioner or license
5 or to refuse to register any product of commercial fertilizer or soil
6 conditioner or refuse to license any applicant as herein provided, upon
7 satisfactory evidence that the registrant or licensee has used fraudu-
8 lent or deceptive practices or who willfully violates any provisions of
9 this Act or any rules and regulations promulgated thereunder: Except
10 no registration or license shall be revoked or refused until the regis-
11 trant or licensee shall have been given the opportunity to appear for a
12 hearing by the secretary.

1 **SEC. 16. "Stop sale" orders.** The secretary may issue and enforce
2 a written or printed "stop sale, use or removal" order to the owner or
3 custodian of any lot of commercial fertilizer or soil conditioner, and
4 to hold at a designated place when the secretary finds said commercial
5 fertilizer or soil conditioner is being offered or exposed for sale in
6 violation of any of the provisions of this Act or any of the rules and
7 regulations promulgated hereunder until the law has been complied
8 with and said commercial fertilizer or soil conditioner is released in
9 writing by the secretary or said violation has been otherwise legally
10 disposed of by written authority, and all costs and expenses incurred
11 in connection with the withdrawal have been paid.

1 **SEC. 17. Seizure, condemnation, and sale.** Any lot of commercial
2 fertilizer or soil conditioner not in compliance with the provisions of
3 this Act shall be subject to seizure on complaint of the secretary to a
4 court of competent jurisdiction in the county or adjoining county in
5 which said commercial fertilizer or soil conditioner is located. In the
6 event the court finds the said commercial fertilizer or soil conditioner
7 to be in violation of this Act and orders the condemnation of said com-
8 mercial fertilizer or soil conditioner, it shall be disposed of in any
9 manner consistent with the quality of the commercial fertilizer or soil
10 conditioner and the laws of the state: Except in no instance shall the
11 disposition of said commercial fertilizer or soil conditioner be ordered
12 by the court without first giving the claimant an opportunity to apply
13 to the court for release of said commercial fertilizer or soil conditioner
14 or for permission to reprocess or relabel said commercial fertilizer or
15 soil conditioner to bring it into compliance with this Act.

1 **SEC. 18. Violations.**

2 1. If it shall appear from the examination of any commercial fer-
3 tilizer or soil conditioner or any anhydrous ammonia installation,
4 equipment, or operation that any of the provisions of this Act or the
5 rules and regulations issued thereunder have been violated, the secre-
6 tary shall cause notice of the violations to be given to the registrant,
7 distributor, or possessor from whom said sample was taken; any
8 person so notified shall be given opportunity to be heard under such
9 rules and regulations as may be prescribed by the secretary. If it
10 appears after such hearing, either in the presence or absence of the
11 person so notified, that any of the provisions of this Act or rules and
12 regulations issued thereunder have been violated, the secretary may
13 certify the facts to the proper prosecuting attorney.

14 2. Any person convicted of violating any provision of this Act or
 15 the rules and regulations issued thereunder shall be punished by a fine
 16 of not less than one hundred dollars nor more than two hundred and
 17 fifty dollars.

18 3. Nothing in this Act shall be construed as requiring the secretary
 19 or his representative to report for prosecution or for the institution
 20 of seizure proceedings minor violations of the Act when he believes
 21 that the public interest will be best served by a suitable notice of
 22 warning in writing.

23 4. It shall be the duty of each county attorney to whom any viola-
 24 tion is reported, to cause appropriate proceedings to be instituted and
 25 prosecuted in a court of competent jurisdiction without delay.

26 5. The secretary is hereby authorized to apply for and the court to
 27 grant a temporary or permanent injunction restraining any person
 28 from violating or continuing to violate any of the provisions of this
 29 Act or any rule or regulation promulgated under the Act notwith-
 30 standing the existence of other remedies at law, said injunction to be
 31 issued without bond.

1 **SEC. 19. Exchanges between manufacturers.** Nothing in this Act
 2 shall be construed to restrict or avoid sales or exchanges of commer-
 3 cial fertilizers or soil conditioners to each other by importers, manu-
 4 facturers, or manipulators who mix fertilizer materials for sale or as
 5 preventing the free and unrestricted shipments of commercial fer-
 6 tilizer or soil conditioner to manufacturers or manipulators who have
 7 registered their brands as required by the provisions of this Act.

Approved May 14, 1965.

CHAPTER 195 NARCOTIC DRUGS

S. F. 330

AN ACT relating to and defining narcotic drugs and to make uniform the law with reference thereto.

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

1 Chapter two hundred four (204), Code 1962, is hereby repealed and
 2 the following enacted in lieu thereof:

1 **SECTION 1.** The following words and phrases, as used in this Act,
 2 shall have the following meanings, unless the context otherwise re-
 3 quires:

4 1. "Person" means an individual, partnership, corporation, associa-
 5 tion, trust, or other institution or entity.

6 2. "Medical practitioner" means a physician, dentist, veterinary* or
 7 any other person authorized by law to treat sick and injured human
 8 beings or animals in this state and to use narcotic drugs in such treat-
 9 ment.

*According to enrolled Act.

10 3. "Pharmacist" means a natural person licensed by the law of this
11 state to engage in the practice of the profession of pharmacy.

12 4. "Pharmacy" means every store or other place of business where
13 narcotic drugs are compounded, dispensed, or sold by a pharmacist and
14 prescription orders for narcotic drugs are received or processed in
15 accordance with the pharmacy laws and regulations of this state.

16 5. "Manufacturer" means a person who produces or prepares a nar-
17 cotic drug, either directly or indirectly, by extraction from substances
18 of vegetable origin, or independently by means of chemical synthesis,
19 or by a combination of extraction and chemical synthesis, or by com-
20 pounding, mixing, cultivating, growing, or any other process, but does
21 not include a pharmacist who compounds narcotic drugs to be sold or
22 dispensed on prescription order.

23 6. "Wholesaler" means a person who supplies narcotic drugs that he
24 himself has not produced nor prepared, on official written orders, but
25 not on prescription orders.

26 7. "Hospital" means an institution for the care and treatment of the
27 sick and injured, approved by the board as proper to be entrusted with
28 the custody of narcotic drugs and the professional use of narcotic
29 drugs under the direction of a medical practitioner.

30 8. "Laboratory" means a laboratory approved by the board as
31 proper to be entrusted with the custody of narcotic drugs and the use
32 of narcotic drugs for scientific and medical purposes and for purposes
33 of instruction.

34 9. "Sale" means barter, exchange, gift, or offer therefor, and each
35 such transaction made by any person, whether as principal, propri-
36 etor, agent, servant, or employee.

37 10. "Narcotic drug" means any of the following, alone, in combina-
38 tion, or mixed with other ingredients:

39 a. Opium, isonipecaine, cocoa leaves, or opiate.

40 b. Any compound, manufacture, salt, derivative, or preparation of
41 opium, isonipecaine, cocoa leaves, or opiate.

42 c. "Marijuana" means all parts of the plant *cannabis sativa* L.,
43 whether growing or not, the seeds thereof, the resin extracted from
44 any part of such plant, and every compound, manufacture, salt, de-
45 rivative, mixture, or preparation of such plant, its seeds, or resin, but
46 shall not include the mature stalks of such plant, fiber produced from
47 such stalks, oil, or cake made from the seeds of such plant, any other
48 compound, manufacture, salt, derivative, mixture, or preparation of
49 such mature stalks, except the resin extracted therefrom, fiber, oil, or
50 cake, or the sterilized seed of such plant which is incapable of germina-
51 tion.

52 d. Any substance and any compound, manufacture, salt, derivative,
53 or preparation thereof, whether produced directly or indirectly by
54 extraction from substances of vegetable origin, or independently by
55 means of chemical synthesis, or by a combination of extraction and
56 chemical synthesis, which is neither chemically nor physically distin-
57 guishable from any of the substances referred to in paragraphs a, b,
58 or c.

59 e. "Opiate" means any drug or other substance proclaimed to be a
60 narcotic drug by rule or regulation of the board after reasonable notice
61 and opportunity of hearing. "Opiate" means any drug or other sub-

62 stance and any compound, manufacture, salt, derivative, or prepara-
 63 tion thereof which has been or may be found by the secretary of the
 64 treasury of the United States or his delegate, after due notice and
 65 opportunity for public hearing, to have an addiction-forming or addic-
 66 tion-sustaining liability similar to morphine or cocaine or to be capable
 67 of conversion into a drug having such addiction-forming or addiction-
 68 sustaining liability, where the relative technical simplicity and degree
 69 of yield of such conversion create a risk of improper use and pro-
 70 claimed by the secretary or his delegate to have been so found in the
 71 federal register; but a drug or other substance shall cease to be an
 72 "opiate" for the purposes of this section if such finding is duly with-
 73 drawn by the secretary or his delegate.

74 Except that the words "narcotic drug" shall not include decocainized
 75 cocoa leaves or extracts of cocoa leaves, which extracts do not contain
 76 cocaine or ecgonine.

77 11. "Propagate" means distribute, leave with, give away, dispose of,
 78 or deliver.

79 12. "Dispense" means to prepare or issue a drug in a container with
 80 labeling for subsequent administration to or use by a patient under a
 81 medical practitioner's order.

82 13. "Federal Narcotic Laws" means the laws of the United States
 83 relating to narcotic drugs.

84 14. "Official written order" means an order written on a form pro-
 85 vided for that purpose by the secretary of the treasury of the United
 86 States or his delegate, under any laws of the United States making
 87 provision therefor, if such order forms are authorized and required by
 88 federal law, and if no such order form is provided, then on an official
 89 form provided for that purpose by the board.

90 15. "Registry number" means the number assigned to each person
 91 registered under the federal narcotic laws.

92 16. "Board" means the board of pharmacy examiners.

1 SEC. 2. It shall be unlawful for any person to manufacture, pos-
 2 sess, have under his control, sell, purchase, prescribe, administer, dis-
 3 pense, compound, or propagate any narcotic drug, or any preparation
 4 containing a narcotic drug, except as authorized in this Act.

1 SEC. 3. No person shall manufacture, compound, mix, cultivate,
 2 grow, or by any other process produce or prepare narcotic drugs, and
 3 no person as wholesaler shall supply the same, without having first
 4 obtained a license so to do from the board.

1 SEC. 4. 1. No license shall be issued under section three (3) of this
 2 Act unless and until the applicant therefor has furnished proof satis-
 3 factory to the board:

4 a. That the applicant is of good moral character or, if the applicant
 5 is an association or corporation, that the managing officers are of good
 6 moral character.

7 b. That the applicant is equipped as to land, buildings, and equip-
 8 ment to properly carry on the business described in his application.

9 No license shall be granted to any person who has within five (5)
 10 years been convicted of a willful violation of any law of the United
 11 States, or of any state, relating to narcotic drugs, or to any person who
 12 is a narcotic drug addict.

13 2. After due notice and opportunity for hearing, any license may be
14 suspended or revoked for cause by the board. Cause includes:

15 a. A licensee's conviction of violating or conspiring to violate any
16 law of the United States or of any state where the offense involves any
17 activity or transaction with respect to narcotic drugs; or

18 b. A licensee's violation or failure to comply with any duly promul-
19 gated rule or regulation of the board.

1 SEC. 5. 1. A duly licensed manufacturer or wholesaler may sell
2 and propagate narcotic drugs to any of the following persons, but only
3 on official written orders:

4 a. To a manufacturer, wholesaler, pharmacist, or pharmacy.

5 b. To a medical practitioner.

6 c. To a person in charge of a hospital, but only for use by or in that
7 hospital.

8 d. To a person in charge of a laboratory, but only for use in that
9 laboratory for scientific and medical purposes.

10 e. To a person in the employ of the United States government or of
11 any state, territorial, district, county, municipal, or insular govern-
12 ment, purchasing, receiving, possessing, or dispensing narcotic drugs
13 by reason of his official duties, upon an exempt official order form as
14 required by federal narcotic laws.

15 f. To a master of a ship or a person in charge of any aircraft upon
16 which no physician is regularly employed, or to a physician or surgeon,
17 duly licensed in some state, territory, or the District of Columbia to
18 practice his profession, or to a retired commissioned medical officer of
19 the United States army, navy, or public health service employed upon
20 such ship or aircraft, for the actual medical needs of persons on board
21 such ship or aircraft when not in port. Provided; such narcotic drugs
22 shall be sold to the master of such ship or person in charge of such
23 aircraft or to a physician, surgeon, or retired commissioned medical
24 officer of the United States army, navy, or public health service em-
25 ployed upon such ship or aircraft only in pursuance of a special order
26 form approved by a commissioned medical officer or acting assistant
27 surgeon of the United States public health service.

28 g. To a person in a foreign country if the provisions of the federal
29 narcotic laws are complied with.

30 2. An official written order for any narcotic drug shall be signed in
31 triplicate by the person giving said order or by his duly authorized
32 agent. The original shall be presented to the person who sells or
33 propagates the narcotic drug or drugs named therein. Upon the ac-
34 ceptance of such order by said person, each party to the transaction
35 shall preserve his copy of such order for a period of five (5) years in
36 such a way as to be readily accessible for inspection by any public
37 officer or employee engaged in the enforcement of this Act. It shall be
38 deemed a compliance with this subsection if the parties to the transac-
39 tion have complied with the federal narcotic laws, respecting the re-
40 quirements governing the use of order forms.

41 3. Possession of or control of narcotic drugs obtained as authorized
42 by this section shall be lawful if in the regular course of business,
43 occupation, profession, employment, or duty of the possessor; but
44 nothing in this Act shall be construed as conferring on a person who is
45 not registered nor licensed as a medical practitioner or as a pharmacist

46 any authority, right, or privilege that is not granted to him by the
47 medical practice or pharmacy laws of this state.

48 4. A person in charge of a hospital or of a laboratory, or in the
49 employ of this state or of any other state, or of any political subdivi-
50 sion thereof, or a master of a ship or a person in charge of any air-
51 craft upon which no physician is regularly employed, or a physician or
52 surgeon duly licensed in some state, territory, or the District of Co-
53 lumbia, to practice his profession, or a retired commissioned medical
54 officer of the United States army, navy, or public health service em-
55 ployed upon such ship or aircraft, who obtains a narcotic drug under
56 the provisions of this section or otherwise, shall not administer, nor
57 dispense, nor otherwise use such drug within the state, except within
58 the scope of his employment or official duty, and then only for scien-
59 tific or medicinal purposes and subject to the provisions of this Act.

1 SEC. 6. 1. A pharmacist, in good faith, may sell or dispense nar-
2 cotic drugs to any person upon a written prescription order of a med-
3 ical practitioner properly executed, dated, and signed by the person
4 prescribing on the day when issued and bearing the full name and
5 address of the patient for whom, or of the owner of the animal for
6 which, the drug is dispensed, and the full name, address, and registry
7 number under the federal narcotic laws of the person prescribing, if he
8 is required by those laws to be so registered. If the prescription order
9 is for an animal, it shall state the species of animal for which the drug
10 is prescribed.

11 2. Notwithstanding the provisions of subsection one (1) of this sec-
12 tion, narcotic drugs which possess relatively little or no addiction
13 liability, which the board shall find and by regulations designate, after
14 reasonable notice and opportunity for hearing, to possess relatively
15 little or no narcotic addiction liability, may be dispensed by a pharma-
16 cist, in good faith, to any person upon an oral prescription order of a
17 medical practitioner. In issuing an oral prescription order, the pre-
18 scriber shall furnish the same information as is required for a written
19 prescription order under subsection one (1) of this section except for
20 the written signature of the prescriber. Upon receipt of the oral pre-
21 scription order, the pharmacist dispensing the oral prescription order
22 shall promptly reduce the oral prescription order to writing by record-
23 ing:

24 a. The date when the oral prescription order was received.

25 b. The full name and address of the patient for whom, or the owner
26 of the animal for which, the drug is dispensed.

27 c. The full name, address, and registry number under the federal
28 narcotic laws of the person prescribing, if he is required by those laws
29 to be so registered.

30 d. If the oral prescription order is for an animal, the species of the
31 animal for which the drug is prescribed.

32 3. The pharmacist dispensing an oral or written prescription order
33 under this section shall write the date of dispensing and his own sig-
34 nature on the face of the prescription order. The oral or written
35 prescription order shall be retained in a separate file by the proprietor
36 of the pharmacy in which it is dispensed for a period of five (5) years,
37 so as to be readily accessible for inspection by any public officer or

38 employee engaged in the enforcement of this chapter. The oral or
39 written prescription order shall not be renewed.

40 4. The legal owner of any stock of narcotic drugs in a pharmacy,
41 upon discontinuance of dealing in said drugs, may sell said stock to a
42 manufacturer, wholesaler, pharmacist, or pharmacy, but only on an
43 official written order, and with the approval of the district director of
44 internal revenue for the district.

45 5. A pharmacist, only upon an official written order, may sell to a
46 medical practitioner in quantities not exceeding one (1) ounce at any
47 one (1) time, aqueous or oleaginous solutions of which the content of
48 narcotic drugs does not exceed a proportion greater than twenty (20)
49 percent of the complete solution, to be used for medical purposes.

1 SEC. 7. 1. A physician or a dentist, in good faith and in the course
2 of his professional practice only, may prescribe, administer, and dis-
3 pense narcotic drugs, or he may cause the same to be administered by
4 a nurse or intern under his direction and supervision.

5 2. A veterinarian, in good faith and in the course of his professional
6 practice only, and not for use by a human being, may prescribe, admin-
7 ister, and dispense narcotic drugs, and he may cause them to be admin-
8 istered by an assistant or orderly under his direction and supervision.

9 3. Any person who has obtained from a medical practitioner any
10 narcotic drug for administration to a patient during the absence of
11 such medical practitioner shall return to such practitioner any unused
12 portion of such drug, when it is no longer required by the patient.

1 SEC. 8. 1. The board may by regulation exempt from the applica-
2 tion of this Act to the extent it determines to be consistent with the
3 public welfare, pharmaceutical preparations of narcotic drugs found
4 by the board after due notice and opportunity for hearing:

5 a. Either to possess no addiction-forming or addiction-sustaining
6 liability, or to possess such slight addiction-forming or addiction-sus-
7 taining liability as to create little risk of improper use, and

8 b. Not to permit recovery of a narcotic drug having such liability,
9 with relative technical simplicity and degree of yield as to create a risk
10 of improper use.

11 2. In exercising the authority granted in subsection one (1) of this
12 section, the board, by regulation and without special findings, may
13 grant an exempt status to such pharmaceutical preparations of nar-
14 cotic drugs as are or may be determined to be exempt under the federal
15 narcotic laws and regulations and permit the administering, dispens-
16 ing, or selling of such preparations under conditions and by persons
17 the board may prescribe.

18 3. If the board shall determine that any exempt preparation does
19 possess a degree of addiction liability that, in its opinion, results in
20 abusive use, the board shall by regulation publish its determination.
21 The determination shall be final and the exempt status shall cease to
22 apply to such preparation sixty (60) days after the publication date
23 of the determination.

24 4. Pharmaceutical preparations of narcotic drugs exempted from
25 this Act shall be subject to the following conditions:

26 a. The preparation administered, dispensed, or sold, shall contain,
27 in addition to the narcotic drug in it, some drug or drugs conferring

28 upon it medicinal qualities other than those possessed by the narcotic
29 drug alone.

30 *b.* The preparation shall be administered, dispensed, or sold in good
31 faith as a medicine, and not for the purpose of evading the provisions
32 of this Act.

33 *c.* Only a pharmacist shall sell at retail or dispense such a prepara-
34 tion.

35 5. Except as otherwise provided, this Act shall not apply to the
36 administering, dispensing, or selling of any preparation containing
37 not more than one (1) grain (64.8mg.) of codeine, or any of its salts,
38 per one (1) fluid ounce (29.5729 cc.) or per one (1) avoirdupois ounce
39 (28.3 gms.), when such pharmaceutical preparations of narcotic drugs
40 are administered, dispensed, or sold by persons and under conditions
41 prescribed by the board.

1 SEC. 9. Medical practitioners, manufacturers, wholesalers, phar-
2 macies, pharmacists, hospitals, laboratories, and every person who pur-
3 chases for resale or who sells narcotic drugs, shall keep such records as
4 may be required by the board relating to receipt, manufacture, inven-
5 tory, distribution, including dispensing, administering, sale, or other
6 disposition, and information as to narcotics stolen, lost, or destroyed.
7 In every case the record of narcotic drugs received shall show the date
8 of receipt, the name and address of the person from whom received,
9 and the kind and quantity of drugs received; the kind and quantity of
10 narcotic drugs produced or removed from process of manufacture, and
11 the date of such production or removal from process of manufacture.
12 The record of all narcotic drugs sold, administered, dispensed, or other-
13 wise disposed of, shall show the date of selling, administering, or dis-
14 pensing, the name and address of the person to whom, or for whose
15 use, or the owner and species of animal for which the drugs were sold,
16 administered, or dispensed and the kind and quantity of drugs.

17 Every such record shall be kept for a period of five (5) years from
18 the date of the transaction recorded. The keeping of a record required
19 by or under the federal narcotic laws containing substantially the same
20 information as is specified by this Act, shall constitute compliance with
21 this section, except that every such record shall contain a detailed list
22 of narcotic drugs lost, destroyed, or stolen, if any, the kind and quan-
23 tity of such drugs, and the date of the discovery of such loss, destruc-
24 tion, or theft.

1 SEC. 10. 1. Whenever a manufacturer sells or propagates a nar-
2 cotic drug, and whenever a wholesaler sells or propagates a narcotic
3 in a package prepared by him, he shall securely affix to each package
4 in which that drug is contained a label showing in legible English the
5 name and address of the vendor and the quantity, kind, and form of
6 narcotic drug contained therein. No person, except a pharmacist, for
7 the purpose of dispensing a prescription order under this Act, shall
8 alter, deface, or remove any label so affixed.

9 2. Whenever a pharmacist sells or dispenses any narcotic drug on a
10 prescription order issued by a medical practitioner, he shall affix to the
11 container in which such drug is sold or dispensed, a label showing his
12 own name, address, and registry number, or the name, address, and
13 registry number of the pharmacy for whom he is lawfully acting; the

14 name and address of the patient or, if the patient is an animal, the
15 name and address of the owner of the animal and the species of the
16 animal; the name, address, and registry number of the medical practi-
17 tioner by whom the prescription was written; and such directions as
18 may be stated on the prescription order. No person shall alter, deface,
19 or remove any label so affixed.

1 SEC. 11. 1. A person to whom, or for whose use, any narcotic drug
2 has been prescribed, sold, or dispensed, by a medical practitioner or
3 pharmacist, or other person authorized under the provisions of section
4 five (5) of this Act, and the owner of any animal for which any such
5 drug has been prescribed, sold, or dispensed by a veterinarian, may
6 lawfully possess such drug and then only in the container in which it
7 was delivered to him by the person selling or dispensing the same.

8 2. Any narcotic drug left, manufactured, or dispensed in violation
9 of the laws of the United States, or of this Act, or any instrument,
10 container, or other equipment used or intended to be used in manu-
11 facturing, keeping, or dispensing such drug may be seized, confiscated,
12 and disposed of under a search warrant proceeding and the procedure
13 shall be the same as provided under chapter seven hundred fifty-one
14 (751) of the Code.

15 3. Any automobile or other vehicle used, or intended to be used, to
16 conceal, convey, carry, or transport in violation of this Act any of the
17 drugs defined in section one (1) of this Act, or any automobile or
18 vehicle in which any of the drugs defined in section one (1) of this Act
19 are unlawfully possessed by an occupant with the knowledge of the
20 owner thereof, shall be forfeited to the state, under the provisions of
21 chapter one hundred twenty-seven (127) of the Code.

1 SEC. 12. The provisions of this Act restricting the possession and
2 having control of narcotic drugs shall not apply to common carriers or
3 to warehousemen, while engaged in lawfully transporting or storing
4 such drugs, or to any employee of the carrier or warehouseman acting
5 within the scope of his employment; or to public officers or their
6 employees in the performance of their official duties requiring posses-
7 sion or control of narcotic drugs, to a pharmacy, or to temporary inci-
8 dental possession by employees or agents of persons lawfully entitled
9 to possession, or by persons whose possession is for the purpose of
10 aiding public officers in performing their official duties.

1 SEC. 13. Any store, shop, warehouse, dwelling house, building,
2 vehicle, boat, aircraft, or any place whatever, which is resorted to by
3 narcotic drug addicts for the purpose of using narcotic drugs or which
4 is used for the illegal keeping or selling of the same, shall be deemed a
5 common nuisance. No person shall keep or maintain such a common
6 nuisance.

1 SEC. 14. All narcotic drugs, the lawful possession of which is not
2 established or the title to which cannot be ascertained, or excess or
3 undesired narcotic drugs, which have come into the custody of a peace
4 officer, shall be forfeited, and disposed of as follows:

5 1. Except as otherwise provided in this section, the court or magis-
6 trate having jurisdiction shall order such narcotic drugs forfeited and
7 destroyed. A record of the place where said drugs were seized, of the

8 kinds and quantities of drugs so destroyed, and of the time, place, and
 9 manner of destruction, shall be kept, and a return under oath, report-
 10 ing said destruction, shall be made to the court or magistrate and to
 11 the secretary of the treasury of the United States, or his delegate, by
 12 the officer who destroys them.

13 2. Upon written application by the board, the court or magistrate by
 14 whom the forfeiture of narcotic drugs has been decreed may order the
 15 delivery of any of them, except heroin and its salts and derivatives, to
 16 said board for distribution or destruction, as provided by this section.

17 3. Upon application by any hospital within this state, not operated
 18 for private gain, the board may in its discretion deliver any narcotic
 19 drugs that have come into its custody by authority of this section to
 20 the applicant for medicinal use. The board may from time to time
 21 deliver excess stocks of such narcotic drugs to the secretary of the
 22 treasury of the United States, or his delegate, or may destroy the same.

23 4. The board shall keep a full and complete record of all drugs re-
 24 ceived and of all drugs disposed of, showing the exact kinds, quan-
 25 tities, and forms of such drugs, the persons from whom received, and
 26 to whom delivered, by whose authority received, delivered, and de-
 27 stroyed and the dates of the receipt, disposal, or destruction, which
 28 record shall be open to inspection by all federal or state officers charged
 29 with the enforcement of federal and state narcotic laws.

1 SEC. 15. On the conviction of any person of the violation of any
 2 provision of this Act, a copy of the judgment and sentence, and of the
 3 opinion of the court or magistrate, if any opinion be filed, shall be sent
 4 by the clerk of the court, or by the magistrate, to the board or officer,
 5 if any, by whom the convicted defendant has been licensed or regis-
 6 tered to practice his profession or to carry on his business. On the
 7 conviction of any such person, the court may, in its discretion, sus-
 8 pend or revoke the license or registration of the convicted defendant
 9 to practice his profession or to carry on his business. On the applica-
 10 tion of any person whose license or registration has been suspended or
 11 revoked, and upon proper showing and for good cause, said board or
 12 officer may reinstate such license or registration.

1 SEC. 16. Prescription orders, records, and orders required by this
 2 Act, and stocks of narcotic drugs, shall be open for inspection only to
 3 federal, state, county, and municipal officers, whose duty is to enforce
 4 the laws of this state or of the United States relating to narcotic drugs.
 5 No officer having knowledge by virtue of his office of any such prescrip-
 6 tion order, record, or order shall divulge such knowledge, except in
 7 connection with a prosecution or proceeding in court or before a licens-
 8 ing or registration board or officer to which prosecution or proceeding
 9 the person to whom such prescription orders, records, or orders relate
 10 is a party.

1 SEC. 17. 1. No person shall obtain or attempt to obtain a narcotic
 2 drug, or procure or attempt to procure the administration of a narcotic
 3 drug:

4 a. By fraud, deceit, misrepresentation, or subterfuge.

5 b. By the forgery or alteration of a prescription order or of any
 6 written order.

- 7 c. By the concealment of a material fact.
8 d. By the use of a false name or the giving of a false address.
- 9 2. Information communicated to a medical practitioner in an effort
10 unlawfully to procure a narcotic drug, or unlawfully to procure the
11 administration of any such drug, shall not be deemed a privileged com-
12 munication.
- 13 3. No person shall willfully make a false statement in any prescrip-
14 tion order, report, record, or order required by this Act.
- 15 4. No person shall, for the purpose of obtaining a narcotic drug,
16 falsely assume the title of, or represent himself to be, a manufacturer,
17 wholesaler, pharmacy, pharmacist, medical practitioner, or other au-
18 thorized person.
- 19 5. No person shall make or utter any false or forged prescription
20 order or false or forged written order.
- 21 6. No person shall affix any false or forged label to a package or
22 receptacle containing narcotic drugs.
- 23 7. The provisions of this section shall apply to all transactions re-
24 lating to narcotic drugs under the provisions of section eight (8) of
25 this Act, in the same way as they apply to transactions under all other
26 sections.

1 SEC. 18. In any complaint, information, or indictment, and in any
2 action or proceeding brought for the enforcement of any provision of
3 this Act, it shall not be necessary to negative any exception, excuse,
4 proviso, or exemption, contained in this Act, and the burden of proof
5 of any such exception, excuse, proviso, or exemption, shall be upon the
6 defendant.

1 SEC. 19. 1. It is hereby made the duty of the board, its officers,
2 agents, inspectors, and representatives, and of all peace officers within
3 the state, and of all county attorneys, to enforce all provisions of this
4 Act, except those specifically delegated and to cooperate with all agen-
5 cies charged with the enforcement of the laws of the United States,
6 of this state, and of all other states, relating to narcotic drugs.

7 2. Authority is hereby granted to the board to promulgate rules and
8 regulations for the efficient enforcement of this Act and said board is
9 hereby authorized to make such rules and regulations under this Act
10 to conform with those promulgated by the secretary of the treasury of
11 the United States or his delegate under the federal narcotic laws.

12 3. Officers, agents, inspectors, and representatives of the board shall
13 have the power of and status as peace officers when enforcing the pro-
14 visions of this Act.

1 SEC. 20. 1. Any person violating any provision of this Act, except
2 as otherwise provided shall upon conviction be fined not more than two
3 thousand (2,000) dollars and shall be imprisoned in the state peniten-
4 tiary not less than two (2) or more than five (5) years. For a second
5 offense or, if in case of a first conviction of violation of any provision
6 of this Act, the offender shall previously have been convicted of any
7 violation of the laws of the United States, or of any other state, terri-
8 tory, or district relating to narcotic drugs, or marijuana the offender
9 shall be fined not more than two thousand (2,000) dollars and be im-
10 prisoned in the state penitentiary not less than five (5) nor more than

11 ten (10) years. For a third (3rd) or subsequent offense, or if the
12 offender shall previously have been convicted two (2) or more times
13 in the aggregate of any violation of the laws of the United States or
14 of any other state, territory, or district relating to the narcotic drugs
15 or marijuana, the offender shall be fined not more than two thousand
16 (2,000) dollars and be imprisoned in the state penitentiary not less
17 than ten (10) nor more than twenty (20) years.

18 2. Any person violating any provision of this Act by selling, pre-
19 scribing, or administering any narcotic drug to a minor shall upon
20 conviction thereof be punished by imprisonment in the state peniten-
21 tiary for not less than five (5) or more than twenty (20) years.

22 3. Any person who takes, steals, or carries away any narcotic drugs
23 the property of any person who is duly authorized by law to engage in
24 administering, dispensing, or selling of narcotic drugs shall be guilty
25 of a felony and upon conviction be fined and imprisoned as provided in
26 subsection one (1) of this section for any person violating any of the
27 provisions of this Act.

28 4. For violation of the provisions of this Act concerning the manu-
29 facturing, selling, administering to another person, or dispensing a
30 narcotic drug, the imposition or execution of sentence shall not be sus-
31 pended and probation or parole shall not be granted until the minimum
32 imprisonment herein provided for the offense shall have been served.

1 SEC. 21. No person shall be prosecuted for a violation of any pro-
2 vision of this Act if such person has been acquitted or convicted under
3 the federal narcotic laws of the same act or omission which, it is
4 alleged, constitutes a violation of this Act.

1 SEC. 22. If any provision of this Act or the application thereof to
2 any person or circumstances is held invalid, such invalidity shall not
3 affect other provisions or applications of the Act which can be given
4 effect without the invalid provision or application, and to this end the
5 provisions of this Act are declared to be severable.

1 SEC. 23. This Act shall be so interpreted and construed as to effec-
2 tuate its general purpose, to make uniform the laws of those states
3 which enact it.

1 SEC. 24. This Act may be cited as the uniform narcotic drug Act.

1 SEC. 25. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its publication in The Maple-
3 ton Press, a newspaper published in Mapleton, Iowa, and in The Wood-
4 bine Twiner, a newspaper published in Woodbine, Iowa.

Approved July 1, 1965.

I hereby certify that the foregoing Act, Senate File 330, was published in The Maple-
ton Press, Mapleton, Iowa, July 15, 1965, and in The Woodbine Twiner, Woodbine, Iowa,
July 8, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 196
GASOLINE RECEPTACLES

H. F. 591

AN ACT relating to gasoline receptacles.

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

- 1 SECTION 1. Section two hundred eight point six (208.6), Code
2 1962, is hereby amended as follows:
3 1. By striking from line four (4) the word "bottle,"
4 2. By striking from line nine (9) the words "red lettering" and in-
5 serting in lieu thereof the words "contrasting letters".
6 3. By adding thereto the following sentence:
7 "Gasoline or other petroleum products having a flash point below one
8 hundred (100) degrees Fahrenheit shall not be placed in bottles."
9 4. By inserting in line two (2) following the word "product" the
10 following: "for public use".

Approved May 13, 1965.

CHAPTER 197
PUBLIC SCALES AND METERS

H. F. 568

AN ACT relating to license fees for public scales, pumps, and meters used in measuring gasoline or fuel oil.

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

- 1 SECTION 1. Section two hundred fourteen point three (214.3),
2 Code 1962, is hereby amended as follows:
3 1. By striking from line five (5) the word "three" and inserting in
4 lieu thereof the word "four (4)".
5 2. By striking from line eight (8) the words "one dollar and fifty
6 cents" and inserting in lieu thereof the words "two (2) dollars".

Approved April 12, 1965.

CHAPTER 198
ELECTRONIC SCALES

S. F. 244

AN ACT relating to approval of electronic scales and approval by the department of agriculture.

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

- 1 SECTION 1. Section two hundred fifteen point fourteen (215.14),
2 Code 1962, is hereby amended by striking the period at the end of this

3 section and adding, “, except an electronic scale may be installed in a
 4 building and said scale shall be placed on concrete footings with con-
 5 crete floor. Said specifications for same to be furnished by the scale
 6 manufacturer after approval by the State Department of Agriculture.
 7 Said approval to be based upon the recommendation of the U. S.
 8 Bureau of Standards.”

Approved May 13, 1965.

CHAPTER 199

WEIGHTS AND MEASURES

H. F. 315

AN ACT relating to weights and measures.

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

1 SECTION 1. Chapter two hundred fifteen (215), Code 1962, is here-
 2 by amended by adding the following section: “All motor truck scales,
 3 livestock scales, grain dump scales, and combination truck and railroad
 4 track scales used for commercial purposes in the state of Iowa, except
 5 motor truck scales used solely in the weighing of construction aggre-
 6 gates and agricultural limestone, shall be equipped not later than July
 7 1, 1966 with either a type-registering weigh beam, a dial with a
 8 mechanical ticket printer, an automatic weight recorder, or some
 9 similar device which shall be used for printing or stamping the weight
 10 values on scale tickets.”

Approved May 14, 1965.

CHAPTER 200

LIQUEFIED PETROLEUM GAS METERS

H. F. 338

AN ACT relating to the testing of liquefied petroleum gas meters.

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

1 SECTION 1. Chapter two hundred fifteen (215), Code 1962, is here-
 2 by amended by adding thereto the following new section:
 3 “The secretary of agriculture shall annually inspect and test all
 4 liquid meters used for the measurement and retail sale of liquefied
 5 petroleum gas and he shall condemn all meters which are found to be
 6 inaccurate. A reasonable tolerance within a maximum of two (2)
 7 percent, plus or minus, shall be allowed. It is unlawful to use a meter
 8 for retail measurement and sale which has been condemned. All con-
 9 demned meters shall be conspicuously marked ‘inaccurate’, and the
 10 mark shall not be removed or defaced except upon authorization of
 11 the secretary of agriculture or his authorized representative. The
 12 secretary of agriculture shall charge an annual fee of ten (10) dollars

13 for each meter tested but the testing fee provided for by this Act shall
 14 not be charged more than once in a calendar year to each meter tested.
 15 When liquefied petroleum gas is sold or delivered to a consumer as a
 16 liquid and by liquid measurement, the volume of liquid sold and de-
 17 livered shall be corrected to a temperature of sixty (60) degrees
 18 Fahrenheit through use of an approved volume correction factor table,
 19 or through use of an approved meter with sealed automatic compen-
 20 sation mechanism. All sale tickets shall show the delivered gallons,
 21 the temperature at the time of delivery and the corrected gallonage,
 22 or shall state that temperature correction was automatically made.
 23 "Any person violating any provision of this section is guilty of a mis-
 24 demeanor and, upon conviction shall be punished as provided by law."

Approved May 13, 1965.

CHAPTER 201

ELECTION DATE OF CHAIRMAN OF THE BOARD OF CONTROL AND DEPARTMENT OF SOCIAL WELFARE

S. F. 252

AN ACT relating to the election of the chairman of the board of control and department of social welfare.

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

1 SECTION 1. Section two hundred seventeen point seven (217.7),
 2 Code 1962, is amended by striking everything through the period (.)
 3 in line three (3), and substituting in lieu thereof the following: "On
 4 the second Tuesday in July of each year the board shall organize by
 5 electing one of its members as chairman."

1 SEC. 2. Section two hundred thirty-four point three (234.3), Code
 2 1962, is amended by adding the following: "On the second Tuesday in
 3 July of each year the board shall organize by electing one of its mem-
 4 bers as chairman."

Approved June 3, 1965.

CHAPTER 202

BOARD OF CONTROL ADMINISTRATIVE DUTIES

S. F. 29

AN ACT to authorize the board of control of state institutions to assign certain administrative duties and responsibilities to "such other assistants as may be necessary" by board resolution.

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

1 SECTION 1. Section two hundred seventeen point seven (217.7),
 2 Code 1962, is hereby amended as follows:
 3 1. By striking all of said section after the word "employ" in line

4 four (4) and inserting in lieu thereof the words "such assistants as
5 may be necessary and may, by board resolution, assign administrative
6 duties and responsibilities to such assistants."

Approved February 19, 1965.

CHAPTER 203

TRANSFERS FROM TRAINING SCHOOLS TO REFORMATORIES

H. F. 203

AN ACT relating to the effect of a transfer of persons from the Iowa training schools to the men's and women's reformatory.

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

1 SECTION 1. Section two hundred eighteen point ninety-one
2 (218.91), Code 1962, is hereby amended by adding at the end thereof
3 the following sentence: "Subsequent to a transfer made under this
4 section, the person transferred shall be subject to all the provisions of
5 law and regulations of the institution to which he is transferred, and
6 for the purposes of chapter seven hundred forty-five (745) of the Code
7 such person shall be regarded as having been committed to the insti-
8 tution."

1 SEC. 2. Section two hundred forty-five point eleven (245.11), Code
2 1962, is hereby amended by striking the last word of line five (5) and
3 all of lines six (6) and seven (7) and inserting in lieu thereof the
4 following: ", and for the purposes of chapter seven hundred forty-five
5 (745) of the Code, a person transferred from the training school for
6 girls to the women's reformatory shall be regarded as having been
7 committed thereto."

1 SEC. 3. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its passage and publication
3 in The Anamosa Journal, a newspaper published in Anamosa, Iowa,
4 and in The Monticello Express, a newspaper published in Monticello,
5 Iowa.

Approved May 28, 1965.

I hereby certify that the foregoing Act, House File 203, was published in The Anamosa Journal, Anamosa, Iowa, June 7, 1965, and in The Monticello Express, Monticello, Iowa, June 3, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 204

ADMINISTRATION OF CONTINGENT FUND

H. F. 710

AN ACT to provide executive council responsibility in connection with allocations from the contingent fund; to provide for release of capital appropriation funds of the Sixtieth General Assembly to the respective departments upon notification to the governor and the state comptroller.

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

1 SECTION 1. Section two hundred eighteen point ninety-four
2 (218.94), Code 1962, is amended by striking the words "budget and
3 financial control committee" from lines two (2) and three (3) and
4 inserting in lieu thereof the words "executive council".

1 SEC. 2. Section two hundred eighteen point ninety-four (218.94),
2 Code 1962, is amended by striking the words "budget and financial
3 control committee" from line nine (9) and inserting in lieu thereof the
4 words "executive council".

1 SEC. 3. Section two hundred eighteen point ninety-four (218.94),
2 Code 1962, is amended by striking the words "budget and financial
3 control committee" from lines seventeen (17) and eighteen (18) and
4 inserting in lieu thereof the words "executive council".

1 SEC. 4. Section two hundred sixty-two point nine (262.9), Code
2 1962, subsection five (5), is amended by striking the words "budget
3 and financial control committee" from line nineteen (19) and inserting
4 in lieu thereof the words "executive council".

1 SEC. 5. Amend chapter three (3), Acts of the Sixtieth General
2 Assembly, by striking all of sections two (2) and three (3) and in-
3 serting in lieu thereof the following:

4 "When the board of control has approved a project to be financed
5 with funds herein appropriated, a description of said project and esti-
6 mated cost shall be reported to the governor and state comptroller for
7 allocation of funds."

1 SEC. 6. Section four (4) of chapter three (3), Acts of the Sixtieth
2 General Assembly, is amended by striking the words "and the budget
3 and financial control committee" from lines one (1) and two (2), and
4 inserting in lieu thereof the words "the governor, and the state
5 comptroller".

1 SEC. 7. Chapter five (5), Acts of the Sixtieth General Assembly,
2 is amended by striking all of sections two (2) and three (3), and
3 inserting in lieu thereof the following:

4 "When the board of regents has approved a project to be financed
5 with funds herein appropriated, a description of said project and esti-
6 mated cost shall be reported to the governor and the state comptroller
7 for allocation of funds."

1 SEC. 8. Section four (4) of chapter five (5), Acts of the Sixtieth
2 General Assembly, is amended by striking the words "and the budget
3 and financial control committee" from lines one (1) and two (2) and

4 inserting in lieu thereof the words “, the governor, and the state
5 comptroller”.

1 SEC. 9. Chapter twenty (20), Acts of the Sixtieth General Assem-
2 bly is amended by striking all of section two (2) and inserting in lieu
3 thereof the following:

4 “When the national guard and state guard has approved a project
5 to be financed with funds herein appropriated, a description of said
6 project and estimated cost shall be reported to the governor and the
7 state comptroller for allocation of funds.”

1 SEC. 10. Chapter twenty-two (22), Acts of the Sixtieth General
2 Assembly is amended by striking all of section three (3) and inserting
3 in lieu thereof the following:

4 “When the state conservation commission has approved a project
5 to be financed with funds herein appropriated, a description of said
6 project and estimated cost shall be reported to the governor and the
7 state comptroller for allocation of funds.”

1 SEC. 11. Chapter twenty-six (26), Acts of the Sixtieth General
2 Assembly is amended by striking all of section three (3) and inserting
3 in lieu thereof the following:

4 “When the superintendent of public buildings and grounds has ap-
5 proved a project to be financed with funds herein appropriated, a
6 description of said project and estimated cost shall be reported to the
7 governor and the state comptroller for allocation of funds.”

1 SEC. 12. Amend chapter twenty-nine (29), Acts of the Sixtieth
2 General Assembly by striking all of sections two (2) and four (4) and
3 inserting in lieu thereof the following:

4 “When the commissioner of public safety has approved a project
5 to be financed with funds herein appropriated, a description of said
6 project and estimated cost shall be reported to the governor and the
7 state comptroller for allocation of funds.”

1 SEC. 13. Chapter fifty-three (53), Acts of the Sixtieth General
2 Assembly is amended by striking all of section two (2) and inserting
3 in lieu thereof the following:

4 “When the state fair board has approved a project to be financed
5 with funds herein appropriated, a description of said project and esti-
6 mated cost shall be reported to the governor and the state comptroller
7 for allocation of funds.”

Approved June 7, 1965.

CHAPTER 205

DIAGNOSTIC CLINIC OF BOARD OF CONTROL

H. F. 523

AN ACT relating to judges and prosecuting attorneys furnishing certain information to the board of control.

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

1 SECTION 1. Section two hundred eighteen point ninety-seven
2 (218.97), Code 1962, is hereby amended by adding thereto the follow-
3 ing:

4 "To facilitate the work of the clinic and to aid in the rehabilitation
5 of such prisoners, the trial judge and the prosecuting attorney shall,
6 when requested by the board, furnish the board with such information
7 as is provided the state board of parole under section two hundred
8 forty-seven point fifteen (247.15) of the Code."

Approved May 28, 1965.

CHAPTER 206

MENTAL RETARDATION ADMINISTRATIVE AGENCY

S. F. 239

AN ACT to provide for the continuation of Iowa's plan to combat mental retardation.

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

1 SECTION 1. The board of control of state institutions is hereby
2 designated as the single state agency to act as the administrative
3 agency to provide for the continuation of comprehensive planning to
4 combat mental retardation.

1 SECTION* 2. The board shall employ the staff necessary for the pur-
2 poses of interpretation, evaluation, and dissemination of Iowa's Com-
3 prehensive Plan to Combat Mental Retardation and to carry on needed
4 research.

1 SECTION* 3. The board is authorized and empowered to apply for
2 and receive federal aids, grants, and gifts for purposes relating to
3 mental retardation.

Approved June 3, 1965.

*According to enrolled Act.

CHAPTER 207

MENTALLY RETARDED PERSONS

S. F. 444

AN ACT to revise and recodify the statutes providing for the treatment, training, instruction, care, habilitation, and support of mentally retarded persons in this state.

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

1 SECTION 1. Chapter two hundred twenty-two (222), Code 1962,
2 and chapter two hundred twenty-three (223), Code 1962, as amended
3 by section two (2) of chapter one hundred forty-five (145), Acts of the
4 Sixtieth General Assembly, are hereby repealed.

1 SEC. 2. The Glenwood state hospital-school and the Woodward
2 state hospital-school shall be maintained for the purpose of providing
3 treatment, training, instruction, care, habilitation, and support of
4 mentally retarded persons in this state.

1 SEC. 3. When used in this Act, unless the context otherwise re-
2 quires:

3 1. "Hospital-schools" means the Glenwood state hospital-school and
4 the Woodward state hospital-school.

5 2. "Board" means the board of control of state institutions.

6 3. "Director" means the director of mental health.

7 4. "Superintendents" means the superintendents of the state hos-
8 pital-schools.

9 5. "Mental retardation" or "mentally retarded" means a term or
10 terms to describe children and adults who as a result of inadequately
11 developed intelligence are significantly impaired in ability to learn or
12 to adapt to the demands of society.

1 SEC. 4. The board or the director with the approval of the board
2 shall appoint a qualified superintendent for each of the hospital-schools
3 who shall receive such salary as the board shall determine.

1 SEC. 5. The superintendent shall:

2 1. Perform all duties required by law and by the board and the
3 director as approved by the board not inconsistent with law.

4 2. Oversee and insure individual treatment and professional care of
5 each patient in the hospital-schools.

6 3. Maintain a full and complete record of the condition of each pati-
7 ent in the hospital-schools.

8 4. Have custody, control, and management of all patients in such
9 manner as deemed best subject to the regulations of the board or the
10 director with approval of the board.

1 SEC. 6. No person shall be eligible for admission to a hospital-
2 school until a preadmission diagnostic evaluation has been made by a
3 hospital-school which confirms or establishes the need for admission.

1 SEC. 7. The board or the director with the approval of the board
2 shall divide the state into two (2) districts in such manner that one
3 (1) of the hospital-schools shall be located within each of the dis-
4 tricts. Such districts may from time to time be changed. After such
5 districts have been established, the director shall notify all boards of

6 supervisors, county auditors, and clerks of the district courts of the
7 action. Thereafter, unless the board or director with approval of the
8 board otherwise orders, all admissions or commitments of mentally
9 retarded persons from a district shall be to the hospital-school located
10 within such district.

1 SEC. 8. The board or the director with the approval of the board
2 may transfer patients from one (1) state hospital-school to the other
3 and may at any time transfer any patient from the hospital-schools to
4 the hospitals for the mentally ill, or from the latter to the former, or
5 make such transfers as are permitted in section two hundred eighteen
6 point ninety-two (218.92) of the Code.

1 SEC. 9. Persons admitted to the hospital-schools shall have all rea-
2 sonable opportunity and facility for communication with their friends.
3 Such persons shall be permitted to write and send letters, provided the
4 letters contain nothing of an offensive character. Letters written by
5 any patient to any member of the board or to any state or county
6 official shall be forwarded unopened.

1 SEC. 10. If any mentally retarded person shall depart without
2 proper authorization from a hospital-school, it shall be the duty of the
3 superintendent and his assistants and all peace officers of any county
4 in which such patient may be found, to take and detain the patient
5 without a warrant or order and to immediately report such detention
6 to the superintendent who shall immediately provide for the return of
7 such patient to the hospital-school.

1 SEC. 11. When any mentally retarded person departs without
2 proper authority from an institution in another state and is found in
3 this state, any peace officer in any county in which such patient is
4 found may take and detain the patient without warrant or order and
5 shall report such detention to the board. The board shall provide for
6 the return of the patient to the authorities in the state from which the
7 unauthorized departure was made. Pending return, such patient may
8 be detained temporarily at one (1) of the institutions of this state
9 governed by the board. The provisions of this section relating to the
10 board shall also apply to the return of other nonresident mentally
11 retarded persons having legal settlement outside the state of Iowa.

1 SEC. 12. All actual and necessary expenses incurred in the taking
2 into protective custody, restraint, and transportation of such patients
3 to the hospital-schools shall be paid on itemized vouchers, sworn to by
4 the claimants, and approved by the superintendent and the board from
5 any money in the state treasury not otherwise appropriated.

1 SEC. 13. In the event of a sudden or mysterious death of a patient
2 of a hospital-school or any private institution for the mentally re-
3 tardated, an investigation shall be held by the county medical examiner.
4 The superintendent of a hospital-school or chief administrative officer
5 of any private institution may request an investigation of the death of
6 any patient by the county medical examiner. Notice of the death of
7 the patient, and the cause thereof, shall be sent to the county board
8 of supervisors and to the judge of the court having had jurisdiction
9 over a committed patient. The fact of death with the time, place, and

10 alleged cause shall be entered upon the docket of the court. The parent,
11 guardian, or other person responsible for the admission of a patient to
12 such institutions may request an investigation by the county medical
13 examiner in the event of the death of the patient. The person or per-
14 sons making the request shall be liable for the expense of such inves-
15 tigation and payment therefor may be required in advance. The
16 expense of a county medical examiner's investigation when requested
17 by the superintendent of a state hospital-school shall be paid from
18 support funds of that hospital-school.

1 SEC. 14. The parent, guardian, or other person responsible for any
2 person believed to be mentally retarded within the meaning of this Act
3 may on behalf of such person request the county board of supervisors
4 or their designated agent to apply to the superintendent of any state
5 hospital-school for the voluntary admission of such person either as
6 an inpatient or an outpatient of the hospital-school. After determining
7 the legal settlement of such person as provided by this Act, the board
8 of supervisors shall, on forms prescribed by the board, apply to the
9 superintendent of the hospital-school in the district for the admission
10 of such person to the hospital-school. The superintendent shall accept
11 the application providing a preadmission diagnostic evaluation con-
12 firms or establishes the need for admission, except that no application
13 may be accepted if the hospital-school does not have adequate facilities
14 available or if the acceptance will result in an overcrowded condition.

1 SEC. 15. If the hospital-school is unable to receive a patient, the
2 superintendent shall notify the county board of supervisors of the
3 county from which the application in behalf of the prospective patient
4 was made of the time when such person may be received. Until such
5 time as the patient is able to be received by the hospital-school, the
6 care of said person shall be provided as arranged by the county board
7 of supervisors.

1 SEC. 16. The parent, guardian, or any other person responsible for
2 the voluntary admission of any person to a hospital-school may, upon
3 ten (10) days notice, obtain the discharge of such person by giving to
4 the superintendent of the hospital-school and the county board of
5 supervisors of the county from which such person was admitted writ-
6 ten notice of the desire for such discharge.

1 SEC. 17. A petition for the adjudication of the mental retardation
2 of a person within the meaning of this Act may, with the permission
3 of the court be filed without fee against such person with the clerk of
4 the district, superior, or municipal court of the county or city in which
5 such alleged mentally retarded person resides or is found. The petition
6 may be filed by any relative of such person, by a guardian, or by any
7 reputable citizen of the county of such residence or of such place of
8 finding.

1 SEC. 18. The petition shall be verified by affidavit, may be filed on
2 information or belief, and shall:

- 3 1. Allege that such person is mentally retarded within the meaning
4 of this Act.
- 5 2. Allege that the filing of the petition is conducive to the welfare of
6 such person and of the community.

7 3. List the name and residence of all known persons supervising,
8 caring for, or supporting such person, or assuming, or under obligation
9 to do so.

10 4. List the name and residence, if known, of the parents of such
11 person and of all other persons legally chargeable with the supervision,
12 care, or support of such person.

13 5. List the names of all obtainable witnesses known to the petitioner
14 by which the allegations of the petition may be established.

15 6. State whether such person has been examined by a qualified
16 physician with a view of determining his mental condition.

1 SEC. 19. The county attorney shall, if requested, appear on behalf
2 of any petitioner for the appointment of a guardian or commitment of
3 a person alleged to be mentally retarded under this Act, and on behalf
4 of all public officials and superintendents in all matters pertaining to
5 the duties imposed upon them by this Act.

1 SEC. 20. The following persons, in addition to the person alleged
2 to be mentally retarded, shall be made party respondents if the persons
3 reside in this state and their names and residences are known:

4 1. The parent or parents of said principal person.

5 2. The person with whom said principal person is living.

6 3. The person or persons assuming to give the principal respondent
7 care and attention.

8 4. The guardian, if there be such, of the person or property of the
9 principal respondent.

1 SEC. 21. Notice of the pendency of said petition and of the time
2 and place of hearing thereon shall be served upon all respondents who
3 are residents of the county in which the petition is filed, in the manner
4 in which original notices are served. The court shall by written order
5 direct the manner and time of service on all other parties. No notice
6 need be served on those who are personally before the court.

1 SEC. 22. If the person alleged to be mentally retarded is not before
2 the court, the court may issue an order requiring the person, who has
3 the care, custody, and control of the alleged mentally retarded person
4 to bring said alleged mentally retarded person into court at the time
5 and place stated in said order.

1 SEC. 23. The time of appearance shall not be less than five (5)
2 days after completed service unless the court orders otherwise. Ap-
3 pearance on behalf of such alleged mentally retarded person may be
4 made by any citizen of the county or by any relative. The district court
5 shall assign counsel for the alleged mentally retarded person. Counsel
6 shall prior to proceedings personally consult with such person unless
7 the judge appointing such counsel certifies that in his opinion, such
8 consultation shall serve no useful purpose. Such certification shall be
9 made a part of the record. An attorney so assigned shall receive such
10 compensation as the district court shall fix to be paid in the first in-
11 stance by the county.

1 SEC. 24. At any hearing for commitment under this Act, the person
2 whose commitment is sought, his appointed counsel, his own attorney,
3 if any, and any physician or psychologist whose testimony is to be

4 made a part of the record shall be present unless the presiding judge
5 shall determine that the presence will not be in the best interest of the
6 person whose commitment is sought. Such determination shall be
7 made a part of the record.

1 SEC. 25. The hearing may be heard in term time or in vacation.
2 The petition shall be taken as confessed by all respondents, except the
3 principal person, who are duly served and who do not appear at the
4 time required by the notice.

1 SEC. 26. Pending final hearing, the court may at any time after
2 the filing of the petition and on satisfactory showing that it is in the
3 best interest of the alleged mentally retarded person and of the com-
4 munity that such person be at once taken into custody, or that service
5 of notice will be ineffectual if the person is not taken into custody,
6 issue an order for the immediate production of such person before the
7 court. In such case, the court may make any proper order for the
8 custody or confinement of such person as will protect the person and
9 the community and insure the presence of such person at the hearing.
10 Such person shall not be confined with those accused or convicted of
11 crime.

1 SEC. 27. The hearing on the allegations of the petition shall be as
2 in equity proceedings. Answers to allegations shall not be required but
3 may be filed. The court may require the petitioner to answer under
4 oath such interrogatories as may be propounded by said court.

1 SEC. 28. Hearings shall be public, unless otherwise requested by
2 the parent, guardian, or other person having the custody of the men-
3 tally retarded person, or if the judge considers a closed hearing in the
4 best interests of the mentally retarded person.

1 SEC. 29. The court may, at or prior to the final hearing, appoint a
2 commission of one (1) qualified physician and one (1) qualified psy-
3 chologist who shall make a personal examination of the person alleged
4 to be mentally retarded for the purpose of determining the mental
5 condition of the person.

1 SEC. 30. Said commission shall report in writing to the court the
2 facts attending the mental condition of said person, its conclusion
3 based thereon, and its recommendations concerning such person. The
4 commission shall also report to the court sworn answers to such ques-
5 tions as may be required by the court. Such reports shall be filed with
6 the clerk of the court.

1 SEC. 31. No objections or exceptions need be made to said report.
2 The court may set the report aside, and may order a new examination
3 by the same or by a new commission, or may make such findings of
4 fact in lieu of said report as may be justified by the evidence before the
5 court.

1 SEC. 32. If in the opinion of the court, or of a commission as au-
2 thorized in section twenty-nine (29) of this Act, the person is mentally
3 retarded within the meaning of this Act and the court determines that
4 it will be conducive to the welfare of such person and of the community
5 to place the person under guardianship, or to commit the person to

6 some proper institution for treatment, training, instruction, care,
7 habilitation, and support, the court shall by proper order :

8 1. Appoint a guardian of the person of such person, provided no
9 such guardian has already been appointed.

10 2. Commit the person to a private institution of this state, duly
11 incorporated for the care of such persons, and approved by the board.
12 If the person has not been examined by a commission as appointed in
13 section twenty-nine (29) of this Act, the court shall, prior to issuing
14 an order of commitment, appoint such a commission to examine the
15 person for the purpose of determining the mental condition of the per-
16 son. No order of commitment shall be issued unless the commission
17 shall recommend that such order be issued and the private institution
18 to which the person is to be committed shall advise the court that it is
19 willing to receive the person.

20 3. Commit the person to the state hospital-school designated by the
21 director to serve the county in which the hearing is being held. The
22 court shall prior to issuing an order of commitment request that a
23 diagnostic evaluation of the person be made by the superintendent or
24 his qualified designee. The evaluation shall be conducted at the hos-
25 pital-school or at such other place as the superintendent may direct.
26 The cost of the evaluation shall be defrayed by the county of legal
27 settlement from its state institution fund unless otherwise ordered by
28 the court. Such cost may be equal to but shall not exceed the actual
29 cost of the evaluation. Persons referred by a court to a hospital-school
30 for diagnostic evaluation shall be considered as outpatients of the
31 hospital-school. No order of commitment shall be issued unless the
32 superintendent of the hospital-school shall recommend that such order
33 be issued, and shall advise the court that adequate facilities for the
34 care of such person are available.

1 SEC. 33. Any person committed to any private institution shall
2 remain under the jurisdiction of the court and the order of commit-
3 ment may at any time be set aside or modified by changing the place
4 of commitment or terminating the commitment and appointing a
5 guardian in lieu thereof.

1 SEC. 34. A guardian appointed under this Act shall have the same
2 power over the person as possessed by a parent over a minor child.
3 The guardian shall be subordinate to any duly appointed guardian of
4 the property of such person.

1 SEC. 35. Guardianship proceedings shall remain under the juris-
2 diction of the court. The court may at any time on application of any
3 reputable person terminate such guardianship, remove the guardian
4 and appoint a new guardian, or order that such mentally retarded
5 person be removed from the custody of the guardian and committed to
6 an institution or hospital-school as permitted in section thirty-two
7 (32) of this Act.

1 SEC. 36. No order shall be made discharging or varying a prior
2 order placing the mentally retarded person under guardianship with-
3 out giving one (1) or more of the relatives or a friend of the mentally
4 retarded person, his guardian, or the board notice and an opportunity
5 to be heard.

1 SEC. 37. If a hospital-school is unable to immediately receive a
 2 person committed under subsection three (3) of section thirty-two
 3 (32) of this Act, the superintendent shall notify the court of the time
 4 when such person may be received. In the meantime, said person shall
 5 be cared for under such order as the court may enter.

1 SEC. 38. Upon the entry of an order of commitment, the clerk shall
 2 deliver to a suitable person designated by the court, an order of com-
 3 mitment and a duplicate thereof commanding such person to immedi-
 4 ately deliver the committed person to the institution or hospital-school
 5 designated by the court.

1 SEC. 39. The court may for the purpose of committing said person
 2 direct the clerk to authorize the employment of one (1) or more as-
 3 sistants. No mentally retarded female shall be taken to an institution
 4 or hospital-school by any male person not her husband, father, brother,
 5 or son without the attendance of a woman of good character and
 6 mature age.

1 SEC. 40. The superintendent of the institution or hospital-school
 2 on the order of commitment shall acknowledge receipt for said person.
 3 The duplicate order shall be left with the superintendent and shall be
 4 sufficient authority to restrain and care for said committed person.

1 SEC. 41. The person executing said order shall make due return
 2 thereon of his doings and forthwith file the same with the clerk.

1 SEC. 42. No person committed under this Act shall be discharged
 2 from the institution or hospital-school except as provided in this Act.
 3 Nothing in this Act shall abridge the right of petition for a writ of
 4 habeas corpus.

1 SEC. 43. A petition for the discharge of a person who has been
 2 committed to an institution or hospital-school under this Act or to
 3 vary such order of commitment may at anytime after six (6) months
 4 from the date of such commitment be filed by the person committed or
 5 by any reputable person. If the commitment be to a private institution,
 6 the petition shall be filed with the court ordering such commitment.
 7 If the commitment be to a hospital-school, the petition shall be filed in
 8 the proper court of the county where the institution is situated.

1 SEC. 44. Discharges and modifications of orders may be made on
 2 any of the following grounds:

3 1. That the person adjudged to be mentally retarded is not mentally
 4 retarded.

5 2. That the person adjudged to be mentally retarded has improved
 6 as to be capable of caring for himself.

7 3. That the relatives or friends of the mentally retarded person are
 8 able and willing to support and care for him and request his discharge,
 9 and in the judgment of the superintendent of the institution or hos-
 10 pital-school having charge of the person, no harmful consequences are
 11 likely to follow such discharge.

12 4. That, for any other cause, said discharge should be made or such
 13 modification should be entered.

1 SEC. 45. Notice of the hearing for discharge or modification of
2 orders shall be served on the superintendent of the institution or hos-
3 pital-school and on such parties as the court may find from the record
4 are interested.

1 SEC. 46. On the hearing, the court may discharge the mentally
2 retarded person from all supervision, control, and care, or may place
3 him under guardianship, or may transfer him from a public institution
4 to a private institution, or vice versa, as the court deems appropriate
5 under all the circumstances.

1 SEC. 47. The denial of one (1) petition for discharge or modifica-
2 tion shall be no bar to another on the same or different grounds within
3 a reasonable time thereafter, such reasonable time to be determined
4 by the court.

1 SEC. 48. Any person who shall maliciously seek to have any person
2 adjudged mentally retarded, knowing that such person is not mentally
3 retarded, shall be fined not exceeding one thousand (1,000) dollars or
4 imprisoned not exceeding one (1) year in the county jail.

1 SEC. 49. The fees for attendance of witnesses and execution of
2 legal process shall be the same as are allowed by law for similar service
3 in other cases. For service as commissioner, a reasonable sum as deter-
4 mined by the court and the actual and necessary traveling expenses
5 shall be allowed.

1 SEC. 50. The costs of proceedings shall be defrayed from the coun-
2 ty treasury unless otherwise ordered by the court. When the person
3 alleged to be mentally retarded is found not to be mentally retarded,
4 the court shall render judgment for such costs against the person filing
5 the petition except when the petition is filed by order of court.

1 SEC. 51. When the proceedings are instituted in a county in which
2 the alleged mentally retarded person was found but which is not the
3 county of legal settlement of the person, and the costs are not taxed to
4 the petitioner, the county which is the legal settlement of such person
5 shall, on presentation of a properly itemized bill for such costs, repay
6 the same to the former county. When the person's legal settlement is
7 outside the state or is unknown, the costs shall be paid out of money in
8 the state treasury not otherwise appropriated, itemized on vouchers
9 executed by the auditor of the county which paid the costs, and ap-
10 proved by the board or the director of mental health.

1 SEC. 52. Costs incident to guardianship and to the hearings and
2 commitment of a mentally retarded person to an institution or hos-
3 pital-school may be collected from such mentally retarded person and
4 from all persons legally chargeable with the support of such mentally
5 retarded person.

1 SEC. 53. When in proceedings against an alleged delinquent or
2 dependent child, the court is satisfied from any evidence that such child
3 is mentally retarded, the court may order a continuance of such pro-
4 ceeding, and may direct an officer of the court or some other proper
5 person to file a petition against such child permitted under the provi-

6 sions of this Act. Pending hearing of the petition the court may by
7 order provide proper custody for the child.

1 SEC. 54. If on the conviction in the district, superior, or municipal
2 court of any person for any crime or for any violation of any municip-
3 al ordinance, or if on the determination in said courts that a child is
4 dependent, neglected, or delinquent and it appears from any evidence
5 presented to the court before sentence, that such person is mentally
6 retarded within the meaning of this Act, the court may suspend sen-
7 tence or order, and may order any officer of the court or some other
8 proper person to file a petition permitted under the provisions of this
9 Act against said person. Pending hearing of the petition, the court
10 shall provide for the custody of said person as directed in section fifty-
11 three (53) of this Act.

1 SEC. 55. Should it be found under sections fifty-three (53) and
2 fifty-four (54) of this Act that said person is not mentally retarded,
3 the court shall proceed with the original proceedings as though no
4 petition had been filed.

1 SEC. 56. If it appears at any time that a person has under the pro-
2 visions of this Act been placed under guardianship or committed to a
3 private institution and should be committed to a hospital for the men-
4 tally ill, the person may be proceeded against under the chapters re-
5 lating to the mentally ill.

1 SEC. 57. When the mental condition of a person in a private insti-
2 tution for the mentally ill is found to be such that such patient should
3 be transferred to an institution for the mentally retarded or placed
4 under guardianship, such person may be proceeded against under this
5 Act.

1 SEC. 58. Each court having jurisdiction under this Act shall keep
2 a separate docket of proceedings in which shall be made such entries
3 as shall, together with the papers filed, preserve a complete and perfect
4 record of each case. The original petitions, writs, and returns made
5 thereto and the reports of commissions shall be filed with the clerk
6 of the court.

1 SEC. 59. The board shall keep a record of all persons adjudged to
2 be mentally retarded and of the orders respecting such persons by the
3 courts throughout the state. Copies of such orders shall be furnished
4 by the clerk of the court without the board's application therefor.

1 SEC. 60. The superintendent of any hospital-school may at any
2 time return a patient to the parent, guardian, or other responsible per-
3 son or community agency, even though such patient was committed by
4 a court, upon recommendation of the professional staff of the hospital-
5 school that such patient has received maximum hospital-school benefit.
6 Such action shall be reported to the board or the director, who may
7 modify, alter, or rescind the action if deemed necessary. The action
8 shall be further reported to the board of supervisors of the patient's
9 county of legal settlement. When a patient committed by a court is to
10 be returned to a county, either by release from the hospital-school or
11 for the purpose of convalescent leave, notice shall be sent to the clerk

12 of the court which committed the patient, and to the board of super-
13 visors of both the patient's county of legal settlement and the county
14 to which the patient is to be released, thirty (30) days prior to the
15 time the patient leaves the hospital-school. Patients released from a
16 hospital-school may be placed in family care by direction of the super-
17 intendent under the supervision of the hospital-school.

1 SEC. 61. All necessary and legal expenses for the cost of admission
2 or commitment or for the treatment, training, instruction, care, habili-
3 tation, support and transportation of patients in a state hospital-school
4 for the mentally retarded shall be paid by either:

- 5 1. The county in which such person has legal settlement as defined
6 in section two hundred fifty-two point sixteen (252.16) of the Code.
- 7 2. The state when such person has no legal settlement or when such
8 settlement is unknown.

1 SEC. 62. When the board of supervisors of any county receives an
2 application on behalf of any person for admission to any hospital-
3 school or when any court issues an order committing any person to a
4 hospital-school, the board of supervisors or the court shall determine
5 and enter as a matter of record whether the legal settlement of the
6 person is:

- 7 1. In the county in which the board of supervisors or court is lo-
8 cated.
- 9 2. In some other county of the state.
- 10 3. In another state or in a foreign country.
- 11 4. Unknown.

1 SEC. 63. Whenever the board of supervisors or the court deter-
2 mines that the legal settlement of the person is other than in the county
3 in which the board or court is located, the board or court shall, as soon
4 as determination is made, certify such finding to the superintendent of
5 the hospital-school of which the person is a patient. The superintend-
6 ent shall charge the expenses already incurred and unadjusted, and all
7 future expenses of the patient, to the county so certified until said legal
8 settlement shall be otherwise determined as provided by this Act.

1 SEC. 64. Said finding of legal settlement shall also be certified by
2 the board of supervisors or the court to the county auditor of the
3 county of legal settlement. Such auditor shall lay such notification
4 before the board of supervisors of his county whereupon it shall be
5 conclusively presumed that the patient has a legal settlement in said
6 county unless the county shall, within six (6) months, in writing filed
7 with the board of supervisors or the court giving such notice, dispute
8 said legal settlement.

1 SEC. 65. If the legal settlement of the person is found by the board
2 of supervisors or the court to be in a foreign state or country or is
3 found to be unknown, the board of supervisors or the court shall im-
4 mediately notify the board of control of such finding and shall furnish
5 the board of control with a copy of the evidence taken on the question
6 of legal settlement. The care of said person shall be as arranged by the
7 board of supervisors or by such order as the court may enter. Appli-
8 cation for admission or order of commitment may be made pending
9 investigation by the board of control.

1 SEC. 66. The board of control shall immediately investigate the
2 legal settlement of the person and proceed as follows:

3 1. If the board finds that the decision of the board of supervisors or
4 the court as to legal settlement of the person is correct, the board of
5 control shall cause the person either to be transferred to a hospital-
6 school and there maintained at the expense of the state or to be trans-
7 ferred to the place of foreign settlement.

8 2. If the board finds that the decision of the board of supervisors or
9 the court is not correct, the board of control shall order the person
10 transferred to a state hospital-school and there maintained at the ex-
11 pense of the county of legal settlement in this state.

1 SEC. 67. The transfer to a hospital-school or to the place of legal
2 settlement of a mentally retarded person who has no legal settlement
3 in this state or whose legal settlement is unknown, shall be made in
4 accordance with such directions as shall be prescribed by the board of
5 control and when practicable by employees of the state hospital-school.
6 The actual and necessary expenses of such transfers shall be paid on
7 itemized vouchers sworn to by the claimants and approved by the
8 board of control from any funds in the state treasury not otherwise
9 appropriated.

1 SEC. 68. Where a person has been received into a hospital-school
2 as a patient whose legal settlement is supposedly outside the state or is
3 unknown and the board finds that the legal settlement of the patient
4 was at the time of admission or commitment in a county of this state,
5 the board shall charge all legal costs and expenses pertaining to the
6 admission or commitment and support of the patient to the county of
7 such legal settlement. The costs and expenses shall be collected as
8 provided by law in other cases.

1 SEC. 69. All necessary and legal expenses for the cost of admission
2 or commitment of a person to a hospital-school when the person's legal
3 settlement is found to be in another county of this state shall in the
4 first instance be paid by the county from which the person was ad-
5 mitted or committed. The county of legal settlement shall reimburse
6 the county so paying for all such expenses. Where any county fails to
7 make such reimbursement within sixty (60) days following submis-
8 sion of a properly itemized bill to the county of legal settlement, a
9 penalty of not greater than one (1) percent per month on and after
10 sixty (60) days from submission of the bill may be added to the
11 amount due.

1 SEC. 70. All necessary and legal expenses for the cost of admission
2 or commitment of a person to a hospital-school when the person's legal
3 settlement is outside this state or is unknown shall be paid out of any
4 money in the state treasury not otherwise appropriated. Such pay-
5 ments shall be made on itemized vouchers executed by the auditor of
6 the county from which the expenses have been paid and approved by
7 the board or the director.

1 SEC. 71. When a dispute arises between counties or between the
2 board and a county as to the legal settlement of a person committed to
3 a hospital-school, the attorney general at the request of the board shall

4 without advancement of fees cause an action to be brought in the dis-
5 trict court of any county where such dispute exists. The action shall
6 be brought to determine such legal settlement, except that such action
7 shall in no case be filed in a county in which the district court or a
8 judge thereof originally made the disputed finding. Said action may be
9 brought at any time when it appears that the dispute cannot be ami-
10 cably settled. All counties which may be the county of such legal settle-
11 ment, so far as known, shall be made defendants and the allegation of
12 settlement may be in the alternative. Said action shall be tried as in
13 equity.

1 SEC. 72. The court shall determine whether the legal settlement of
2 said mentally retarded person at the time of admission or commitment
3 was in one (1) of the defendant counties. If the court so finds, judg-
4 ment shall be entered against the county of such settlement in favor of
5 any other county for all necessary and legal expenses arising from said
6 admission or commitment and paid by said other county. If any such
7 costs have not been paid, judgment shall be rendered against the
8 county of settlement in favor of the parties, including the state, to
9 whom said costs or expenses may be due.

1 SEC. 73. If the court finds that the legal settlement of said men-
2 tally retarded person, at the time of admission or commitment was
3 outside the state or was unknown an order shall be entered that the
4 mentally retarded person shall be maintained in the hospital-school at
5 the expense of the state. In such case, the state shall refund to any
6 county all necessary and legal expenses for the cost of said admission
7 or commitment paid by a county. A decision by the court shall be final.

1 SEC. 74. Each superintendent of a state hospital-school shall cer-
2 tify to the state comptroller on a schedule approved by the comptroller
3 any amount not previously certified by him due the state for the ex-
4 penses of patients in the hospital-schools from the several counties
5 responsible under section sixty-one (61) of this Act. The comptroller
6 shall thereupon charge the amounts so certified to the proper counties.
7 The amount certified by the superintendent to the comptroller to be
8 charged against each county shall be the hospital-school's per-patient-
9 per-day cost multiplied by the number of days each patient for which
10 such county is liable to the state was carried on the rolls of the hos-
11 pital-school as an inpatient, plus the amount due for the treatment of
12 outpatients for which such county is liable to the state during the
13 period for which expenses are being certified. The per-patient-per-day
14 cost shall be determined by listing the number of days each inpatient
15 was actually in the hospital-school during the period for which ex-
16 penses are being certified and dividing the total of all such days into
17 the portion of the hospital-school's appropriation expended during
18 such period. The amount charged for the treatment of outpatients
19 shall be at a rate to be established by the board on the basis of the
20 actual cost of such treatment.

1 SEC. 75. When certifying to the comptroller amounts to be charged
2 against each county as provided in section seventy-four (74) of this
3 Act, the superintendent shall send to the county auditor of each county
4 against which he has so certified any amount, a duplicate of such cer-

5 tificate. The county auditor upon receipt of the duplicate certificate
6 shall enter the same to the credit of the state in his ledger of state
7 accounts, and shall immediately issue a notice to the county treasurer
8 authorizing the treasurer to transfer the amount from the state insti-
9 tution fund to the general state revenue. The treasurer shall file such
10 notice as his authority for making such transfer and shall include the
11 amount so transferred in his next remittance of state taxes to the
12 treasurer of state, designating the fund to which the amount belongs.

1 SEC. 76. Should any county fail to pay the bills within sixty (60)
2 days from the date of certificate from the superintendent, the state
3 comptroller may charge the delinquent county a penalty of not greater
4 than one (1) percent per month on and after sixty (60) days from
5 date of certificate until paid.

1 SEC. 77. All expenses required to be paid by counties under section
2 sixty-one (61) of this Act shall be paid from the state institution fund
3 of the county. The cost of care of patients discharged or removed from
4 the hospital-schools for placement within a county may be paid from
5 the state institution fund or the county fund for mental health of the
6 county of legal settlement.

1 SEC. 78. The cost of support of patients placed on convalescent
2 leave or removed as a habilitation measure from a hospital-school,
3 except when living in the home of a person legally bound for the sup-
4 port of such patient, shall be paid from the state institution fund or
5 the county mental health fund of the county of legal settlement. If
6 the patient has no county of legal settlement, the cost shall be paid
7 from the hospital-school support fund and charged on abstract in the
8 same manner as other state inpatients until such time as the patient
9 becomes self-supporting or qualifies for support under other existing
10 statutes.

1 SEC. 79. The father and mother of any person admitted or com-
2 mitted to a hospital-school as either an inpatient or an outpatient, and
3 any person, firm, or corporation bound by contract hereafter made for
4 support of such person shall be and remain liable for the support of
5 such person. Such person and those legally bound for the support of
6 the person shall be liable to the county for all sums advanced by the
7 county to the state under the provisions of sections sixty-one (61) and
8 seventy-eight (78) of this Act. The liability of any person, other than
9 the patient, who is legally bound for the support of any patient under
10 twenty-one (21) years of age in a hospital-school shall in no instance
11 exceed the average minimum cost of the care of a normally intelligent,
12 nonhandicapped minor of the same age and sex as such minor patient.
13 The board shall establish the scale for this purpose but the scale shall
14 not exceed the standards for personal allowances established by the
15 state department of social welfare under the aid to dependent children
16 program. Provided further that the father or mother of such person
17 shall not be liable for the support of such person after such person
18 attains the age of twenty-one (21) years and that the father or mother
19 shall incur liability only during any period when the father or mother
20 either individually or jointly receive a net income from whatever
21 source, commensurate with that upon which they would be liable to

22 make an income tax payment to this state. Nothing in this section
23 shall be construed to prevent a relative or other person from voluntar-
24 ily paying the full actual cost as established by the board for caring for
25 such mentally retarded person.

1 SEC. 80. In actions to enforce the liability imposed by section
2 seventy-nine (79) of this Act, the certificate from the superintendent
3 to the county auditor stating the sums charged in such cases shall be
4 presumptively correct.

1 SEC. 81. Any person admitted or committed to a county institution
2 or home or admitted or committed at county expense to any private
3 hospital, sanatorium, or other facility for treatment, training, instruc-
4 tion, care, habilitation, and support as a mentally retarded patient
5 thereof shall be liable to the county for the reasonable cost of such
6 support as provided in section seventy-nine (79) of this Act.

1 SEC. 82. The total amount of liability provided in section seventy-
2 nine (79) of this Act shall be allowed as a claim of the sixth (6th)
3 class against the estate of the person or against the estate of the father
4 or mother of such person.

1 SEC. 83. The board of supervisors of each county may direct the
2 county attorney to proceed with the collection of said claims as a part
3 of the duties of his office when the board of supervisors deems such
4 action advisable. The board of supervisors may and is hereby em-
5 powered to compromise any and all liabilities to the county arising
6 under this Act when such compromise is deemed to be in the best
7 interests of the county. Any collections and liens shall be limited in
8 conformance to section six hundred fourteen point one (614.1) sub-
9 section five (5) of the Code.

1 SEC. 84. The estates of all nonresident patients who are provided
2 treatment, training, instruction, care, habilitation, and support in or
3 by any hospital-school and all persons legally bound for the support of
4 such persons, shall be liable to the state for the reasonable value of
5 such services in the hospital-schools. The certificate of the superin-
6 tendent of the hospital-school in which any nonresident is or has been
7 a patient, showing the amounts drawn from the state treasury or due
8 therefrom as provided by law on account of such nonresident patient
9 shall be presumptive evidence of the reasonable value of such services
10 furnished such patient by the hospital-school.

1 SEC. 85. There is hereby established at each hospital-school a fund
2 which shall be known as the patients' personal deposit fund.

1 SEC. 86. Any funds coming into the possession of the superintend-
2 ent or any employee of a hospital-school belonging to any patient in
3 that hospital-school shall be deposited in the name of the patient in the
4 patients' personal deposit fund, except that if a guardian of the prop-
5 erty has been appointed for the person, the guardian shall have the
6 right to demand and receive such funds. Funds belonging to a patient
7 deposited in the patients' personal deposit fund may be used for the
8 purchase of personal incidentals, desires, and comforts for the patient.

1 SEC. 87. Whenever the amount in the account of any patient in the
2 patients' personal deposit fund exceeds the sum of two hundred (200)
3 dollars, the business manager of the hospital-school may apply any
4 amount of the excess to reimburse the county of legal settlement for
5 liability incurred by such county for the payment of care, support, and
6 maintenance of the patient when billed therefor by the county of legal
7 settlement. Money earned by a patient for work performed in or for a
8 hospital-school shall not be subject to this section or to attachment.

1 SEC. 88. The business manager shall deposit the patients' personal
2 deposit fund in a commercial account of a bank of reputable standing.
3 When deposits in the commercial account exceed average monthly
4 withdrawals, the business manager may deposit the excess at interest.
5 The savings account shall be in the name of the patients' personal
6 deposit fund and interest paid thereon may be used for recreational
7 purposes for the patients at the hospital-school.

1 SEC. 89. Section one hundred forty-five point one (145.1), Code
2 1962, is hereby amended as follows:

3 1. By striking subsection five (5) of such section and inserting in
4 lieu thereof the following: "Glenwood state hospital-school."

5 2. By striking subsection six (6) of such section and inserting in
6 lieu thereof the following: "Woodward state hospital-school."

1 SEC. 90. Section two hundred eighteen point one (218.1), Code
2 1962, as amended by chapter one hundred forty (140), Acts of the
3 Sixtieth General Assembly, is hereby amended as follows:

4 1. By striking subsection two (2) of such section and inserting in
5 lieu thereof the following: "Glenwood State-Hospital School."

6 2. By striking subsection three (3) of such section and inserting in
7 lieu thereof the following: "Woodward State-Hospital School."

1 SEC. 91. Section two hundred eighteen point nine (218.9), Code
2 1962, is hereby amended by striking from lines four (4) and five (5)
3 the words "Glenwood state school, the Woodward state hospital and
4 school" and inserting in lieu thereof the words "state hospital-schools
5 for the mentally retarded".

1 SEC. 92. Section two hundred eighteen point seventy-six (218.76),
2 Code 1962, as amended by section seven (7) of chapter one hundred
3 forty-three (143), Acts of the Sixtieth General Assembly, is hereby
4 amended by striking from lines six (6) and seven (7) of subsection
5 one (1) of such section the words "Glenwood state school, the Wood-
6 ward state hospital and school" and inserting in lieu thereof the words
7 "state hospital-schools for the mentally retarded".

1 SEC. 93. Section two hundred eighteen point ninety-two (218.92),
2 Code 1962, is hereby amended by striking from lines two (2) and three
3 (3) the words "Glenwood state school, Woodward state hospital and
4 school" and inserting in lieu thereof the words "any state hospital-
5 school for the mentally retarded".

1 SEC. 94. Chapter two hundred eighteen (218), Code 1962, is here-
2 by amended by adding the following section:

3 "The board of control shall direct the business manager of each

4 institution under its jurisdiction mentioned in section four hundred
 5 forty-four point twelve (444.12) of the Code, as amended by section
 6 two (2) of chapter one hundred fifty-two (152) and by chapter two
 7 hundred seventy-two (272), Acts of the Sixtieth General Assembly,
 8 to quarterly inform the auditor of the patient's or inmate's county of
 9 legal settlement of any patient or inmate who has an amount in excess
 10 of two hundred (200) dollars to his account in the patients' personal
 11 deposit fund and the amount thereof. The board shall direct the busi-
 12 ness manager to further notify the auditor of such county at least
 13 fifteen (15) days before the release of such funds in excess of two
 14 hundred (200) dollars or upon the death of such patient or inmate.
 15 If any such patient or inmate shall have no county of legal settlement,
 16 notice as required by this section shall be made to the board of con-
 17 trol."

1 SEC. 95. Section two hundred thirty point fifteen (230.15), Code
 2 1962, is hereby amended as follows:

- 3 1. By striking from line five (5) the words "or mentally retarded".
- 4 2. By striking from lines seven (7) and eight (8) the words "or
 5 mentally retarded".

1 SEC. 96. Section two hundred thirty point eighteen (230.18), Code
 2 1962, is hereby amended by striking from lines one (1) and two (2)
 3 the words "or mentally retarded".

1 SEC. 97. Section two hundred thirty point twenty (230.20), Code
 2 1962, is amended by striking all of such section after the period in line
 3 twenty-one (21).

1 SEC. 98. This Act, being deemed of immediate importance shall be
 2 in full force and effect from and after its passage and publication as
 3 provided by law, in the Highland Park News, a newspaper published
 4 at Des Moines, Iowa, and in The Sac Sun, a newspaper published at
 5 Sac City, Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 444, was published in the Highland
 Park News, Des Moines, Iowa, June 10, 1965, and in The Sac Sun, Sac City, Iowa, June
 16, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 208

CARE OF INSTITUTIONAL PATIENTS

S. F. 476

AN ACT relating to voluntary payments for care of patients in state institutions and
 to provide for the use of social security benefits to pay for such care.

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

1 SECTION 1. Section two hundred twenty-three point sixteen
 2 (223.16) *, Code 1962, is hereby amended by inserting in line nineteen
 3 (19) after the word "institutions" the words ", but the parents or

4 other interested person may pay the state comptroller the cost of
 5 such patient's support and treatment and such voluntary payments
 6 shall relieve the county of such obligation".

1 SEC. 2. Chapter one hundred forty-five (145), Acts of the Sixtieth
 2 General Assembly, is hereby amended as follows:

3 1. By inserting in line five (5) of section one (1) after the word
 4 "funds" the words ", including social security benefits,".

5 2. By inserting in line five (5) of section two (2) after the word
 6 "funds" the words ", including social security benefits,".

Approved May 25, 1965.

*Repealed by ch. 207.

CHAPTER 209

IOWA MENTAL HEALTH AUTHORITY

S. F. 516

AN ACT declaring the mental health authority as the state agency to receive and administer funds available under the federal Mental Health Act of July 3, 1946, and to create a committee on mental hygiene in relation thereto.

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

1 SECTION 1. The "Iowa Mental Health Authority" for the purposes
 2 of directing the benefits of Public Law 487, 79th Congress of the
 3 United States and amendments thereto, shall be named by the state
 4 board of regents with the advice of the dean of the college of medicine
 5 of the university of Iowa and the committee on mental hygiene here-
 6 inafter created.

1 SEC. 2. A committee on mental hygiene is hereby created to con-
 2 sist of the director of the psychopathic hospital at Iowa City, the direc-
 3 tor of mental health of the state board of control, the commissioner of
 4 the state department of health, the dean of the college of medicine at
 5 the university of Iowa, a member of the state board of regents ap-
 6 pointed by the board, a member of the state board of control appointed
 7 by the board, a member of the state board of social welfare appointed by
 8 the board, a member of the state board of public instruction appointed
 9 by the board, and eight (8) members to be appointed by the governor.
 10 The appointive members by the governor shall be one from the mem-
 11 bership of the sub-committee on nervous and mental disease of the
 12 Iowa medical society, one from the membership of the Iowa psychi-
 13 atric society, two from the membership of the boards of directors of
 14 the Iowa community mental health centers, one from the membership
 15 of the Iowa association for mental health, one from the membership
 16 of the Iowa psychological association, one from the membership of the
 17 Iowa society of osteopathic physicians and surgeons and one from the
 18 membership of the Iowa association for retarded children. The ap-
 19 pointive members, by the governor and the various boards shall serve
 20 for terms of three years beginning July 4 of the year of appointment;
 21 however, of the initial appointees by the governor, the terms shall be

22 three for terms of three years, three for terms of two years, and two
 23 for terms of one year. Vacancies shall be filled for the unexpired term
 24 in the same manner as original appointment.

1 SEC. 3. The committee shall hold an organizational meeting on the
 2 first Monday in July each year at the Psychopathic Hospital in Iowa
 3 City at which meeting a chairman and other officers shall be chosen.
 4 Other meetings shall be determined by the committee but shall be at
 5 least once in each four-month period. The committee shall keep min-
 6 utes of its meetings and both its meetings and its minutes shall be open
 7 to the public.

1 SEC. 4. All authorized funds of the mental health authority shall
 2 be disbursed under the supervision of the state board of regents and
 3 programs of the Iowa mental health authority shall be administered
 4 according to policies established by the committee on mental hygiene.

1 SEC. 5. The administrative office of the Iowa mental health author-
 2 ity shall be located at the college of medicine at the university of Iowa.
 3 A duplicate file of official correspondence, statistical information and
 4 minutes of the committee on mental hygiene shall be maintained in the
 5 office of the director of mental health of the state board of control at
 6 the capitol.

1 SEC. 6. Members of the committee on mental hygiene shall serve
 2 without compensation but shall receive reimbursement for expenses to
 3 attend meetings of the mental hygiene committee from funds allocated
 4 under Public Law 487.

1 SEC. 7. When specifically requested to do so by persons legally
 2 responsible, the mental hygiene committee shall review policies and
 3 programs relating to mental health of the requesting governmental
 4 agency, and shall suggest ways of coordinating the programs with
 5 those of the mental health authority, relating to research, training,
 6 and the demonstration of new techniques.

Approved May 7, 1965.

CHAPTER 210

NOTICE OF DEATH OF MENTAL PATIENTS

S. F. 233

AN ACT relating to notice of death of patients in state mental health institutions.

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

1 SECTION 1. Section two hundred twenty-six point thirty-four
 2 (226.34), Code 1962, is hereby amended by adding thereto the follow-
 3 ing:
 4 "When a patient in any mental health institute shall die from any
 5 cause, the superintendent of said institute shall within three (3) days
 6 of the date of death, send by certified mail a written notice of death
 7 to:

- 8 1. The decedent's nearest relative.
 9 2. The clerk of the district court of the county from which the pa-
 10 tient was committed, and
 11 3. The sheriff of the county from which the patient was committed."

Approved May 20, 1965.

CHAPTER 211

VOLUNTARY INSTITUTIONAL PATIENTS

H. F. 383

AN ACT to clarify inpatient and outpatient services on voluntary patients at the state institutions.

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

- 1 SECTION 1. Section two hundred twenty-nine point forty-two
 2 (229.42), Code 1962, as amended by chapter one hundred forty-seven
 3 (147), Acts of the Sixtieth General Assembly, is hereby amended by
 4 adding the following paragraph:
 5 "The provisions of this section and of section two hundred twenty-
 6 nine point forty-one (229.41) of the Code, shall apply to all voluntary
 7 inpatients or outpatients either away from or at the institution here-
 8 tofore or hereafter receiving mental health services."

- 1 SEC. 2. This Act being deemed of immediate importance shall take
 2 effect and be in full force from and after its passage and publication
 3 in the Sioux City Journal, a newspaper published at Sioux City, Iowa,
 4 and the Waterloo Daily Courier, a newspaper published at Waterloo,
 5 Iowa.

Approved April 12, 1965.

I hereby certify that the foregoing Act, House File 383, was published in the Sioux City Journal, Sioux City, Iowa, April 15, 1965, and in the Waterloo Daily Courier, Waterloo, Iowa, April 16, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 212

DELINQUENT STATE ACCOUNTS

H. F. 577

AN ACT providing penalties on amounts due the state of Iowa on delinquent accounts.

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

- 1 SECTION 1. Section two hundred twenty-nine point forty-two
 2 (229.42), Code 1962, as amended by chapter one hundred forty-seven
 3 (147), Acts of the Sixtieth (60th) General Assembly, is amended by
 4 adding thereto the following:
 5 "Should any county fail to pay these bills within sixty (60) days

6 from the date of certificate from superintendent, the state comptroller
7 shall charge the delinquent county the penalty of one per cent (1%)
8 per month on and after sixty (60) days from date of certificate until
9 paid. Such penalties shall be credited to the general fund of the state
10 of Iowa."

1 SEC. 2. Section two hundred forty-four point fourteen (244.14),
2 Code 1962, is amended by adding thereto the following:

3 "Should any county fail to pay these bills within sixty (60) days
4 from the date of certificate from superintendent, the state comptroller
5 shall charge the delinquent county the penalty of one per cent (1%)
6 per month on and after sixty (60) days from date of certificate until
7 paid. Such penalties shall be credited to the general fund of the state
8 of Iowa."

1 SEC. 3. Section two hundred fifty-five point twenty-six (255.26),
2 Code 1962, is amended by adding thereto the following:

3 "Should any county fail to pay these bills within sixty (60) days
4 from the date of certificate from superintendent, the state comptroller
5 shall charge the delinquent county the penalty of one per cent (1%)
6 per month on and after sixty (60) days from date of certificate until
7 paid. Such penalties shall be credited to the general fund of the state
8 of Iowa."

1 SEC. 4. Section two hundred seventy point seven (270.7), Code
2 1962, is amended by adding thereto the following:

3 "Should any county fail to pay these bills within sixty (60) days
4 from the date of certificate from superintendent, the state comptroller
5 shall charge the delinquent county the penalty of one per cent (1%)
6 per month on and after sixty (60) days from date of certificate until
7 paid. Such penalties shall be credited to the general fund of the state
8 of Iowa."

1 SEC. 5. Section two hundred seventy-one point fourteen (271.14),
2 Code 1962, is amended by adding thereto the following:

3 "Should any county fail to pay these bills within sixty (60) days
4 from the date of certificate from superintendent, the state comptroller
5 shall charge the delinquent county the penalty of one per cent (1%)
6 per month on and after sixty (60) days from date of certificate until
7 paid. Such penalties shall be credited to the general fund of the state
8 of Iowa."

Approved May 14, 1965.

CHAPTER 213

COUNTY TAX FOR MENTAL HEALTH FUND

H. F. 153

AN ACT relating to taxation for the county fund for mental health.

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

1 SECTION 1. Section two hundred thirty point twenty-four
2 (230.24), Code 1962, as amended by chapter one hundred fifty-one
3 (151) and section one (1) of chapter one hundred fifty-two (152), Acts
4 of the Sixtieth General Assembly, is hereby amended by striking from
5 lines two (2) and three (3) the word "three-eighths" and inserting in
6 lieu thereof the word "one (1)".

1 SEC. 2. Amend section two hundred thirty point twenty-four
2 (230.24), Code 1962, by striking from line thirty-one (31) the words
3 "three-eighths" ($\frac{3}{8}$ ths) and inserting in lieu thereof the words
4 "one-half" ($\frac{1}{2}$).

Approved June 3, 1965.

CHAPTER 214

INTERSTATE JUVENILE COMPACTS

S. F. 137

AN ACT conferring authority on the courts and agencies of the state of Iowa to enter into interstate juvenile compacts.

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

1 SECTION 1. Sections two hundred thirty-one point fourteen
2 (231.14) and two hundred thirty-one point fifteen (231.15), Code
3 1962, are hereby repealed and the following enacted in lieu thereof:

4 "The state of Iowa through its courts and agencies is hereby au-
5 thorized to enter into interstate compacts on juveniles in behalf of
6 this state with any other contracting state which legally joins therein
7 in substantially the following form.

8 The contracting states solemnly agree:

ARTICLE I—*Findings and Purposes*

9 That juveniles who are not under proper supervision and control,
10 or who have absconded, escaped or run away, are likely to endanger
11 their own health, morals and welfare, and the health, morals and
12 welfare of others. The co-operation of the states party to this com-
13 pact is therefore necessary to provide for the welfare and protection
14 of juveniles and of the public with respect to

15 1. co-operative supervision of delinquent juveniles on probation or
16 parole;

17 2. the return, from one state to another, of delinquent juveniles
18 who have escaped or absconded;

19 3. the return, from one state to another, of nondelinquent juveniles
20 who have run away from home; and

21 4. additional measures for the protection of juveniles and of the
22 public, which any two or more of the party states may find desirable
23 to undertake co-operatively. In carrying out the provisions of this
24 compact the party states shall be guided by the noncriminal, refor-
25 mative and protective policies which guide their laws concerning
26 delinquent, neglected or dependent juveniles generally. It shall be
27 the policy of the states party to this compact to co-operate and ob-
28 serve their respective responsibilities for the prompt return and
29 acceptance of juveniles and delinquent juveniles who become subject
30 to the provisions of this compact. The provisions of this compact
31 shall be reasonably and liberally construed to accomplish the fore-
32 going purposes.

33

ARTICLE II—*Existing Rights and Remedies*

34 That all remedies and procedures provided by this compact shall
35 be in addition to and not in substitution for other rights, remedies
36 and procedures, and shall not be in derogation of parental rights and
37 responsibilities.

38

ARTICLE III—*Definitions*

39 That, for the purposes of this compact, "delinquent juvenile"
40 means any juvenile who has been adjudged delinquent and who, at
41 the time the provisions of this compact are invoked, is still subject
42 to the jurisdiction of the court that has made such adjudication or
43 to the jurisdiction or supervision of an agency or institution pur-
44 suant to an order of such court; "probation or parole" means any
45 kind of conditional release of juveniles authorized under the laws of
46 the states party hereto; "court" means any court having jurisdiction
47 over delinquent, neglected or dependent children; "state" means any
48 state, territory or possession of the United States, the District of
49 Columbia, and the Commonwealth of Puerto Rico; and "residence"
50 or any variant thereof means a place at which a home or regular
51 place of abode is maintained.

52

ARTICLE IV—*Return of Runaways*

53 a. That the parent, guardian, person or agency entitled to legal
54 custody of a juvenile who has not been adjudged delinquent but who
55 has run away without the consent of such parent, guardian, person
56 or agency may petition the appropriate court in the demanding state
57 for the issuance of a requisition for his return. The petition shall
58 state the name and age of the juvenile, the name of the petitioner
59 and the basis of entitlement to the juvenile's custody, the circum-
60 stances of his running away, his location if known at the time appli-
61 cation is made, and such other facts as may tend to show that the
62 juvenile who has run away is endangering his own welfare or the
63 welfare of others and is not an emancipated minor. The petition
64 shall be verified by affidavit, shall be executed in duplicate, and shall
65 be accompanied by two certified copies of the document or documents
66 on which the petitioner's entitlement to the juvenile's custody is
67 based, such as birth certificates, letters of guardianship, or custody

68 decrees. Such further affidavits and other documents as may be
69 deemed proper may be submitted with such petition. The judge of
70 the court to which this application is made may hold a hearing there-
71 on to determine whether for the purposes of this compact the peti-
72 tioner is entitled to the legal custody of the juvenile, whether or not
73 it appears that the juvenile has in fact run away without consent
74 whether or not he is an emancipated minor, and whether or not it is
75 in the best interest of the juvenile to compel his return to the state.
76 If the judge determines, either with or without a hearing, that the
77 juvenile should be returned, he shall present to the appropriate court
78 or to the executive authority of the state where the juvenile is alleged
79 to be located a written requisition for the return of such juvenile.
80 Such requisition shall set forth the name and age of the juvenile,
81 the determination of the court that the juvenile has run away with-
82 out the consent of a parent, guardian, person or agency entitled to
83 his legal custody, and that it is in the best interest and for the pro-
84 tection of such juvenile that he be returned. In the event that a pro-
85 ceeding for the adjudication of the juvenile as a delinquent, neglected
86 or dependent juvenile is pending in the court at the time when such
87 juvenile runs away, the court may issue a requisition the for return of
88 such juvenile upon its own motion, regardless of the consent of the
89 parent, guardian, person or agency entitled to legal custody, reciting
90 therein the nature and circumstances of the pending proceeding. The
91 requisition shall in every case be executed in duplicate and shall be
92 signed by the judge. One copy of the requisition shall be filed with
93 the compact administrator of the demanding state, there to remain
94 on file subject to the provisions of law governing records of such
95 court. Upon the receipt of a requisition demanding the return of a
96 juvenile who has run away, the court or the executive authority to
97 whom the requisition is addressed shall issue an order to any peace
98 officer or other appropriate person directing him to take into custody
99 and detain such juvenile. Such detention order must substantially
100 recite the facts necessary to the validity of its issuance hereunder.
101 No juvenile detained upon such order shall be delivered over to the
102 officer whom the court demanding him shall have appointed to receive
103 him, unless he shall first be taken forthwith before a judge of a court
104 in the state, who shall inform him of the demand made for his return,
105 and who may appoint counsel or guardian ad litem for him. If the
106 judge of such court shall find that the requisition is in order, he shall
107 deliver such juvenile over to the officer whom the court demanding
108 him shall have appointed to receive him. The judge, however, may
109 fix a reasonable time to be allowed for the purpose of testing the
110 legality of the proceeding.

111 Upon reasonable information that a person is a juvenile who has
112 run away from another state party to this compact without the con-
113 sent of a parent, guardian, person or agency entitled to his legal
114 custody, such juvenile may be taken into custody without a requisi-
115 tion and brought forthwith before a judge of the appropriate court
116 who may appoint counsel or guardian ad litem for such juvenile and
117 who shall determine after a hearing whether sufficient cause exists to
118 hold the person, subject to the order of the court, for his own pro-
119 tection and welfare, for such a time not exceeding ninety days as will

120 enable his return to another state party to this compact pursuant to
121 a requisition for his return from a court of that state. If, at the time
122 when a state seeks the return of a juvenile who has run away, there
123 is pending in the state wherein he is found any criminal charge, or
124 any proceeding to have him adjudicated a delinquent juvenile for an
125 act committed in such state, or if he is suspected of having committed
126 within such state a criminal offense or an act of juvenile delinquency,
127 he shall not be returned without the consent of such state until dis-
128 charged from prosecution or other form of proceeding, imprison-
129 ment, detention or supervision for such offense or juvenile delin-
130 quency. The duly accredited officers of any state party to this com-
131 pact, upon the establishment of their authority and the identity of
132 the juvenile being returned, shall be permitted to transport such
133 juvenile through any and all states party to this compact, without
134 interference. Upon his return to the state from which he ran away,
135 the juvenile shall be subject to such further proceedings as may be
136 appropriate under the laws of that state.

137 *b.* That the state to which a juvenile is returned under this Article
138 shall be responsible for payment of the transportation costs of such
139 return.

140 *c.* That "juvenile" as used in this Article means any person who is
141 a minor under the law of the state of residence of the parent, guard-
142 ian, person or agency entitled to the legal custody of such minor.

143 ARTICLE V—*Return of Escapees and Absconders*

144 *a.* That the appropriate person or authority from whose probation
145 or parole supervision a delinquent juvenile has absconded or from
146 whose institutional custody he has escaped shall present to the ap-
147 propriate court or to the executive authority of the state where the
148 delinquent juvenile is alleged to be located a written requisition for
149 the return of such delinquent juvenile. Such requisition shall state
150 the name and age of the delinquent juvenile, the particulars of his
151 adjudication as a delinquent juvenile, the circumstances of the breach
152 of the terms of his probation or parole or of his escape from an
153 institution or agency vested with his legal custody or supervision,
154 and the location of such delinquent juvenile, if known, at the time
155 the requisition is made. The requisition shall be verified by affidavit,
156 shall be executed in duplicate, and shall be accompanied by two cer-
157 tified copies of the judgment, formal adjudication, or order of commit-
158 ment which subjects such delinquent juvenile to probation or parole
159 or to the legal custody of the institution or agency concerned. Such
160 further affidavits and other documents as may be deemed proper may
161 be submitted with such requisition. One copy of the requisition shall
162 be filed with the compact administrator of the demanding state, there
163 to remain on file subject to the provisions of law governing records
164 of the appropriate court. Upon the receipt of a requisition demand-
165 ing the return of a delinquent juvenile who has absconded or escaped,
166 the court or the executive authority to whom the requisition is ad-
167 dressed shall issue an order to any peace officer or other appropriate
168 person directing him to take into custody and detain such delinquent
169 juvenile. Such detention order must substantially recite the facts
170 necessary to the validity of its issuance hereunder. No delinquent

171 juvenile detained upon such order shall be delivered over to the officer
172 whom the appropriate person or authority demanding him shall have
173 appointed to receive him, unless he shall first be taken forthwith
174 before a judge of an appropriate court in the state, who shall inform
175 him of the demand made for his return and who may appoint counsel
176 or guardian ad litem for him. If the judge of such court shall find
177 that the requisition is in order, he shall deliver such delinquent juve-
178 nile over to the officer whom the appropriate person or authority
179 demanding him shall have appointed to receive him. The judge,
180 however, may fix a reasonable time to be allowed for the purpose of
181 testing the legality of the proceeding.

182 Upon reasonable information that a person is a delinquent juvenile
183 who has absconded while on probation or parole, or escaped from an
184 institution or agency vested with his legal custody or supervision in
185 any state party to this compact, such person may be taken into cus-
186 tody in any other state party to this compact without a requisition.
187 But in such event, he must be taken forthwith before a judge of the
188 appropriate court, who may appoint counsel or guardian ad litem
189 for such person and who shall determine, after a hearing, whether
190 sufficient cause exists to hold the person subject to the order of the
191 court for such a time, not exceeding ninety days, as will enable his
192 detention under a detention order issued on a requisition pursuant
193 to this Article. If, at the time when a state seeks the return of a
194 delinquent juvenile who has either absconded while on probation or
195 parole or escaped from an institution or agency vested with his legal
196 custody or supervision, there is pending in the state wherein he is
197 detained any criminal charge or any proceeding to have him adjudi-
198 cated a delinquent juvenile for an act committed in such state, or if
199 he is suspected of having committed within such state a criminal
200 offense or an act of juvenile delinquency, he shall not be returned
201 without the consent of such state until discharged from prosecution
202 or other form of proceeding, imprisonment, detention or supervision
203 for such offense or juvenile delinquency. The duly accredited officers
204 of any state party to this compact, upon the establishment of their
205 authority and the identity of the delinquent juvenile being returned,
206 shall be permitted to transport such delinquent juvenile through any
207 and all states party to this compact, without interference. Upon his
208 return to the state from which he escaped or absconded, the delin-
209 quent juvenile shall be subject to such further proceedings as may
210 be appropriate under the laws of that state.

211 *b.* That the state to which a delinquent juvenile is returned under
212 this Article shall be responsible for payment of the transportation
213 costs of such return.

214 ARTICLE VI—*Voluntary Return Procedure*

215 That any delinquent juvenile who has absconded while on proba-
216 tion or parole, or escaped from an institution or agency vested with
217 his legal custody or supervision in any state party to this compact,
218 and any juvenile who has run away from any state party to this
219 compact, who is taken into custody without a requisition in another
220 state party to this compact under the provisions of Article IV *a* or
221 of Article V *a*, may consent to his immediate return to the state from

222 which he absconded, escaped or ran away. Such consent shall be
 223 given by the juvenile or delinquent juvenile and his counsel or guard-
 224 ian ad litem if any, by executing or subscribing a writing, in the
 225 presence of a judge of the appropriate court, which states that the
 226 juvenile or delinquent juvenile and his counsel or guardian ad litem,
 227 if any, consent to his return to the demanding state. Before such
 228 consent shall be executed or subscribed, however, the judge, in the
 229 presence of counsel or guardian ad litem, if any, shall inform the
 230 juvenile or delinquent juvenile of his rights under this compact.
 231 When the consent has been duly executed, it shall be forwarded to
 232 and filed with the compact administrator of the state in which the
 233 court is located and the judge shall direct the officer having the juve-
 234 nile or delinquent juvenile in custody to deliver him to the duly ac-
 235 credited officer or officers of the state demanding his return, and shall
 236 cause to be delivered to such officer or officers a copy of the consent.
 237 The court may, however, upon the request of the state to which the
 238 juvenile or delinquent juvenile is being returned, order him to return
 239 unaccompanied to such state and shall provide him with a copy of
 240 such court order; in such event a copy of the consent shall be for-
 241 warding to the compact administrator of the state to which said juve-
 242 nile or delinquent juvenile is ordered to return.

243

ARTICLE VII

244

Co-operative Supervision of Probationers and Parolees

245 a. That the duly constituted judicial and administrative author-
 246 ities of a state party to this compact (herein called "sending state")
 247 may permit any delinquent juvenile within such state, placed on pro-
 248 bation or parole, to reside in any other state party to his* compact
 249 (herein called "receiving state") while on probation or parole, and
 250 the receiving state shall accept such delinquent juvenile, if the par-
 251 ent, guardian or person entitled to the legal custody of such delin-
 252 quent juvenile is residing or undertakes to reside within the receiv-
 253 ing state. Before granting such permission, opportunity shall be
 254 given to the receiving state to make such investigations as it deems
 255 necessary. The authorities of the sending state shall send to the
 256 authorities of the receiving state copies of pertinent court orders,
 257 social case studies and all other available information which may be
 258 of value to and assist the receiving state in supervising a probationer
 259 or parolee under this compact. A receiving state, in its discretion,
 260 may agree to accept supervision of a probationer or parolee in cases
 261 where the parent, guardian or person entitled to the legal custody of
 262 the delinquent juvenile is not a resident of the receiving state, and
 263 if so accepted the sending state may transfer supervision accord-
 264 ingly.
 265 b. That each receiving state will assume the duties of visitation
 266 and of supervision over any such delinquent juvenile and in the exer-
 267 cise of those duties will be governed by the same standards of visita-
 268 tion and supervision that prevail for its own delinquent juveniles
 269 released on probation or parole.
 270 c. That, after consultation between the appropriate authorities of

*According to enrolled Act.

271 the sending state and of the receiving state as to the desirability and
 272 necessity of returning such a delinquent juvenile, the duly accredited
 273 officers of a sending state may enter a receiving state and there
 274 apprehend and retake any such delinquent juvenile on probation or
 275 parole. For that purpose, no formalities will be required, other than
 276 establishing the authority of the officer and the identity of the de-
 277 linquent juvenile to be retaken and returned. The decision of the
 278 sending state to retake a delinquent juvenile on probation or parole
 279 shall be conclusive upon and not reviewable within the receiving
 280 state, but if, at the time the sending state seeks to retake a delinquent
 281 juvenile on probation or parole, there is pending against him within
 282 the receiving state any criminal charge or any proceeding to have
 283 him adjudicated a delinquent juvenile for any act committed in such
 284 state, or if he is suspected of having committed within such state a
 285 criminal offense or an act of juvenile delinquency, he shall not be
 286 returned without the consent of the receiving state until discharged
 287 from prosecution or other form of proceeding, imprisonment, deten-
 288 tion or supervision for such offense or juvenile delinquency. The duly
 289 accredited officers of the sending state shall be permitted to trans-
 290 port delinquent juveniles being so returned through any and all states
 291 party to this compact, without interference.

292 *d.* That the sending state shall be responsible under this Article
 293 for paying the costs of transporting any delinquent juvenile to the
 294 receiving state or of returning any delinquent juvenile to the sending
 295 state.

296 ARTICLE VIII—*Responsibility for Costs*

297 *a.* That the provisions of Articles IV *b*, V *b* and VII *d* of this
 298 compact shall not be construed to alter or affect any internal rela-
 299 tionship among the departments, agencies and officers of and in the
 300 government of a party state, or between a party state and its sub-
 301 divisions, as to the payment of costs, or responsibilities therefor.

302 *b.* That nothing in this compact shall be construed to prevent any
 303 party state or subdivision thereof from asserting any right against
 304 any person, agency or other entity in regard to costs for which such
 305 party state or subdivision thereof may be responsible pursuant to
 306 Articles IV *b*, V *b* or VII *d* of this compact.

307 ARTICLE IX—*Detention Practices*

308 That, to every extent possible, it shall be the policy of states party
 309 to this compact that no juvenile or delinquent juvenile shall be placed
 310 or detained in any prison, jail or lockup nor be detained or trans-
 311 ported in association with criminal, vicious or dissolute persons.

312 ARTICLE X—*Supplementary Agreements*

313 That the duly constituted administrative authorities of a state
 314 party to this compact may enter into supplementary agreements with
 315 any other state or states party hereto for the co-operative care,
 316 treatment and rehabilitation of delinquent juveniles whenever they
 317 shall find that such agreements will improve the facilities or pro-
 318 grams available for such care, treatment and rehabilitation. Such

319 care, treatment and rehabilitation may be provided in an institution
320 located within any state entering into such supplementary agreement.

321 Such supplementary agreements shall

322 1. provide the rates to be paid for the care, treatment and custody
323 of such delinquent juveniles, taking into consideration the character
324 of facilities, services and subsistence furnished;

325 2. provide that the delinquent juvenile shall be given a court hear-
326 ing prior to his being sent to another state for care, treatment and
327 custody;

328 3. provide that the state receiving such a delinquent juvenile in one
329 of its institutions shall act solely as agent for the state sending such
330 delinquent juvenile;

331 4. provide that the sending state shall at all times retain juris-
332 diction over delinquent juveniles sent to an institution in another
333 state;

334 5. provide for reasonable inspection of such institutions by the
335 sending state;

336 6. provide that the consent of the parent, guardian, person or
337 agency entitled to the legal custody of said delinquent juvenile shall
338 be secured prior to his being sent to another state; and

339 7. make provision for such other matters and details as shall be
340 necessary to protect the rights and equities of such delinquent juve-
341 niles and of the co-operating states.

342 ARTICLE XI—*Acceptance of Federal and Other Aid*

343 That any state party to this compact may accept any and all dona-
344 tions, gifts and grants of money, equipment and services from the
345 federal or any local government, or any agency thereof and from any
346 person, firm or corporation, for any of the purposes and functions of
347 this compact, and may receive and utilize the same subject to the
348 terms, conditions and regulations governing such donations, gifts
349 and grants.

350 ARTICLE XII—*Compact Administrators*

351 That the governor of each state party to this compact shall desig-
352 nate an officer who, acting jointly with like officers of other party
353 states, shall promulgate rules and regulations to carry out more
354 effectively the terms and provisions of this compact.

355 ARTICLE XIII—*Execution of Compact*

356 That this compact shall become operative immediately upon its
357 execution by any state as between it and any other state or states so
358 executing. When executed it shall have the full force and effect of
359 law within such state, the form of execution to be in accordance with
360 the laws of the executing state.

361 ARTICLE XIV—*Renunciation*

362 That this compact shall continue in force and remain binding upon
363 each executing state until renounced by it. Renunciation of this com-
364 pact shall be by the same authority which executed it, by sending six
365 months' notice in writing of its intention to withdraw from the com-
366 pact to the other states party hereto. The duties and obligations of a

367 renouncing state under Article VII hereof shall continue as to parol-
368 ees and probationers residing therein at the time of withdrawal until
369 retaken or finally discharged. Supplementary agreements entered
370 into under Article X hereof shall be subject to renunciation as pro-
371 vided by such supplementary agreements, and shall not be subject to
372 the six months' renunciation notice of the present Article.

373

Out-of-State Confinement Amendment

374 a. Whenever the duly constituted judicial or administrative au-
375 thorities in a sending state shall determine that confinement of a
376 probationer or reconfinement of a parolee is necessary or desirable,
377 said officials may direct that the confinement or reconfinement be in
378 an appropriate institution for delinquent juveniles within the terri-
379 tory of the receiving state, such receiving state to act in that regard
380 solely as agent for the sending state.

381 b. Escapees and absconders who would otherwise be returned pur-
382 suant to Article V of the compact may be confined or reconfined in
383 the receiving state pursuant to this amendment. In any such case the
384 information and allegations required to be made and furnished in a
385 requisition pursuant to such Article shall be made and furnished,
386 but in place of the demand pursuant to Article V, the sending state
387 shall request confinement or reconfinement in the receiving state.
388 Whenever applicable, detention orders as provided in Article V may
389 be employed pursuant to this paragraph preliminary to disposition
390 of the escapee or absconder.

391 c. The confinement or reconfinement of a parolee, probationer,
392 escapee, or absconder pursuant to this amendment shall require the
393 concurrence of the appropriate judicial or administrative authorities
394 of the receiving state.

395 d. As used in this amendment: (1) "sending state" means send-
396 ing state as that term is used in Article VII of the compact or the
397 state from which a delinquent juvenile has escaped or absconded
398 within the meaning of Article V of the compact; (2) "receiving
399 state" means any state, other than the sending state, in which a
400 parolee, probationer, escapee, or absconder may be found, provided
401 that said state is a party to this amendment.

402 e. Every state which adopts this amendment shall designate at
403 least one of its institutions for delinquent juveniles as a "Compact
404 Institution" and shall confine persons therein as provided in para-
405 graph a hereof unless the sending and receiving state in question shall
406 make specific contractual arrangements to the contrary. All states
407 party to this amendment shall have access to "Compact Institutions"
408 at all reasonable hours for the purpose of inspecting the facilities
409 thereof and for the purpose of visiting such of said state's delinquents
410 as may be confined in the institution.

411 f. Persons confined in "Compact Institutions" pursuant to the
412 terms of this compact shall at all times be subject to the jurisdiction
413 of the sending state and may at any time be removed from said
414 "Compact Institution" for transfer to an appropriate institution
415 within the sending state, for return to probation or parole, for dis-
416 charge or for any purpose permitted by the laws of the sending state.

417 g. All persons who may be confined in a "Compact Institution"

418 pursuant to the provisions of this amendment shall be treated in a
 419 reasonable and humane manner. The fact of confinement or recon-
 420 finement in a receiving state shall not deprive any person so confined
 421 or reconfined of any rights which said person would have had if con-
 422 fined or reconfined in an appropriate institution of the sending state;
 423 nor shall any agreement to submit to confinement or reconfinement
 424 pursuant to the terms of this amendment be construed as a waiver of
 425 any rights which the delinquent would have had if he had been con-
 426 fined or reconfined in any appropriate institution of the sending state
 427 except that the hearing or hearings, if any, to which a parolee, pro-
 428 bationer, escapee, or absconder may be entitled (prior to confinement
 429 or reconfinement) by the laws of the sending state may be had before
 430 the appropriate judicial or administrative officers of the receiving
 431 state. In this event, said judicial and administrative officers shall act
 432 as agents of the sending state after consultation with appropriate
 433 officers of the sending state.

434 *h.* Any receiving state incurring costs or other expenses under this
 435 amendment shall be reimbursed in the amount of such costs or other
 436 expenses by the sending state unless the states concerned shall spe-
 437 cifically otherwise agree. Any two or more states party to this
 438 amendment may enter into supplementary agreements determining a
 439 different allocation of costs as among themselves.

440 *i.* This amendment shall take initial effect when entered into by
 441 any two or more states party to the compact and shall be effective as
 442 to those states which have specifically enacted this amendment. Rules
 443 and regulations necessary to effectuate the terms of this amendment
 444 may be promulgated by the appropriate officers of those states which
 445 have enacted this amendment.

1 SEC. 2. In addition to any institution in which the authorities of
 2 this state may otherwise confine or order the confinement of a delin-
 3 quent juvenile, such authorities may, pursuant to the out-of-state
 4 confinement amendment to the interstate compact on juveniles, con-
 5 fine or order the confinement of a delinquent juvenile in a compact
 6 institution within another party state."

Approved May 14, 1965.

CHAPTER 215

JUVENILE COURT LAW

S. F. 95

AN ACT to amend, revise, and codify the statutes relating to dependent, neglected, and delinquent children.

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

1 SECTION 1. Chapter two hundred thirty-two (232), Code 1962, is
 2 hereby repealed and sections two (2) through sixty-two (62) of this
 3 Act are enacted in lieu thereof.

1 SEC. 2. This Act shall be liberally construed to the end that each
2 child coming within the jurisdiction of the juvenile court shall receive,
3 preferably in his home, the care, guidance, and control that will con-
4 duce to his welfare and the best interests of the state, and that when he
5 is removed from the control of his parents, the court shall secure for
6 him care as nearly as possible equivalent to that which he should have
7 been given.

1 SEC. 3. When used in this Act, unless the context otherwise re-
2 quires:

3 1. "Court" means the juvenile court as established under chapter
4 two hundred thirty-one (231) of the Code.

5 2. "Judge" means the judge of the juvenile court.

6 3. "Child" means a person less than eighteen (18) years of age.

7 4. "Minor" means a person less than twenty-one (21) years of age.

8 5. "Adult" means a person twenty-one (21) years of age or older.

9 6. "Detention" means the temporary care of children who require
10 secure custody for their own protection or the protection of the com-
11 munity in physically restricting facilities pending court disposition.

12 7. "Shelter" means the temporary care of children in physically un-
13 restricting facilities pending court disposition.

14 8. "Guardianship of the person" with respect to a minor means the
15 duty and authority to make important decisions in matters having a
16 permanent effect on the life and development of the minor and to be
17 concerned about the general welfare of the minor. Guardianship of
18 the person includes but is not limited to:

19 a. The authority to consent to marriage, to enlistment in the armed
20 forces of the United States, to major medical, psychiatric, and surgical
21 treatment, to represent the minor in legal actions, and to make other
22 decisions of substantial legal significance concerning the minor.

23 b. The authority and duty of reasonable visitation except to the
24 extent that such right of visitation has been limited by court order.

25 c. The rights and responsibilities of legal custody except where legal
26 custody has been vested in another individual or in an authorized
27 agency.

28 d. The authority to consent to the adoption of a child and to make
29 any other decision concerning the child which could be made by the
30 parents of the child when the parent-child relationship has been ter-
31 minated by judicial decree with respect to the parents or the only living
32 parent, or when there is no living parent.

33 A juvenile court guardianship of the person does not include guard-
34 ianship of any estate of the child.

35 9. "Legal custody" means the relationship created by court decree
36 which imposes on the custodian the responsibility of physical posses-
37 sion of the child, the duty to protect, train, and discipline the child, and
38 to provide the child with food, clothing, housing, education, and ordi-
39 nary medical care, all subject to residual parental rights and responsi-
40 bilities and the rights and responsibilities of the guardian of the
41 person.

42 10. "Probation" is a legal status created by court order following
43 an adjudication of delinquency whereby a minor is permitted to remain
44 in his home subject to supervision by the court or an agency desig-

45 nated by the court and subject to return to the court for violation of
46 probation at any time during the period of probation.

47 11. "Protective supervision" is a legal status created by court order
48 in proceedings not involving violation of law but when the legal cus-
49 tody of the child is subject to change, whereby the child is permitted
50 to remain in the home under supervision by the court or an agency
51 designated by the court and subject to return to the court during the
52 period of protective supervision.

53 12. "Commit" means to transfer legal custody.

54 13. "Delinquent child" means a child:

55 a. Who has violated any state law or habitually violated local laws
56 or ordinances except any offense which is exempted from this Act by
57 law.

58 b. Who has violated a federal law or a law of another state and
59 whose case has been referred to the juvenile court.

60 c. Who is uncontrolled by his parents, guardian, or legal custodian
61 by reason of being wayward or habitually disobedient.

62 d. Who habitually deports himself in a manner that is injurious to
63 himself or others.

64 14. "Dependent child" means a child:

65 a. Who is without a parent, guardian, or other custodian.

66 b. Who is in need of special care and treatment required by his
67 physical or mental condition which the parents, guardian, or other
68 custodian is unable to provide.

69 c. Whose parents, guardian, or other custodian for good cause de-
70 sires to be relieved of his care and custody.

71 15. "Neglected child" means a child:

72 a. Who is abandoned by his parents, guardian, or other custodian.

73 b. Who is without proper parental care because of the emotional,
74 mental, or physical disability, or state of immaturity of his parents,
75 guardian, or other custodian.

76 c. Who is without proper parental care because of the faults or
77 habits of his parents, guardian, or other custodian.

78 d. Who is living under conditions injurious to his mental or physical
79 health or welfare.

80 16. "News media" means representatives of newspapers, other peri-
81 odicals, radio and television stations, and other agencies of mass com-
82 munication.

1 SEC. 4. Whenever the court is informed that a child is in a state of
2 neglect, dependency, or delinquency, the court shall make a preliminary
3 investigation of the facts to determine whether the interests of the
4 public or of the minor require that he or she be brought under the
5 jurisdiction of the court. After the completion of the investigation,
6 and if the court believes, in its discretion, that the child may be neg-
7 lected, dependent, or delinquent the court shall direct the county attor-
8 ney or probation officer to file a petition with the clerk of court. If the
9 facts plead are admitted by the minor and consent is obtained from the
10 parents, or guardian of the minor, the court may make whatever
11 informed adjustment is practical without holding a formal hearing.
12 Efforts to affect informal adjustment may be continued not longer
13 than three (3) months without review by the judge.

14 The petition and subsequent court documents shall be entitled "In
15 the interest of, a child." The petition shall be veri-
16 fied and any statements may be made upon information and belief.
17 The petition shall set forth plainly:

- 18 1. The facts which bring the child within the purview of this Act.
- 19 2. The name, age, and residence of the child.
- 20 3. The names and residences of the parents of the child.
- 21 4. The name and residence of the legal guardian of the child if there
22 be one, of the person or persons having custody or control of the child,
23 or of the nearest known relative of the child if no parent or guardian
24 can be found.

25 If any of the facts herein required are not known by the petitioner
26 the petition shall so state.

27 Complaint with reference to more than one (1) child may be em-
28 braced in one (1) count of the petition subject to being later divided
29 or separate hearings held on order of the court.

1 SEC. 5. After a petition has been filed and unless the parties named
2 in section six (6) of this Act voluntarily appear, the court shall set a
3 time for hearing and shall issue a summons requiring the person who
4 has custody or control of the child to appear with the child before the
5 court at a time and place stated. The summons shall recite briefly the
6 substance of the petition or shall have attached a copy of the petition
7 and shall give notification of the right to counsel provided for in sec-
8 tion twenty-nine (29) of this Act.

1 SEC. 6. The court shall have notice of the pendency of the case and
2 of the time and place of the hearing served upon the parents, guardian,
3 or legal custodian of a legitimate child or upon the mother, guardian,
4 or legal custodian of an illegitimate child if they are not summoned to
5 appear as provided in section five (5) of this Act. The notice shall
6 recite briefly the substance of the petition or shall have attached a copy
7 of the petition and shall give notification of the right to counsel pro-
8 vided for in section twenty-nine (29) of this Act.

1 SEC. 7. The court may issue a subpoena requiring the appearance
2 of any other person whose presence in the opinion of the court is neces-
3 sary at the hearing. A parent or guardian shall be entitled to subpoena
4 the attendance of witnesses on his own behalf or on behalf of the child.

1 SEC. 8. If it appears from the petition or by separate affidavit of a
2 person having knowledge of the fact that the child is in such condition
3 or surroundings that the welfare of the child requires that custody be
4 immediately assumed by the court, the court may order by endorse-
5 ment on the summons that the officer serving the summons take the
6 child into custody immediately.

1 SEC. 9. Service of the summons shall be made personally by the
2 delivery of an attested copy thereof to the person summoned to appear.
3 If the judge is satisfied that personal service of the notice provided for
4 in section six (6) of this Act is impracticable, the judge may order
5 service by certified mail addressed to the last known address or by
6 publication or both. Service of notice or summons shall be made not
7 less than five (5) days before the time fixed for the hearing.

1 SEC. 10. Service of summons, process, or notice required by this
2 Act may be made by any suitable person under the direction of the
3 court and upon request of the court shall be made by any peace officer.

1 SEC. 11. If any person personally served with a summons or sub-
2 poena fails without reasonable cause to appear or to bring the child,
3 the person may be proceeded against for contempt of court or the court
4 may issue a warrant for the arrest of the person or both. When it
5 appears to the court that the service will be ineffectual or that the wel-
6 fare of the child will require that the child be brought forthwith into
7 the custody of the court, the court may issue a warrant for the child.

1 SEC. 12. The hearing on the merit of the petition shall not take
2 place without the presence of one (1) or both of the parents or the
3 guardian, or if none is present a guardian ad litem shall be appointed
4 by the court to protect the interests of the child. The court may also
5 appoint a guardian ad litem whenever necessary for the welfare of the
6 child whether or not a parent or guardian is present.

1 SEC. 13. When it appears during the course of any trial, hearing,
2 or proceeding that some action or remedy other than or in addition to
3 those indicated by the application or pleadings appears appropriate,
4 the court may, provided all necessary parties consent, proceed to hear
5 and determine the additional or other issues as though originally prop-
6 erly sought and pleaded.

1 SEC. 14. The court may order that a child for whom a petition has
2 been filed shall be examined by a physician, surgeon, psychiatrist, or
3 psychologist and may order treatment by them of a child who has been
4 adjudicated by the court. The court may place the child in a hospital
5 or other suitable facility for such examination or treatment.

1 SEC. 15. No decree other than discharge shall be entered until a
2 written report of a social investigation by an officer of the court has
3 been presented to and considered by the judge. Where the allegations
4 of the petition are denied by the child or his parents, guardian, or
5 custodian by written denial filed not later than two (2) days excluding
6 Sundays and holidays after service of summons as required in section
7 five (5) of this Act or at the time the parties appear voluntarily, the
8 investigation shall not be made until after the allegations have been
9 established at a hearing. The investigation shall include the circum-
10 stances of the offense or complaint, the social history and present con-
11 dition of the child and family, and plans for the child's immediate care,
12 as related to the decree. In cases of support, the investigation shall
13 also include such matters as earnings, financial obligations, and em-
14 ployment.

1 SEC. 16. No child may be taken into immediate custody except:

2 1. With an order issued by the court in accordance with the provi-
3 sions of section eight (8) of this Act or by a warrant issued in ac-
4 cordance with the provisions of section eleven (11) of this Act.

5 2. In accordance with the laws relating to arrests.

6 3. By a peace officer:

7 a. When it is reasonably believed that a child has run away from his
8 parents, guardian, or custodian.

9 b. When a child is found in surroundings or conditions which en-
10 danger the health or welfare of the child.

11 4. By a peace officer or probation or parole officer when it is reason-
12 ably believed that the child has violated the terms of his probation,
13 parole, or other official supervision.

14 The taking of a child into custody under the provisions of this sec-
15 tion shall not be considered an arrest.

1 SEC. 17. When a child is taken into custody as provided in section
2 sixteen (16) of this Act, the parents, guardian, or custodian of the
3 child shall be notified as soon as possible by the person taking the child
4 into custody. Except where the immediate welfare of the child or the
5 protection of the community requires that the child shall be detained,
6 the child shall be released to the custody of the parents, guardian,
7 custodian, or other suitable person on the promise of such person to
8 bring the child to the court, if necessary, at such time as the court
9 may direct.

1 SEC. 18. If a child is not released as provided in section seventeen
2 (17) of this Act, the person taking the child into custody shall notify
3 the court as soon as possible of the detention of the child and the rea-
4 sons for the detention. The child shall be taken immediately to a place
5 of detention specified in section nineteen (19) of this Act and may be
6 held for not longer than twenty-four (24) hours after the taking into
7 custody unless an order for detention specifying the reason for the
8 detention is signed by the judge. No child may be held longer than
9 forty-eight (48) hours after the taking into custody unless a petition
10 has been filed and the judge determines that the child shall remain in
11 custody or unless the court refers the matter to the prosecuting au-
12 thority for proper action in the criminal court. The parents, guardian,
13 or custodian of the child shall be notified of the place of detention as
14 soon as possible. If continued detention is not ordered, the court or
15 designated officer shall release the child in the manner provided in
16 section seventeen (17) of this Act.

1 SEC. 19. A child may be detained as provided in section eighteen
2 (18) of this Act in one of the following places:

3 1. A juvenile home.

4 2. A licensed facility for foster care in accordance with the laws re-
5 lating to facilities for foster care.

6 3. A suitable place designated by the court.

7 4. A room entirely separate from adults in a jail, lockup, police sta-
8 tion, or other adult detention facility as provided in section twenty
9 (20) of this Act.

1 SEC. 20. No child shall at any time be confined in a police station,
2 lockup, jail, or prison except that a child may be detained for the pur-
3 pose of protective custody for a period not to exceed twelve (12) hours
4 or a child fourteen (14) years of age or older may upon the order of
5 the judge be temporarily confined in a room entirely separate from
6 adults in an adult detention facility. A child may be detained in an
7 adult detention facility upon order of the judge only if the child is
8 alleged to be delinquent and has shown by his habits, conduct, or con-
9 ditions that he constitutes a menace to himself or society to the extent

10 that he cannot be released or cannot be detained in a place designated
11 in subsections one (1), two (2), or three (3), of section nineteen (19)
12 of this Act.

1 SEC. 21. The sheriff, warden, or other official in charge of a jail
2 or other facility for the detention of adult offenders or persons charged
3 with crimes shall inform the juvenile court immediately when a child
4 who is or appears to be under eighteen (18) years of age is received
5 at the facility.

1 SEC. 22. County boards of supervisors may either singly or in con-
2 junction with one (1) or more other counties provide and maintain,
3 separate, apart, and outside the enclosure of any jail or police station,
4 a suitable juvenile home for dependent, neglected, and delinquent chil-
5 dren. Such a home shall be constructed so far as practicable so that
6 children requiring detention shall be separated from the children re-
7 quiring shelter.

1 SEC. 23. For the purpose of providing and maintaining a county or
2 multicounty juvenile home, the board of supervisors of any county may
3 issue bonds and authorize the expenditure of such amounts as are con-
4 sistent with the provisions of chapter three hundred forty-five (345)
5 of the Code. The board of supervisors of any county is authorized to
6 levy a tax not to exceed one-half ($\frac{1}{2}$) mill for the purpose of main-
7 taining a county or multicounty juvenile home. Expenses for provid-
8 ing and maintaining a juvenile home shall be paid by the county or
9 counties participating in a manner to be determined by board or
10 boards of supervisors of participating counties.

1 SEC. 24. Upon request of the board of supervisors, the county
2 board or county boards of education shall provide suitable curriculum,
3 teaching staff, books, supplies, and other necessary materials and
4 equipment for the instruction of children of school age who are de-
5 tained in the juvenile home.

1 SEC. 25. The state board of social welfare shall adopt minimal
2 rules, regulations, and standards for the establishment, maintenance,
3 and operation of juvenile homes as shall be necessary to effect the pur-
4 poses of this Act. Said board shall, upon request, give guidance and
5 consultation in the establishment and administration of a juvenile
6 home and a juvenile home program.

1 SEC. 26. The state board of social welfare shall approve annually
2 all county or multicounty juvenile homes established and maintained
3 under the provisions of this Act. No county or multicounty juvenile
4 home shall be approved unless such homes comply with minimal rules,
5 regulations, and standards adopted by said board.

1 SEC. 27. Approved county or multicounty juvenile homes may be
2 entitled to receive financial aid from the state in the amount and in
3 such manner as determined by the state board of social welfare. Aid
4 paid by the state shall not exceed fifty (50) percent of the total cost
5 of the establishment, improvements, operation, and maintenance of a
6 juvenile home.

1 SEC. 28. Hearings on any matter shall be without a jury and may
2 be conducted in an informal manner. Hearings may be continued from
3 time to time and in the interim the court may make such orders as it
4 deems in the best interests of the child. The court shall exclude the
5 general public from hearings and shall admit the news media, except
6 in those cases which in the opinion of the court the best interest of the
7 child and the public are served by a private hearing. The court shall
8 also admit those persons who in the discretion of the court have a
9 direct interest in the case or in the work of the court; except that if
10 the hearing involves a child charged by information or indictment with
11 the commission of a felony, persons having a legitimate interest in the
12 proceedings, including responsible representatives of public informa-
13 tion media, shall not be excluded from such hearings. The court may
14 require the presence of witnesses deemed necessary to the disposition
15 of the petition. Adoption hearings shall be conducted in accordance
16 with the provisions of laws relating to adoption.

1 SEC. 29. The child, parents, guardian, or custodian shall have the
2 right to counsel. If the minor, parents, guardian, or custodian desire
3 but are unable to employ counsel, such counsel shall be appointed by
4 the court.

1 SEC. 30. The county attorney shall present the evidence upon re-
2 quest of the court in all proceedings except adoptions.

1 SEC. 31. Except in delinquency proceedings based on the alleged
2 commission of a public offense, the court may waive the presence of
3 the child in the court at any stage of the proceedings when the court
4 deems it in the best interests of the child. In delinquency proceedings
5 if the child is found to be delinquent, the court after the finding of
6 delinquency is made may excuse the presence of the child from the
7 hearing when the court deems it in the best interests of the child. In
8 any proceedings, the court may temporarily excuse the presence of the
9 parents or guardian of a child from the hearing when the court deems
10 it in the best interests of the child. The attorney or guardian ad litem,
11 if any, has the right to continue to participate in proceedings during
12 the absence of the child, parents, or guardian.

1 SEC. 32. The child and his parents, guardian, or custodian are en-
2 titled to be heard, to present evidence material to the case, and to
3 question witnesses appearing at the hearing.

1 SEC. 33. Stenographic notes or mechanical recordings shall be re-
2 quired in all court hearings as in other civil cases unless the parties
3 waive the right to such records and the court so orders.

1 SEC. 34. If the court finds that the child is neglected or dependent,
2 the court shall enter an order making any one (1) or more of the fol-
3 lowing dispositions of the case:

4 1. Continue the proceedings from time to time under such supervi-
5 sion as the court may direct.

6 2. Place the child under the protective supervision of the county de-
7 partment of social welfare or a child placing agency in the home of the
8 child under conditions prescribed by the court directed to the correc-
9 tion of the neglect or dependency of the child.

- 10 3. Transfer legal custody of the child, subject to the continued juris-
11 diction of the court, to one (1) of the following:
12 a. A child placing agency.
13 b. The county or state department of social welfare.
14 c. A reputable individual of good moral character.
15 4. Commit the child to the state board of control for placement at
16 the Iowa juvenile home or the Iowa Annie Wittenmyer home.
17 5. Commit to or place the child in any private institution or hospital
18 for the care and training of children or any public institution for the
19 care and training of children other than an institution under the juris-
20 diction of the state board of control.
21 6. If the child is in need of special treatment or care for his physical
22 or mental health, the court may order the parents, guardian, or cus-
23 todian of the child to provide such treatment or care. If the parents,
24 guardian, or custodian fail to provide the treatment or care, the court
25 may order the treatment or care provided.
26 7. At any time while the child is under the jurisdiction of the court,
27 the court may terminate the proceedings and order the child released
28 from the control of the court.

- 1 SEC. 35. If the court finds that the child is delinquent, the court
2 shall enter an order making any one (1) or more of the following dis-
3 positions of the case:
4 1. Continue the proceeding from time to time under such supervi-
5 sion as the court may direct.
6 2. Place the child under the supervision of a probation officer or
7 other suitable person in the home of the child.
8 3. Subject to the continued jurisdiction of the court, transfer legal
9 custody of the child to one (1) of the following:
10 a. A child placing agency.
11 b. A probation department.
12 c. A reputable individual of good moral character.
13 4. Commit the child to the state board of control for placement at a
14 state training school.
15 5. Commit to or place the child in any private institution or hospital
16 for care and training or any public institution for care and training
17 other than an institution under the jurisdiction of the state board of
18 control.
19 6. If the child is in need of special treatment or care for his physical
20 or mental health, the court may order such treatment or care provided
21 by the parents, guardian, or custodian of the child. If the parents,
22 guardian, or custodian fail to provide the treatment or care, the court
23 may order the treatment or care provided.
24 7. At any time while the child is under the court's jurisdiction, the
25 court may terminate the proceedings and order the child released from
26 the control of the court.

- 1 SEC. 36. Commitment to the state board of control shall vest
2 guardianship of the person of the child so committed in the board and
3 shall terminate the court's jurisdiction.

- 1 SEC. 37. All orders for supervision, custody, or commitment shall
2 be enforced until the minor reaches the age of twenty-one (21) years
3 unless otherwise specified by the court. All orders shall be reviewed by

4 the court at least annually unless the court's jurisdiction has been ter-
5 minated. The court may make on its own motion or on the motion of
6 an interested party and after notice to the parties and a hearing some
7 other disposition of the case so long as the court retains jurisdiction.

1 SEC. 38. Any person, agency, or institution to whom legal custody
2 is transferred shall report to the court in writing at such periods as
3 the court may direct.

1 SEC. 39. When the court transfers legal custody of a minor to any
2 agency or commits a minor to any institution, the court shall transmit
3 its order, a copy of its findings, and a summary of its information con-
4 cerning the minor to the agency or institution.

1 SEC. 40. Jurisdiction of a minor on probation or under protective
2 supervision may in cases of change of residency be transferred to the
3 court of the county wherein the new residence is established. There-
4 upon that court will have the same power with respect to the minor
5 that it would have had if the petition had been initiated in that court.

1 SEC. 41. No termination of the relationship between the parents
2 and a child shall be ordered under the provisions of this Act except
3 pursuant to the provisions set forth in sections forty-two (42) through
4 fifty-one (51) of this Act. Sections forty-two (42) through fifty-one
5 (51) of this Act shall apply only to a petition to terminate the rela-
6 tionship between parent and child.

1 SEC. 42. The court may upon petition terminate the relationship
2 between parent and child:

3 1. With the written consent of parents who for good cause desire to
4 terminate the parent-child relationship.

5 2. If the court finds that one (1) or more of the following conditions
6 exist:

7 a. That the parents have abandoned the child.

8 b. That the parents have substantially and continuously or repeat-
9 edly refused to give the child necessary parental care and protection.

10 c. That although financially able, the parents have substantially and
11 continuously neglected to provide the child with necessary subsistence,
12 education, or other care necessary for physical or mental health or
13 morals of the child or have neglected to pay for subsistence, education,
14 or other care of the child when legal custody is lodged with others.

15 d. That the parents are unfit by reasons of debauchery, intoxication,
16 habitual use of narcotic drugs, repeated lewd and lascivious behavior,
17 or other conduct found by the court likely to be detrimental to the
18 physical or mental health or morals of the child.

19 e. That following an adjudication of neglect or dependency, reason-
20 able efforts under the direction of the court have failed to correct the
21 conditions leading to the termination.

1 SEC. 43. Venue for the proceedings for the termination of parental
2 rights is either the county where the child resides or is found. If a
3 court has made an order under the provisions of section thirty-four
4 (34) of this Act and the order is in force at the time the petition for
5 termination of the parent relationship is filed, the court making the

6 order shall hear the termination proceeding unless the court transfers
7 the proceeding to another juvenile court where venue lies.

1 SEC. 44. Any reputable person, except a parent of the child or
2 children involved, having knowledge of circumstances which indicate
3 that a parent-child relationship should be terminated may petition the
4 court in the manner provided in section four (4) of this Act.

1 SEC. 45. The termination of parent-child relationship shall be
2 made only after a hearing before the court in the manner provided in
3 section twenty-eight (28) of this Act.

1 SEC. 46. The court shall have notice of the time, place, and purpose
2 of the hearing served on the parents of the child, the petitioner, the
3 guardian of the person of the child, the person having legal custody of
4 the child, any individual standing in loco parentis of the child, and the
5 guardian ad litem of any party. Notice shall be given in the manner
6 provided for in sections five (5) through ten (10) of this Act, except
7 that notice by personal service shall be made at least ten (10) days
8 before the day of the hearing, published notice shall be made for three
9 (3) consecutive weeks, the last publication to be at least ten (10) days
10 before the day of the hearing, and notice sent by certified mail shall be
11 mailed at least twenty (20) days before the day of the hearing. A
12 parent who consents to the termination may waive in writing the
13 notice required by this section. If the parent is incompetent the waiver
14 shall be effective only if the guardian ad litem of the parent concurs
15 in writing.

1 SEC. 47. The court's finding with respect to grounds for termina-
2 tion shall be based upon a preponderance of evidence under the rules
3 applicable to the trial of civil cases, provided that relevant and mate-
4 rial information of any nature including that contained in reports,
5 studies, or examinations may be admitted and relied upon to the extent
6 of its probative value. When information contained in a report, study,
7 or examination is admitted in evidence, the person making such a
8 report, study, or examination shall be subject to both direct and cross-
9 examination when reasonably available.

1 SEC. 48. If after a hearing the court does not terminate the parent-
2 child relationship but determines that conditions of neglect or depend-
3 ency exist, the court may find the child neglected or dependent and may
4 enter an order in accordance with the provisions of section thirty-four
5 (34) of this Act.

1 SEC. 49. If after a hearing the court terminates the parent-child
2 relationship between the child and both parents or between the child
3 and the mother if the child is born out of wedlock or between the child
4 and the only living parent, the court shall order guardianship of the
5 person and legal custody of the child transferred to:
6 1. The county or state department of social welfare.
7 2. A licensed child placing agency.
8 3. A reputable individual of good moral character.
9 4. The state board of control for placement at the Iowa Annie Wit-
10 tenmyer home or the Iowa juvenile home.

1 SEC. 50. A certified copy of the findings in the order terminating
2 the parent-child relationship and a summary of the court's information
3 concerning the child shall be provided by the court to the department,
4 agency, or institution to which guardianship is transferred. The
5 orders shall be on a document separate from the findings. The court
6 shall furnish the individual to whom guardianship is transferred a
7 copy of the order terminating the parent-child relationship.

1 SEC. 51. Upon its own motion or upon petition of an interested
2 party, the court having jurisdiction of the child may after notice to the
3 parties and a hearing remove the guardian appointed by the court and
4 appoint a new guardian in accordance with the provisions of subsections
5 one (1), two (2), and three (3) of section forty-nine (49) of this
6 Act. Any minor fourteen (14) years of age or older who is not adopted
7 but who is placed in a satisfactory foster home may with the consent
8 of the foster parents join with the guardian appointed by the court in
9 a petition to the court having jurisdiction of the child to discharge the
10 existing guardian and appoint the foster parents as guardians of the
11 child. The authority of a guardian appointed by the court terminates
12 when the individual under guardianship is no longer a minor or is
13 adopted.

1 SEC. 52. Whenever legal custody of a minor is transferred by the
2 court or whenever the minor is placed by the court with someone other
3 than the parents or whenever a minor is given physical or mental
4 examinations or treatment under order of the court and no provision
5 is otherwise made by law for payment for the care, examination, or
6 treatment of the minor, the costs shall be charged upon the funds of
7 the county in which the proceedings are held upon certification of the
8 judge. Except where the parent-child relationship is terminated, the
9 court may inquire into the ability of the parents to support the minor
10 and after giving the parents a reasonable opportunity to be heard may
11 order the parents to pay in the manner and to whom the court may
12 direct, such sums as will cover in whole or in part the cost of care,
13 examination, or treatment of the minor. If the parents fail to pay the
14 sum without good reason, the parents may be proceeded against for
15 contempt or the court may inform the county attorney who shall proceed
16 against the parents to collect the unpaid sums or both.

1 SEC. 53. The following expenses upon certification of the judge or
2 upon such other authorization as provided by law are a charge upon
3 the county in which the proceedings are held.

4 1. The fees and mileage of witnesses and the expenses and mileage
5 of officers serving notices and subpoenas.

6 2. The expenses of transporting a child to a place designated by a
7 child placing agency for the care of the child if the court transfers
8 legal custody to a child placing agency.

9 3. The expense of transporting a child to or from a place designated
10 by the court.

11 4. Reasonable compensation for an attorney appointed by the court
12 to serve as counsel or guardian ad litem.

1 SEC. 54. The county charged with the cost and expenses under sections
2 fifty-two (52) and fifty-three (53) of this Act may recover the

3 costs and expenses from the county where the child has legal settle-
4 ment by filing verified claims which shall be payable as are other claims
5 against the county. A detailed statement of the facts upon which the
6 claim is based shall accompany the claim. Any dispute involving the
7 legal settlement of a child for which the court has ordered payment
8 under authority of this section shall be settled in accordance with sec-
9 tions two hundred fifty-two point twenty-two (252.22) and two hun-
10 dred fifty-two point twenty-three (252.23) of the Code.

1 SEC. 55. The legal record of the juvenile court shall be a public
2 record, and shall include the petition, information or indictment,
3 notices, orders, decrees and judgments.

1 SEC. 56. The proceedings concerning delinquency petitions filed by
2 parents and petitions concerning neglected or dependent children; the
3 reports of juvenile court probation officers; and the reports on juvenile
4 homes shall not be public records, but the court may make them public
5 in its discretion.

1 SEC. 57. Peace officers' records of children except for offenses
2 exempted from this Act by law shall be kept separate from the records
3 of persons eighteen (18) years of age or older. These records shall be
4 public records.

1 SEC. 58. All information obtained and social records prepared in
2 the discharge of official duties by an employee of the court shall not be
3 disclosed directly or indirectly to any one other than the judge or
4 others entitled under this Act to receive such information unless other-
5 wise ordered by the judge.

1 SEC. 59. An interested party aggrieved by any order or decree of
2 the court may appeal to the supreme court for review of questions of
3 law and fact. The procedure for such appeals shall be governed by the
4 same provisions applicable to appeals from the district court except
5 when the decree or order affects the custody of a minor the appeal shall
6 be heard at the earliest practicable time. The pendency of an appeal
7 or application therefor shall not suspend the order of the juvenile court
8 regarding a minor and shall not discharge the minor from the custody
9 of the court or of the person, institution, or agency to whose care the
10 minor has been committed or placed unless otherwise ordered by the
11 supreme court on application of an appellant. If the supreme court
12 does not dismiss the proceedings and discharge the minor, said court
13 shall affirm or modify the order of the juvenile court and remand the
14 minor to the jurisdiction of the court for disposition not inconsistent
15 with the supreme court's finding on the appeal.

1 SEC. 60. The juvenile court and all institutions receiving children
2 shall between the first (1st) and fifteenth (15th) day of January of
3 each year make a report to the state board of social welfare. The
4 report shall state the number of children of each sex brought before
5 the court during the past year, the number for whom homes have been
6 provided, the number sent to state institutions, and the number in
7 institutions.

1 SEC. 61. The court in committing a child shall place such child as
2 far as practicable in the care and custody of an individual or an insti-
3 tution controlled by persons holding the same religious belief as the
4 parents of the child.

1 SEC. 62. Any child taken before any justice of the peace or police
2 court charged with a public offense shall, together with the case, be at
3 once transferred by said court to the juvenile court.

1 SEC. 63. Chapter two hundred forty-two (242), Code 1962, is here-
2 by amended by adding the following new section:

3 "The board of control may transfer to the schools minor wards of
4 the state from any institution under its charge but no person shall be
5 so transferred who is mentally ill or mentally retarded. Any child in
6 the schools who is mentally ill or mentally retarded may be transferred
7 by the board to the proper state institution."

1 SEC. 64. Section two hundred thirty-three point five (233.5), Code
2 1962, is hereby amended by striking from lines three (3) and four (4)
3 the words* "section 232.2" and inserting in lieu thereof the words
4 "subsection fourteen (14) of section three (3) of this Act".

1 SEC. 65. Section two hundred forty-two point six (242.6), Code
2 1962, is hereby amended by striking from line two (2) the word "ten"
3 and inserting in lieu thereof the word "twelve (12)".

1 SEC. 66. If any provision of this Act or the application thereof to
2 any person shall be invalid, such invalidity shall not affect the provi-
3 sions or application of this Act which can be given effect without the
4 invalid provisions or application, and to this end the provisions of the
5 Act are declared severable.

1 SEC. 67. The criminal court shall have concurrent jurisdiction
2 with the juvenile court over children less than eighteen years of age
3 who commit a criminal offense.

Approved June 7, 1965.

*According to enrolled Act.

CHAPTER 216

BOARD OF SOCIAL WELFARE

H. F. 308

AN ACT relating to the powers and duties of the state board of social welfare.

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

1 SECTION 1. Section two hundred thirty-four point six (234.6),
2 Code 1962, is hereby amended by adding the following subsection:

3 "Notwithstanding any provisions to the contrary in chapters two
4 hundred thirty-nine (239), two hundred forty-one (241), two hundred
5 forty-one A (241A), and two hundred forty-nine (249) of the Code
6 relating to the consideration of income and resources of claimants for

7 assistance, the state board shall make such rules and regulations as
8 may be necessary to qualify for federal aid in the assistance programs
9 administered by the board."

Approved May 19, 1965.

CHAPTER 217

PHYSICAL ABUSE OF CHILDREN REPORTED

S. F. 50

AN ACT relating to the reporting by physicians, institutions, and others of certain physical abuse of children and the protection of children against further injury.

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

1 **SECTION 1. Policy.** It is the policy of this state to provide pro-
2 tection for children who have been physically injured as a result of
3 abuse or willful neglect and who may be in danger of further injury.
4 This Act shall be administered and interpreted to provide the greatest
5 possible protection as promptly as possible for such children.

1 **SEC. 2. Definitions.** Wherever used in this Act, unless the context
2 clearly indicates otherwise:

3 1. "Health practitioner" includes any physician, surgeon, osteopath,
4 dentist, optometrist, podiatrist, or chiropractor; any resident or intern
5 in any of such professions; and any registered nurse attending or
6 treating a child in the absence of a practitioner of any of such profes-
7 sions.

8 2. "Child" means any person under the age of eighteen (18) years.

9 3. "County department of social welfare" and "county attorney"
10 have the meaning stated in section six (6) of this Act.

1 **SEC. 3. Report.** Every health practitioner who examines, attends,
2 or treats a child and who believes or has reason to believe that the
3 child has had physical injury inflicted on him as a result of abuse or
4 willful neglect, shall make a report as provided in the following section.
5 However, if the health practitioner examines, attends, or treats the
6 child as a member of the staff of a hospital or similar institution, he
7 shall immediately notify and give complete information to the person
8 in charge of the institution or his designated representative, who shall
9 make a report as provided in the following section.

10 Any other person who believes that a child has had physical injury
11 inflicted upon him as a result of abuse or neglect may make a report as
12 provided in the following section.

1 **SEC. 4. Nature and contents of report; to whom made.** Each
2 report shall be made both orally and in writing, and both reports shall
3 be made as soon as is reasonably possible.

4 The oral report shall be made by telephone or otherwise to the
5 county department of social welfare. If the person making the report
6 believes or has reason to believe that immediate protection for the

7 child is advisable, he also shall immediately make an oral report to an
8 appropriate law enforcement agency.

9 The written report shall be made to the county department of social
10 welfare and the county attorney.

11 The oral and written reports shall contain the following information,
12 or as much thereof as the person making the report is able to furnish:
13 (1) the names and home addresses of the child and his parents or
14 other persons responsible for his care; (2) the child's present where-
15 abouts if not the same as his home address; (3) the child's age; (4)
16 the nature and extent of the child's injuries, including any evidence of
17 previous injuries; and (5) any other information which the person
18 making the report believes might be helpful in establishing the cause
19 of the injuries and the identity of the person or persons responsible
20 therefor.

21 A report made by anyone other than a health practitioner, hospital,
22 or similar institution may be oral, written, or both; shall be regarded
23 as a report pursuant to this Act whether or not the report contains all
24 of the information required by this section; and may be made to any
25 county department of social welfare, county attorney, or law enforce-
26 ment agency. If the report is made to any agency other than the
27 county department of social welfare, such agency shall promptly refer
28 the report to the county department of social welfare.

1 **SEC. 5. Investigation and other action.** The county department of
2 social welfare shall make a thorough investigation promptly after re-
3 ceiving either the oral or written report. The primary purpose of the
4 investigation shall be the protection of the child.

5 The investigation shall include the nature, extent, and cause of the
6 child's injuries; the identity of the person or persons responsible
7 therefor; the names and conditions of other children in the home;
8 the child's home environment and relationship with his parents or
9 other persons responsible for his care; and all other pertinent matters.

10 The investigation shall include a visit to the child's home. If ad-
11 mission to the home cannot be obtained, the juvenile court or district
12 court, upon good cause shown, may authorize the person or persons
13 making the investigation to enter and examine the child's home, using
14 reasonable force if necessary.

15 The county department of social welfare shall make a complete writ-
16 ten report of the investigation to the juvenile court, the county attor-
17 ney, and the appropriate law enforcement agency.

18 The written report of the investigation shall be delivered within
19 ninety-six (96) hours after the county department of social welfare
20 receives either the oral or written report of injury, unless the juvenile
21 court or district court grants an extension of time for good cause
22 shown.

23 The county attorney and any law enforcement or welfare agency in
24 the state shall cooperate and assist in the investigation upon the re-
25 quest of the county department of social welfare. The county attorney
26 and appropriate law enforcement agencies shall also take any other
27 lawful action which may be necessary or advisable for the protection
28 of the child.

29 The county department of social welfare shall make available all
30 lawful services and take all lawful action which appears advisable to
31 protect the health and welfare of the child and his family.

32 The county department of social welfare shall promptly begin any
33 proceeding under chapter two hundred thirty-two (232) of the Code
34 which appears to be in the best interests of the child; but if the county
35 department of social welfare fails to do so, the county attorney shall
36 promptly do so.

1 **SEC. 6. Jurisdiction; transfer.** "County department of social wel-
2 fare" or "county attorney" ordinarily refer to the county in which the
3 child's home is located.

4 However, if the person making the report pursuant to this Act does
5 not know where the child's home is located, or if the child's home is
6 not located in the county where the health practitioner examines,
7 attends, or treats the child, the report may be made to the designated
8 agencies for the county where the person making the report resides
9 or the county where the health practitioner examines, attends, or
10 treats the child. These agencies shall promptly proceed as provided in
11 section five (5) of this Act, unless the matter is transferred to another
12 county as provided in this section.

13 If it appears that the child's home is located in another county, the
14 county department of social welfare shall promptly transfer the matter
15 to the other county by transmitting a copy of the report of injury and
16 any other pertinent information to the county department of social
17 welfare and the county attorney of the other county. They shall
18 promptly proceed as provided in section five (5) of this Act.

1 **SEC. 7. Immunity from liability.** Anyone participating in good
2 faith in the making of a report pursuant to this Act shall have im-
3 munity from any liability, civil or criminal, which might otherwise be
4 incurred or imposed. Any such participant shall have the same im-
5 munity with respect to participation in good faith in any judicial pro-
6 ceeding resulting from such report or relating to the subject matter
7 of such report.

1 **SEC. 8. Evidence not privileged or excluded.** Sections six hundred
2 twenty-two point seven (622.7), six hundred twenty-two point nine
3 (622.9), and six hundred twenty-two point ten (622.10), Code 1962,
4 and any other statute or rule of evidence which excludes or makes
5 privileged the testimony of a husband or wife against the other or the
6 testimony of a health practitioner as to confidential communications,
7 shall not apply to evidence regarding a child's injuries or the cause
8 thereof in any judicial proceeding, civil or criminal, resulting from a
9 report pursuant to this Act or relating to the subject matter of such
10 report.

Approved May 7, 1965.

CHAPTER 218

DEPENDENT CHILDREN

H. F. 305

AN ACT to provide aid to dependent children payments to children placed in a foster home or with a public or nonprofit child-care agency as a result of judicial determination.

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

1 SECTION 1. Section two hundred thirty-nine point one (239.1),
 2 Code 1962, is hereby amended by adding in line thirteen (13) of sub-
 3 section four (4) of such section after the word "home" the following:
 4 "or has been placed in a licensed foster home or with a public or
 5 nonprofit child-care agency by the state or county department of social
 6 welfare in lieu of living with any relative designated in this subsec-
 7 tion."

1 SEC. 2. Section two hundred thirty-nine point two (239.2), Code
 2 1962, is hereby amended by inserting in line three (3) of subsection
 3 one (1) of such section following the number "239.1" the following:
 4 "or has been placed in a foster home or with a public nonprofit
 5 agency referred to in such subsection if the placement resulted from
 6 judicial proceedings initiated in or for a month such child was re-
 7 ceiving aid to dependent children's assistance and provided the plan
 8 of care includes services designated to improve the conditions of the
 9 home from which he was removed."

Approved May 6, 1965.

CHAPTER 219

AID TO DEPENDENT CHILDREN

H. F. 304

AN ACT to change the age limit for a child to be eligible for aid to dependent children.

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

1 SECTION 1. Section two hundred thirty-nine point one (239.1),
 2 Code 1962, is hereby amended by striking all of subsection four (4)
 3 preceding the comma in line four (4) following the word "school" and
 4 inserting in lieu thereof:
 5 "4. A 'dependent child' means a needy child under the age of sixteen
 6 years, or under the age of twenty years and a student regularly attend-
 7 ing a high school in pursuance of a course of study leading to a high
 8 school diploma or its equivalent, or regularly attending a course of
 9 vocational or technical training designed to fit him for gainful em-
 10 ployment".

Approved June 2, 1965.

CHAPTER 220

AID FOR THE BLIND

H. F. 573

AN ACT to disregard other income and resources as may be needed to implement a plan for achieving self-support by a recipient of aid for the blind.

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

- 1 SECTION 1. Section two hundred forty-one point three (241.3),
- 2 Code 1962, is hereby amended by inserting in line sixteen (16) after
- 3 the word "disregarded" the following:
- 4 " , and for a period not in excess of twelve (12) months, such addi-
- 5 tional amounts of other income and resources, in the case of an indi-
- 6 vidual who has a plan for achieving self-support approved by the state
- 7 board shall be disregarded".

Approved May 6, 1965.

CHAPTER 221

TRAINING SCHOOL BOYS ASSIGNED TO PARKS

H. F. 162

AN ACT to authorize the board of control of state institutions to permit trustworthy boys at the Iowa training school for boys to be assigned to state parks, forest areas, game preserves, and other state-owned lands under the jurisdiction of the conservation commission for work programs therein having inculcation of attitudes, skills, and habit patterns, and to provide facilities therefor.

WHEREAS, the board of control of state institutions and the state conservation commission feel that the use of Eldora boys in the establishment of such camps will be of great value in the training in skills, attitudes, and gainful employment work habits of such boys and that such program services will greatly benefit their habilitation; and

WHEREAS, the state conservation commission has utilized the inmates of the penitentiary and the reformatory beneficially in their parks-camp programs and are desirous of establishing such a program in other areas and are willing to co-operate with the Iowa training school for boys in such a camp program for the mutual benefits that can be derived therefrom, and use can be made of the presently state-owned mobile housing facilities in establishing such permanent camps, and

WHEREAS, the state owns mobile housing equipment to use as temporary camps (Chapter two (2), Acts 58th General Assembly,) Now, Therefore,

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

- 1 SECTION 1. Chapter two hundred forty-two (242), Code of 1962
- 2 is hereby amended by adding the following section:
- 3 "The board of control of state institutions may detail boys, classed
- 4 as trustworthy, from the Iowa training school for boys at Eldora, to
- 5 perform services for the state conservation commission within the

6 state parks, state game and forest areas and other lands under the
7 jurisdiction of said commission. The conservation commission shall
8 provide such permanent housing and work guidance supervision, but
9 the care and custody of said boys shall remain under employees of the
10 board of control of state institutions. All such programs shall have as
11 their primary purpose and shall provide for inculcation or the activa-
12 tion of attitudes, skills and habit patterns which will be conducive to
13 the habilitation of said youths.

14 "The board of control is hereby authorized to use state-owned mobile
15 housing equipment and facilities in performing such services at tem-
16 porary locations in the above areas."

Approved June 2, 1965.

CHAPTER 222

UNIFORMS FOR PRISON GUARDS

S. F. 10

AN ACT relating to providing custodial officers and guards at the state penitentiary and the men's reformatory with uniforms.

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

1 SECTION 1. Section two hundred forty-six point three (246.3),
2 Code 1962, is hereby amended by adding thereto the following:

3 "The board of control shall provide each newly employed custodial
4 staff employee uniforms required by the board to be worn when on
5 duty. All uniforms required to be worn by new and presently em-
6 ployed uniformed custodial staff employees shall be maintained and
7 replaced at no cost to the employees. All uniforms and uniform re-
8 placements provided by the board of control shall remain the property
9 of the board."

Approved February 12, 1965.

CHAPTER 223

PENITENTIARY AND REFORMATORY SALARIES

H. F. 616

AN ACT to repeal section two hundred forty-six point five (246.5), Code 1962, relating to penitentiary and men's reformatory salary appropriations out of money not otherwise appropriated.

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

1 SECTION 1. Section two hundred forty-six point five (246.5), Code
2 1962, is hereby repealed.

Approved May 3, 1965.

CHAPTER 224

OLD-AGE ASSISTANCE RECIPIENTS' PROPERTY

H. F. 303

AN ACT relating to property exclusions of old age assistance recipients.

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

- 1 SECTION 1. Section two hundred forty-nine point nine (249.9),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:
4 "An applicant for old-age assistance may retain the following and
5 not be ineligible for assistance:
6 "1. A home which is defined as real property owned and used by the
7 applicant as a place of residence.
8 "2. Household furnishings and personal clothing not exceeding a
9 value of three thousand dollars (\$3,000.00).
10 "3. An automobile useful to the person for necessary transportation
11 not to exceed an actual value of two thousand five hundred dollars
12 (\$2,500.00).
13 "4. Cash, real property, or marketable securities of such value not
14 to exceed four hundred fifty (450) dollars for a single person or eight
15 hundred (800) dollars if married and not separated from the spouse.
16 However, if an applicant is possessed with an excess of the foregoing
17 and if at the discretion of the state department immediate sale, for
18 cash, of such securities or investments necessitates an undue financial
19 sacrifice, the applicant, when in immediate need of assistance, shall
20 assign such securities and investments to the state to be held in trust
21 by the state board to reimburse the old-age assistance revolving fund
22 for the amount paid from the old-age assistance fund and the old-age
23 assistance revolving fund in assistance or other benefits in behalf of
24 said applicant.
25 "5. Life insurance having a cash surrender value not in excess of
26 five hundred (500) dollars for a single person or one thousand (1,000)
27 dollars if married and not separated from the spouse; provided that
28 the person enters into a written agreement with the state department
29 that he will not surrender the life insurance for its cash value, assign
30 the insurance contract or its proceeds, or change the beneficiary under
31 the insurance contract unless he obtains the consent of the state de-
32 partment.
33 "6. No person shall be allowed assistance if the claimant has trans-
34 ferred real property or interests in the property within five (5) years
35 prior to application without receiving adequate monetary considera-
36 tion, or has assigned or transferred real or personal property in order
37 to qualify for assistance, or if the claimant or the husband or wife
38 conveys or encumbers any real estate or other property owned by
39 either or both of them for the purpose of preventing the state from
40 reimbursing itself for assistance granted or to be granted hereunder."

Approved June 4, 1965.

CHAPTER 225

COMMISSION ON THE AGING

H. F. 647

AN ACT to create a commission on the aging of the state of Iowa and to provide for the powers, duties and authority thereof and to provide an appropriation therefor.

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

1 SECTION 1. There is hereby created the commission on the aging
2 of the state of Iowa which shall consist of thirteen (13) members.
3 Three (3) members shall be appointed by the president of the senate
4 from the members of the senate with no more than two (2) members
5 being appointed from the same political party. Three (3) members
6 shall be appointed by the speaker of the house of representatives from
7 the members of the house with no more than two (2) members being
8 appointed from the same political party. Seven members shall be ap-
9 pointed by the governor.

1 SEC. 2. All members of the commission shall be appointed for
2 terms of four (4) years except the terms of the thirteen (13) initial
3 appointees shall be as follows:

4 1. One (1) member appointed from the senate shall serve from the
5 date of appointment to June 30, 1967, and two (2) members appointed
6 from the senate shall serve from the date of appointment to June 30,
7 1969.

8 2. Two (2) members appointed from the house of representatives
9 shall serve from the date of appointment to June 30, 1967, and one
10 (1) member appointed from the house of representatives shall serve
11 from the date of appointment to June 30, 1969.

12 3. Three (3) members appointed by the governor shall serve from
13 the date of appointment to June 30, 1967, and four (4) members ap-
14 pointed by the governor shall serve from the date of appointment to
15 June 30, 1969.

16 The terms of office of all members shall thereafter commence on the
17 first day of July following the convening of the general assembly. Any
18 vacancy on the commission shall be filled for the unexpired term of the
19 vacancy in the same manner as the original appointment. A vacancy
20 shall exist on the commission whenever a legislative member ceases to
21 be a member of the general assembly.

1 SEC. 3. Members of the commission shall meet within thirty (30)
2 days after their appointment to select from the commission's member-
3 ship a chairman, and such other officers as commission members deem
4 necessary, who shall serve for a period of two (2) years. The commis-
5 sion shall elect a new chairman every two (2) years thereafter. The
6 commission shall meet at regular intervals at least four (4) times each
7 year and may hold special meetings at the call of the chairman or at
8 the request of a majority of the commission membership. The commis-
9 sion shall meet at the seat of government or such other place as the
10 commission members may so designate.

1 SEC. 4. It shall be the duty of the commission to:

2 1. Collect facts and statistics and make special studies of conditions

3 and problems pertaining to the employment, health, financial status,
4 recreation, social adjustment or other conditions and problems per-
5 taining to the general welfare of the aging of the state.

6 2. To make recommendations to state and local agencies serving the
7 aging for purposes of coordinating such agencies' activities, and to
8 request and receive reports from the various state agencies and insti-
9 tutions on matters within the jurisdiction of the commission.

10 3. Keep informed of the latest developments of research, studies,
11 and programs being conducted throughout the nation on the problems
12 and needs of the aging.

13 4. Serve as a central agency and/or advisory board for the mutual
14 exchange of ideas and information on the aging between federal, state
15 and local governmental agencies, private organizations, and individ-
16 uals.

17 5. Cooperate with agencies, federal, state and local, or private or-
18 ganizations, in administering and supervising demonstration programs
19 of services for aging designed to foster continued participation of
20 older people in family and community life and prevent insofar as pos-
21 sible the onset of dependency and the need for long-term institutional
22 care.

23 6. Report and make recommendations to the general assembly on
24 the activities of the commission and improvements and additional re-
25 sources needed to promote the general welfare of the aging in Iowa.

26 The commission shall have the power to create subcommittees to
27 undertake such special studies as commission members shall authorize
28 and may include noncommission members who are qualified in any field
29 of activity related to the general welfare of the aging in the member-
30 ship of such subcommittees.

1 SEC. 5. The commission shall appoint an executive secretary sub-
2 ject to the state merit system and shall prescribe the duties, powers,
3 and authority of the appointee. The executive secretary shall serve
4 as an executive officer and shall be a full-time employee of the commis-
5 sion.

1 SEC. 6. The members of the commission, and noncommission mem-
2 bers serving on commission subcommittees, shall receive no compen-
3 sation for their services other than reimbursement for traveling and
4 other expenses actually incurred in the performance of their official
5 duties. Commission expenses including the salary of the executive
6 secretary and any office expenses shall be paid from funds made avail-
7 able to the commission by the general assembly.

1 SEC. 7. The commission may receive federal funds or any grants
2 and gifts on behalf of the state for such purposes as are within the
3 jurisdiction of the commission. All federal funds, grants and gifts
4 shall be deposited with the state treasurer and shall be used only for
5 such purposes agreed upon as conditions for receiving the funds,
6 grants and gifts.

1 SEC. 8. There is hereby appropriated from the general fund of the
2 state of Iowa the sum of twenty-five thousand (25,000) dollars for

3 each year of the ensuing biennium for the purposes specified in this
4 chapter.

Approved June 2, 1965.

CHAPTER 226
EDUCATIONAL STANDARDS

S. F. 553

AN ACT relating to educational standards and the responsibilities of the state board of public instruction and the state superintendent of public instruction.

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

1 SECTION 1. Subsection thirteen (13) of section two hundred fifty-
2 seven point eighteen (257.18), Code 1962, is hereby repealed.

1 SEC. 2. Chapter two hundred fifty-seven (257), Code 1962, is
2 hereby amended by adding thereto the following new section:

3 "In addition to the responsibilities of the state board of public
4 instruction and the state superintendent of public instruction under
5 other provisions of the Code, the state board of public instruction
6 shall establish standards, regulations, and rules for the approval of
7 all public, parochial, and private nursery, kindergarten, elementary,
8 junior high, and high schools and all area vocational schools, area
9 community colleges, and public community or junior colleges in Iowa.
10 With respect to area or public community or junior colleges, such
11 standards, regulations, and rules shall be established by the state
12 board of public instruction and the state board of regents, acting
13 jointly. Such approval standards, regulations, and rules shall pre-
14 scribe and implement the minimum curriculum described below.

15 "1. Nursery school activities shall be designed to help children use
16 and manage their bodies, extend their interests and understanding of
17 the world about them, work and play with others and to express
18 themselves.

19 "2. Kindergarten programs shall include experiences designed to
20 develop emotional and social living, protection and development of
21 physical being, growth in expression, and language arts and com-
22 munication readiness.

23 "3. The following areas shall be taught in the elementary school,
24 grades one (1) through six (6): language arts, including reading,
25 handwriting, spelling, oral and written English, and literature;
26 social studies, including geography, history of the United States and
27 Iowa, cultures of other peoples and nations, and American citizen-
28 ship, including the elementary study of national, state, and local
29 government in the United States; mathematics; science, including
30 conservation of natural resources; health and physical education,
31 including the effects of alcohol, narcotics, and poisons on the human
32 body; music; art.

33 "4. The following shall be taught in grades seven (7) and eight

34 (8) as a minimum program: science; mathematics; social studies;
35 language arts which may include spelling, grammar, oral and written
36 composition, and other communication subjects; reading; physical
37 education; music; art.

38 "5. School districts with organized and administered junior high
39 schools not limited to grades seven (7) and eight (8) must include
40 the aforementioned minimum program for grades seven (7) and
41 eight (8) regardless of the organizational structure of the district.

42 "6. A high school, grades nine (9) through twelve (12), shall teach
43 annually the following as a minimum program:

44 a. Four (4) units of science including physics and chemistry.
45 However, the units of physics and chemistry may be taught in alter-
46 nate years.

47 b. Four (4) units of the social sciences including American his-
48 tory, American government, and economics.

49 c. Four (4) units of English including language arts.

50 d. Four (4) units of a sequential program in mathematics.

51 e. One (1) unit of general mathematics.

52 f. Two (2) units of one (1) foreign language.

53 g. One (1) unit of physical education with one-eighth ($\frac{1}{8}$) unit
54 each semester required of each pupil.

55 h. Five (5) units of practical arts. Subjects in this area may in-
56 clude business education (including commercial typewriting), indus-
57 trial arts, homemaking, agriculture, distributive education, and
58 health occupations.

59 A unit shall consist of one academic year instruction in the subject.

60 "7. Courses in the fine arts shall be taught which may include:

61 a. Art.

62 b. Music.

63 c. Dramatics.

64 "8. To facilitate the implementation and economical operation of
65 the aforementioned program, each junior or senior high school shall
66 have:

67 a. A qualified librarian and adequate library facilities as herein-
68 after defined.

69 (1) Adequate personnel. Such schools with an enrollment of five
70 hundred (500) or more pupils shall employ a librarian who shall
71 devote full-time to library services. Such schools with an enrollment
72 of two hundred (200)—four hundred ninety-nine (499) pupils shall
73 employ a librarian who shall devote at least one-half ($\frac{1}{2}$) time ex-
74 clusively to library services. Such schools with an enrollment of less
75 than two hundred (200) pupils shall employ a part-time librarian
76 who shall devote at least one-third ($\frac{1}{3}$) of the school day exclusively
77 to library services.

78 (2) Preparation. The librarian shall meet the requirements for
79 classroom teachers with reference to a degree or to general and pro-
80 fessional preparation.

81 (3) The library shall be organized as a resource center of instruc-
82 tional material for the entire educational program. The number and
83 kind of library and reference books, periodicals, newspapers, pam-
84 phlets, information files, audio-visual materials, and other learning

85 aids shall be adequate for the number of pupils and the needs of
86 instruction in all courses.

87 (4) Adequacy of collection. A minimum collection of one thousand
88 two hundred (1,200) books exclusive of high school textbooks and
89 appropriate for the instructional needs of pupils, or at least seven
90 (7) books per pupil enrolled, whichever is the larger, shall be pro-
91 vided in the library until a school's enrollment reaches five hundred
92 (500), at least four (4) additional books shall be provided for each
93 pupil from five hundred (500) to two thousand (2,000) enrolled, and
94 at least three (3) additional books per pupil shall be provided for
95 each pupil above two thousand (2,000) enrolled. An adequate col-
96 lection of periodical and file material shall be provided.

97 *b.* Pupil personnel services.

98 Every high school shall employ, or share with one (1) or more
99 other high schools the employment of at least one (1) professionally
100 trained guidance counselor. At least one (1) such counselor shall be
101 employed full time for every three hundred (300) high school stu-
102 dents or major fraction thereof in such high school or high schools.
103 Other members of the noninstructional professional staff, including
104 but not limited to physicians, dentists, nurses, school psychologists,
105 speech therapists, and other specialists, may also be employed or
106 shared by one (1) or more schools, and shall meet the professional
107 practice requirements of this state relating to their special services.

108 *c.* Provision for special education services, which may be shared by
109 public schools.

110 *d.* Adequate instructional materials including audio-visual.

111 "9. After July 1, 1966, no public school shall participate in or allow
112 students representing such public school to participate in any extra-
113 curricular interscholastic contest or competition which is sponsored
114 or administered by an organization as defined in this subsection,
115 unless such organization (1) is registered with the state department
116 of public instruction, (2) files financial statements with the state
117 department in the form and at the intervals prescribed by the state
118 board of public instruction, and (3) is in compliance with rules and
119 regulations which the state board of public instruction shall adopt
120 for the proper administration, supervision, operation, eligibility re-
121 quirements, and scheduling of such extracurricular interscholastic
122 contests and competitions and such organizations. For the purposes
123 of this subsection 'organization' means any corporation, association,
124 or organization which has as one of its primary purposes the spon-
125 soring or administration of extracurricular interscholastic contests
126 or competitions; but shall not include any agency of this state, any
127 public or private school or school board, or any athletic conference or
128 other association whose interscholastic contests or competitions do
129 not include more than twenty (20) schools.

130 "10. The state department of public instruction shall supervise and
131 evaluate the school program in the several school districts of the state
132 for the purpose of school improvement and approval.

133 "The state superintendent shall make recommendations and sug-
134 gestions in writing to each school, college, and school district which
135 is subject to this section wherein the department of public instruc-
136 tion determines, after due investigation, that deficiencies exist.

137 "In addition to all other requirements of the laws of Iowa, every
138 school, college or school district subject to this section shall have and
139 provide adequate administration, school staffing, personnel assign-
140 ment, teacher qualifications, certification, facilities, equipment,
141 grounds, graduation requirements, instruction, instructional mate-
142 rials, maintenance, and policies on extra-curricular activities. Public
143 junior or community colleges shall provide adequate courses of study.

144 "The state board of public instruction shall adopt approval stand-
145 ards, regulations, and rules to implement, interpret, and make effec-
146 tive the provisions of this section. In adopting the same, the board
147 shall take into account recognized educational standards. Standards,
148 regulations and rules shall be adopted without specific regard to school
149 population.

150 "Such standards, regulations, and rules shall be subject to the
151 provisions of chapter sixty-six (66), Acts of the Sixtieth General
152 Assembly, as amended. In addition, such standards, rules, and regu-
153 lations shall be reported by the state board to the general assembly
154 within twenty (20) days after the commencement of a regular legis-
155 lative session, and the general assembly may enact changes therein.
156 No school, college or school district shall be removed from the ap-
157 proved list for failure to comply with such standards, rules, or regu-
158 lations, until at least one hundred twenty (120) days have elapsed
159 following the reporting of such standards, rules, and regulations to
160 the general assembly as provided in this section.

161 "11. The state board of public instruction shall remove for cause,
162 after due investigation and notice, any such school, college, or school
163 district failing to comply with such approval standards, rules, and
164 regulations from the approved list; which removal shall, during the
165 period of noncompliance, permit parents of children eligible for
166 school attendance to request the county board of education to desig-
167 nate their children to an approved school with the district of resi-
168 dence responsible for the tuition and transportation costs. The
169 county board of education is hereby authorized to make such desig-
170 nation. Procedure, insofar as applicable, shall be that provided in
171 chapter two hundred eighty-five (285) of the Code. In the event a
172 parent of such child so designated is dissatisfied with said designa-
173 tion, appeal may be made to the state superintendent of public in-
174 struction as provided in section two hundred eighty-five point twelve
175 (285.12) of the Code. A school, college, or school district which is
176 removed from the approved list in accordance with this section shall
177 be ineligible to receive state financial aid during the period of non-
178 compliance. In lieu of removal, the state board may allow a reason-
179 able period of time for compliance with such approval standards,
180 rules, and regulations, if such school, college, or school district is
181 making a good faith effort and substantial progress toward full com-
182 pliance and if the failure to comply is due to factors beyond the con-
183 trol of the board of directors or governing body of such school, college,
184 or school district. In allowing such time for compliance, the board
185 shall follow consistent policies, taking into account the circumstances
186 of each case.

187 "12. The department of public instruction shall give any school,
188 college, or school district which is to be removed from the approved

189 list at least one (1) year's notice. Such notice shall be given by
190 registered or certified mail addressed to the superintendent of the
191 school district or the corresponding official of a private school, and
192 shall specify the reasons for removal. Such notice shall also be sent
193 by ordinary mail to each member of the board of directors or govern-
194 ing body of the school, college, or school district, and to the news
195 media which serve the area where the school, college, or school dis-
196 trict is located; but any good faith error or failure to comply with
197 this sentence shall not affect the validity of any action by the state
198 board. If, during said year, the school, college, or school district
199 remedies the reasons for removal and satisfies the state board that it
200 will thereafter comply with the laws, approval standards, rules, and
201 regulations, the state board shall continue such school, college, or
202 school district on the approved list and shall give the school, college,
203 or school district notice of such action by registered or certified mail.
204 At any time during said year, the board of directors or governing
205 body of the school, college, or school district may request a public
206 hearing before the state board of public instruction, by mailing a
207 written request to the state superintendent by registered or certified
208 mail. The president of the state board shall promptly set a time and
209 place for the public hearing, which shall be either in Des Moines or
210 in the affected area. At least thirty (30) days' notice of the time and
211 place of the hearing shall be given by registered or certified mail
212 addressed to the superintendent of the school district or the corre-
213 sponding official of a private school. Notice of the time and place of
214 the hearing and the reasons for removal shall also be published by
215 the state department in a newspaper of general circulation in the
216 area where the school, college, or school district is located, at least
217 ten (10) days before the hearing. At the hearing the school, college,
218 or school district may be represented by counsel and may present
219 evidence. The state board may provide for the hearing to be re-
220 corded or reported. If requested by the school, college, or school dis-
221 trict at least ten (10) days before the hearing, the state board shall
222 provide for the hearing to be recorded or reported at the expense of
223 such school, college, or school district, using any reasonable method
224 specified by such school, college, or school district. Within ten (10)
225 days after the hearing, the state board shall render its written deci-
226 sion, signed by a majority of its members, and shall affirm, modify,
227 or vacate the action or proposed action to remove the school, college,
228 or school district from the approved list.

1 SEC. 3. Section two hundred fifty-seven point eighteen (257.18),
2 Code 1962, is hereby amended as follows:

3 1. By striking all of subsection twenty (20) and inserting in lieu
4 thereof the following:

5 "Formulate rules and regulations for the administration of Chap-
6 ter two hundred seventy-two (272), Code 1962, in accordance with
7 the terms thereof."

8 2. By striking all of subsection twenty-one (21) and inserting in
9 lieu thereof the following:

10 "Develop, print, and disseminate such information and facts as
11 necessary to promote among the people of Iowa an interest and
12 knowledge in education."

1 SEC. 4. Chapter two hundred fifty-seven (257), Code 1962, is
2 further amended by adding thereto the following new section:

3 "The state board, when necessary to realize the purposes of this
4 chapter, shall approve:

5 1. The sharing of the services of a single instructor by two (2) or
6 more schools in two (2) or more school districts;

7 2. The enrollment in public schools for specified courses of students
8 who also are enrolled in private schools, when the courses in which
9 they seek enrollment are not available to them in their private
10 schools, provided such students have satisfactorily completed pre-
11 requisite courses, if any, in schools maintaining standards equivalent
12 to the approval standards for public schools, or have otherwise shown
13 equivalent competence through testing.

14 The provisions of this section shall not deprive the respective
15 boards of public school districts of any of their legal powers, statu-
16 tory or otherwise, and in accepting such specially enrolled students,
17 each of said boards shall prescribe the terms of such special enroll-
18 ment, including but not limited to scheduling of such courses and the
19 length of class periods. In addition, the board of the affected public
20 school district shall be given notice by the state board of its decision
21 to permit such special enrollment not later than six (6) months prior
22 to the opening of the affected public school district's school year,
23 except that the board of the public school district may, in its discre-
24 tion, waive such notice requirement."

1 SEC. 5. The state board shall establish rules and regulations for
2 recording the number of high school students who drop out or quit
3 each high school before graduation for reasons other than health or
4 transfer to another high school and shall, as provided in this chapter,
5 remove from the approved list any school district in which more than
6 ten percent (10%) of the students so drop out or quit over a five year
7 period.

1 SEC. 6. The boards of directors of two or more school districts
2 may by agreement provide for attendance of pupils residing in one
3 district in the schools of another district for the purpose of taking
4 courses not offered in the district of their residence. Courses made
5 available to students in this manner shall be considered as complying
6 with any standards or laws requiring the offering of such courses.
7 The boards of directors of districts entering into such agreements
8 may provide for sharing the costs and expenses of such courses.

1 SEC. 7. Section two hundred fifty-seven point three (257.3), Code
2 1962, as amended, is amended as follows:

3 1. By striking in line four (4) the words "election or".

4 2. By striking in line thirteen (13) the word "elected" and insert-
5 ing in lieu thereof the word "appointed".

1 SEC. 8. Section two hundred fifty-seven point four (257.4), Code
2 1962, is hereby amended by striking in line five (5) and in line ten
3 (10) the word "elected" and inserting in lieu thereof in each case the
4 word "district".

1 SEC. 9. Section two hundred fifty-seven point five (257.5), Code
2 1962, is hereby amended as follows:

3 1. By striking in line one (1) the words "election of" and inserting
4 in lieu thereof the words "nomination and appointment of district".

5 2. By striking in subsection one (1), lines two (2) and three (3),
6 the words "an election is to be held" and inserting in lieu thereof the
7 words "nominations are to be made".

8 3. By striking in subsection two (2), line six (6), the words "hold-
9 ing an election" and inserting in lieu thereof the words "making
10 nominations".

11 4. By striking in subsection two (2), lines twenty-four (24) and
12 twenty-five (25), the words "election of a person" and inserting in
13 lieu thereof the words "nomination of two (2) persons".

14 5. By striking in subsection two (2), line twenty-six (26), the
15 words "as a" and inserting in lieu thereof the word "for".

16 6. By striking lines thirty-one (31) through thirty-six (36) of sub-
17 section two (2), and inserting in lieu thereof the following:

18 "The county superintendent in charge shall certify to the governor
19 and to the secretary of state the names of the two (2) persons nomi-
20 nated for membership to the state board from the district. Within
21 thirty (30) days after receiving such certification, the governor shall
22 appoint one (1) of such two (2) persons as the member of the state
23 board for the district, and such member shall take office and qualify
24 as provided in this chapter."

Approved June 4, 1965.

CHAPTER 227

BOARD FOR VOCATIONAL EDUCATION

S. F. 311

AN ACT relating to the powers and duties of the state board for vocational education,
division of vocational rehabilitation.

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

1 SECTION 1. Section two hundred fifty-nine point four (259.4),
2 Code 1962, is hereby amended as follows:

3 1. By adding a new sub-section nineteen (19).

4 "Provide financial and other necessary assistance to public, or pri-
5 vate agencies in the development, expansion, operation or maintenance
6 of sheltered workshops or other rehabilitation facilities needed for the
7 rehabilitation of the disabled when consistent with the policies of the
8 board."

9 2. By adding a new sub-section twenty (20).

10 "Provide vocational rehabilitation services to socially disadvantaged
11 persons who are substantially impaired in their ability to earn a liv-
12 ing. This may include but is not limited to recipients of public as-
13 sistance, inmates of correctional institutions or rejectees of the selec-
14 tive service system, who because of lack of training, experience, skills

15 or other factors, which if corrected would lead to self-support instead
16 of dependency."

Approved May 25, 1965.

CHAPTER 228

HIGH SCHOOL EQUIVALENCY CERTIFICATE

S. F. 173

AN ACT relating to the issuance of high school equivalency certificates by the state superintendent of public instruction.

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

1 SECTION 1. The state superintendent of public instruction shall
2 cause to be made available for qualified individuals, residents of the
3 state of Iowa, a high school equivalency certificate. The certificate
4 shall be issued on the basis of satisfactory competence as shown by
5 tests covering: the correctness and effectiveness of expression; the
6 interpretation of reading material in the social studies; interpretation
7 of reading materials in the natural sciences; interpretation of literary
8 materials; and general mathematical ability.

1 SEC. 2. Every applicant shall have attained the age which if said
2 applicant had remained in school would have graduated at least one
3 (1) year before date of application, and shall have maintained resi-
4 dence in the state of Iowa for at least one (1) year and be a non-high
5 school graduate.

6 Applicants shall make application to the state superintendent and at
7 time of making application pay a fee of five (5) dollars.

1 SEC. 3. Any applicant who has achieved the minimum passing
2 standards as established by the state superintendent, and approved by
3 the state board, shall be notified in writing, and upon payment of an
4 additional five (5) dollars the state superintendent shall issue a high
5 school equivalency certificate.

1 SEC. 4. The fees collected by the state superintendent from appli-
2 cants shall be used for the expenses incurred in administering, provid-
3 ing test materials, scoring of examinations and issuance of certificates,
4 and shall be disbursed on the authorization of the state superintendent.
5 The treasurer of state shall be custodian of the funds paid to the state
6 superintendent and shall disburse the same on vouchers audited as
7 provided by law. The balance in such funds at the close of each bien-
8 nium shall be placed in the general fund of the state.

1 SEC. 5. The superintendent of public instruction, subject to the
2 approval of the state board of public instruction, is hereby authorized
3 to adopt such rules and regulations, tests, definition of terms, and
4 forms as are necessary and proper for the administration of this
5 chapter.

Approved April 14, 1965.

CHAPTER 229

TEACHERS' CERTIFICATES

S. F. 85

AN ACT to amend section two hundred sixty point twenty-three (260.23), Code 1962, relating to revocation of certificates.

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

1 SECTION 1. Section two hundred sixty point twenty-three (260.23),
2 Code 1962, is amended by inserting in line two (2) after the words
3 "may be" the following "suspended or".

Approved March 19, 1965.

CHAPTER 230

HIGHER EDUCATION FACILITIES COMMISSION

S. F. 577

AN ACT to amend chapter nine (9) of the Acts of the Extraordinary Session of the Sixtieth General Assembly, to provide for a state supported and administered scholarship program under the higher education facilities commission and to make an appropriation therefor.

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

1 SECTION 1. Chapter nine (9) of the Acts of the Extraordinary
2 Session of the Sixtieth General Assembly is amended by adding to sec-
3 tion two (2) the following paragraph:
4 "4. Prepare and administer a state plan for a state supported and
5 administered scholarship program. Said state plan shall provide for
6 scholarships based on ability and need to deserving students of Iowa,
7 matriculating in Iowa universities or colleges."

1 SEC. 2. There is hereby appropriated from the general fund of the
2 state of Iowa, for the biennium beginning July 1, 1965, and ending
3 June 30, 1967, to the higher education facilities commission, the sum
4 of five hundred thousand (500,000) dollars, or so much thereof as may
5 be necessary, to finance the scholarships awarded by the higher edu-
6 cation facilities commission.

1 SEC. 3. Chapter eight (8), Code 1962, shall apply to this Act,
2 except that section eight point five (8.5), Code 1962, shall not be ap-
3 plicable.

Approved May 26, 1965.

CHAPTER 231

SABBATICAL LEAVE TO STAFF OF BOARD OF REGENTS

S. F. 42

AN ACT to authorize the board of regents to grant leaves of absence to staff members which will contribute to the improvement of the institutions.

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

- 1 SECTION 1. Section two hundred sixty-two point nine (262.9),
 2 Code 1962, is hereby amended by adding the following new subsec-
 3 tion:
 4 "Grant leaves of absence with full or partial compensation to staff
 5 members to undertake approved programs of study, research, or other
 6 professional activity which in the judgment of the board will contrib-
 7 ute to the improvement of the institutions. Any staff member granted
 8 such leave shall agree either to return to the institution granting such
 9 leave for a period of not less than two years or to repay to the state of
 10 Iowa such compensation as he shall have received during such leave."

Approved February 19, 1965.

CHAPTER 232

BOARD OF REGENTS TO LEASE PROPERTY

S. F. 377

AN ACT to amend section two hundred sixty two point nine (262.9), Code 1962, to authorize the state board of regents to lease property and facilities.

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

- 1 SECTION 1. Section two hundred sixty two point nine (262.9),
 2 Code 1962, is hereby amended by adding thereto the following sub-
 3 section:
 4 "Lease properties and facilities, either as lessor or lessee, for the
 5 proper use and benefit of said institutions upon such terms, conditions,
 6 and considerations as the board deems advantageous, including leases
 7 with provisions for ultimate ownership by the state of Iowa, and to
 8 pay the rentals from funds appropriated to the institution for operat-
 9 ing expenses thereof or from such other funds as may be available
 10 therefor."

Approved April 30, 1965.

CHAPTER 233

BOARD OF REGENTS FINANCE COMMITTEE

S. F. 572

AN ACT to eliminate the finance committee of the state board of regents and provide for the board of regents to create committees, offices and agencies and delegate powers and duties and establish rules and regulations therefor.

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

1 SECTION 1. Sections two hundred sixty-two point twelve (262.12),
2 two hundred sixty-two point thirteen (262.13), and two hundred sixty-
3 two point twenty-one (262.21), Code 1962, are hereby repealed.

1 SEC. 2. Chapter two hundred sixty-two (262), Code 1962, is
2 amended by adding a new section as follows:
3 "The board of regents shall also have and exercise all the powers
4 necessary and convenient for the effective administration of its office
5 and of the institutions under its control, and to this end may create
6 such committees, offices and agencies from its own members or others,
7 and employ persons to staff the same, fix their compensation and ten-
8 ure and delegate thereto, or to the administrative officers and faculty
9 of the institutions under its control, such part of the authority and
10 duties vested by statute in the board, and shall formulate and estab-
11 lish such rules and regulations, outline such policies and prescribe such
12 procedures therefor, all as may be desired or determined by the board
13 as recorded in their minutes. Employees of the board hereunder shall
14 not come under the division of personnel provided for in section eight
15 point five (8.5), Code 1962."

1 SEC. 3. Section two hundred sixty-two point nine (262.9), Code
2 1962, is hereby amended by striking all of subsection eleven (11) after
3 the word "it" in line three (3).

1 SEC. 4. Section two hundred sixty-two point ten (262.10), Code
2 1962, is hereby amended by striking from line eight (8) the words
3 "finance committee" and inserting in lieu thereof the words "any of its
4 committees, offices or agencies".

1 SEC. 5. Section two hundred sixty-two point fourteen (262.14),
2 Code 1962, is hereby amended as follows:

3 1. By striking from lines one (1) and two (2) the words "finance
4 committee" and inserting in lieu thereof the word "board".

5 2. By striking from line two (2) of subsection three (3) the words
6 "by the finance committee".

7 3. By striking from line eight (8) of subsection four (4) the words
8 "the finance committee".

9 4. By striking from lines three (3) and four (4) of subsection five
10 (5) the words "the* secretary of said committee" and inserting in lieu
11 thereof the word "board".

1 SEC. 6. Section two hundred sixty-two point fifteen (262.15), Code
2 1962, is hereby amended by striking from line two (2) the words
3 "finance committee" and inserting in lieu thereof the word "board".

*According to enrolled Act.

1 SEC. 7. Section two hundred sixty-two point sixteen (262.16),
2 Code 1962, is hereby amended as follows:

3 1. By striking from line two (2) the words "finance committee"
4 and inserting in lieu thereof the word "board".

5 2. By striking from lines two (2) and three (3) of subsection one
6 (1) the words "chairman or secretary of said committee" and insert-
7 ing in lieu thereof the words "treasurer of the institution to which the
8 loan belongs".

9 3. By striking from lines three (3) and four (4) of subsection two
10 (2) the words "chairman or secretary of the committee" and inserting
11 in lieu thereof the words "treasurer of the institution to which the
12 loan belongs".

1 SEC. 8. Section two hundred sixty-two point twenty (262.20),
2 Code 1962, is hereby amended by striking the period and all of such
3 section after the word "learning" in line three (3) and inserting in
4 lieu thereof the words "; with such organizations, powers and duties
5 as the board may prescribe and delegate."

1 SEC. 9. Section two hundred sixty-two point twenty-two (262.22),
2 Code 1962, is hereby amended by striking all of such section after the
3 word "for" in line three (3) and inserting in lieu thereof the words
4 "services and expenses of officers and employees of the board of
5 regents and to whom paid."

1 SEC. 10. Section two hundred sixty-two point twenty-three
2 (262.23), Code 1962, is hereby amended by striking from line two (2)
3 of subsection two (2) the words "the finance committee" and inserting
4 in lieu thereof the words "such committee or official as it designates,".

1 SEC. 11. Section two hundred sixty-two point twenty-six (262.26),
2 Code 1962, is hereby amended by striking from line nine (9) the words
3 "and finance committee".

1 SEC. 12. Section two hundred sixty-two point twenty-nine
2 (262.29), Code 1962, is hereby amended by striking from lines three
3 (3) and four (4) the words "the finance committee and of their
4 assistants" and inserting in lieu thereof the words "its committees,
5 offices, agencies and employees".

1 SEC. 13. Section sixty-four point six (64.6), Code 1962, is hereby
2 amended by striking subsection four (4).

1 SEC. 14. Section nineteen point twenty-five (19.25), Code 1962, is
2 hereby amended by striking from lines one (1) and two (2) of sub-
3 section eighteen (18) the words "the finance committee thereof" and
4 inserting in lieu thereof the words "its committees and officials desig-
5 nated by the board therefor."

1 SEC. 15. Section two hundred seventy-one point ten (271.10), Code
2 1962, is hereby amended by striking from line two (2) the words "the
3 finance committee of" and inserting in lieu thereof the words "such
4 official as may be designated therefor by".

1 SEC. 16. Section two hundred seventy-one point eleven (277.11)*,
 2 Code 1962, is hereby amended by striking from line three (3) the
 3 words "finance committee" and inserting in lieu thereof the words
 4 "said official designated by the board of regents".

1 SEC. 17. Section two hundred twenty-five point twenty-eight
 2 (225.28), Code 1962, is hereby amended by striking from line twelve
 3 (12) the words "the finance committee of".

Approved May 28, 1965.

*According to enrolled Act.

CHAPTER 234

GOVERNOR'S MILITARY AWARD

S. F. 562

AN ACT relating to a governor's military award.

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

1 SECTION 1. The governor of Iowa is hereby authorized to annually
 2 confer an appropriate award to any outstanding reserve officer train-
 3 ing corps cadet or cadets at each university. Such award shall be on
 4 behalf of the people of the state of Iowa.

Approved May 26, 1965.

CHAPTER 235

SPEED LIMITS BY BOARD OF REGENTS

S. F. 99

AN ACT to set speed limits on roadways at institutions under the control of the state board of regents.

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

1 SECTION 1. Chapter one hundred sixty-five (165) of the Laws of
 2 the Sixtieth (60th) General Assembly is hereby amended by striking
 3 from section one (1) line five (5) the words and figures "twenty-five
 4 (25)" and inserting in lieu thereof the words and figures "forty-five
 5 (45)."

Approved February 19, 1965.

CHAPTER 236

EDUCATIONAL LABORATORY SCHOOLS

H. F. 393

AN ACT to authorize laboratory schools at the educational institutions under the state board of regents and to provide for their financing and contracts with local school districts.

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

1 SECTION 1. The state board of regents is authorized to establish
2 and operate elementary and secondary laboratory schools at the insti-
3 tutions of higher education under its control. For the purpose of this
4 Act, laboratory school shall mean a school operated by an educational
5 institution for the purpose of instructing students, training teachers,
6 and advancing teaching methods.

1 SEC. 2. Existing buildings and facilities now used for said pur-
2 poses together with any additions to or alterations thereof and any
3 new structures and facilities therefor, as the board shall determine to
4 be suitable and authorize for said purposes, shall be set aside as the
5 area on the respective campuses constituting the laboratory school for
6 all purposes of this Act.

1 SEC. 3. A laboratory school at each institution where so estab-
2 lished shall constitute a self-liquidating improvement unit to the
3 extent funds are not appropriated by the general assembly and shall
4 qualify for and may be financed as such under the provisions of sec-
5 tions two hundred sixty-two point forty-four (262.44) through two
6 hundred sixty-two point fifty-four (262.54) of the Code as amended.

1 SEC. 4. For the purposes of this Act, the state board of regents
2 and the board of directors of any school district in the state of Iowa
3 may enter into contracts for the laboratory schools to furnish instruc-
4 tion to the pupils of such school district and to train teachers on an
5 agreed basis for tuition and other compensation to be paid by the
6 school district. Such contracts shall be in writing and may extend for
7 any stipulated period not to exceed fifteen (15) years. During the
8 agreed period, such contracts shall be obligatory on both the school
9 district and the state board of regents.

1 SEC. 5. The state board of regents may out of funds appropriated
2 or otherwise available for the operation of the institution at which the
3 laboratory school is located allocate an annual payment to the debt
4 retirement fund for the buildings, areas, and facilities used by the
5 institution for the laboratory school until such time as said improve-
6 ment is fully paid. The board of regents may pledge said annual
7 allotment together with the tuition received from school districts and
8 all other income received from the operation of said laboratory school
9 as security for the mortgage, bonds, or other debt by which said lab-
10 oratory school is financed as authorized herein.

1 SEC. 6. A pupil attending a laboratory school provided for in this
2 Act shall be considered as a pupil attending a public school for the
3 purposes of general aid to schools under chapter two hundred eighty-

4 six A (286A) of the Code, as amended by chapters one hundred
 5 seventy-three (173), one hundred seventy-four (174), and one hun-
 6 dred seventy-five (175), Acts of the Sixtieth General Assembly; sup-
 7 plementary aid to schools under chapter two hundred eighty-six (286)
 8 of the Code; aid to special education under chapter two hundred
 9 eighty-one (281) of the Code, as amended by chapter one hundred
 10 seventy-one (171), Acts of the Sixtieth General Assembly; and aid
 11 for transportation under chapter two hundred eighty-five (285) of
 12 the Code. School districts entering into contracts under this Act shall
 13 be eligible to receive benefits under said chapters for pupils covered
 14 by such contracts.

Approved April 12, 1965.

CHAPTER 237

SELF-LIQUIDATING PROJECTS AT INSTITUTIONS

H. F. 351

AN ACT to repeal section two hundred sixty-two point fifty-four (262.54), Code 1962, eliminating budget and financial control committee approval of self-liquidating projects at board of regents institutions.

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

1 SECTION 1. Section two hundred sixty-two point fifty-four
 2 (262.54), Code 1962, is hereby repealed.

Approved May 14, 1965.

CHAPTER 238

STATE SANATORIUM

H. F. 267

AN ACT transferring the state sanatorium to the state university of Iowa and to enlarge the functions of the sanatorium to care for additional patients.

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

1 SECTION 1. Section two hundred seventy-one point one (271.1),
 2 Code 1962, is hereby repealed and the following enacted in lieu there-
 3 of:

4 "The state hospital located at Oakdale shall be known as the state
 5 sanatorium, the operation of which shall be an integrated part of the
 6 university hospitals system and administration."

1 SEC. 2. Section two hundred seventy-one point two (271.2), Code
 2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "The state sanatorium shall be devoted to the care and treatment of
 4 patients afflicted with tuberculosis residing in the state of Iowa and

5 chronic patients and patients for rehabilitation admitted as provided in
6 this chapter."

1 SEC. 3. Section two hundred seventy-one point three (271.3), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "The state board of regents shall appoint a superintendent who with
4 other employees of the sanatorium shall have the status of employees
5 of the state university of Iowa. Medical treatment at the sanatorium
6 shall be provided by the faculty of the college of medicine and such
7 physicians and surgeons as may be employed by the university hos-
8 pitals."

1 SEC. 4. Section two hundred seventy-one point five (271.5), Code
2 1962, is hereby amended by inserting in line two (2) after the word
3 "sanatorium" the words "desiring treatment of tuberculosis".

1 SEC. 5. Section two hundred seventy-one point six (271.6), Code
2 1962, is hereby amended by inserting in line three (3) after the word
3 "applicant" the words "desiring treatment of tuberculosis".

1 SEC. 6. Section two hundred seventy-one point seven (271.7), Code
2 1962, is hereby amended by inserting in line two (2) after the word
3 "applicant" the words "desiring treatment of tuberculosis".

1 SEC. 7. Section two hundred seventy-one point nine (271.9), Code
2 1962, is hereby amended by inserting in line one (1) after the word
3 "Patients" the words "receiving treatment of tuberculosis".

1 SEC. 8. Section two hundred seventy-one point ten (271.10), Code
2 1962, is hereby amended by inserting in line six (6) after the word
3 "accepted" the word "tuberculosis".

1 SEC. 9. Section two hundred seventy-one point twelve (271.12),
2 Code 1962, is hereby amended by inserting in line three (3) after the
3 word "inmates" the words "receiving treatment of tuberculosis".

1 SEC. 10. Section two hundred seventy-one point fourteen (271.14),
2 Code 1962, is hereby amended as follows:

3 1. By inserting in line three (3) after the word "patients" the
4 words "receiving treatment of tuberculosis".

5 2. By striking from line thirteen (13) the word "insane" and insert-
6 ing in lieu thereof the words "mentally ill".

1 SEC. 11. Section two hundred seventy-one point fifteen (271.15),
2 Code 1962, is hereby amended as follows:

3 1. By inserting after the word "Patients" in lines one (1) and two
4 (2) the words "receiving treatment of tuberculosis".

5 2. By inserting in line four (4) after the word "of" the word
6 "said".

1 SEC. 12. Section two hundred seventy-one point sixteen (271.16),
2 Code 1962, is hereby amended as follows:

3 1. By striking from line four (4) the word "insane" and inserting
4 in lieu thereof the words "mentally ill".

5 2. By striking from lines six (6) and seven (7) the words "cared
6 for" and inserting in lieu thereof the words "receiving treatment of
7 tuberculosis".

1 SEC. 13. Chapter two hundred seventy-one (271), Code 1962, is
2 hereby amended by adding the following new sections:

3 1. "In addition to patients afflicted with tuberculosis, other patients
4 who may be admitted to the sanatorium are as follows:

5 a. "Selected chronic patients and patients for rehabilitation re-
6 ferred from university hospitals who shall retain the same status,
7 classification, and authorization for care which they had at university
8 hospitals. County quotas and costs for the care of indigent patients
9 from funds appropriated to the sanatorium shall be established by the
10 sanatorium authorities by the same procedure as provided for the
11 university hospitals by section two hundred fifty-five point sixteen
12 (255.16) of the Code. The provisions of sections two hundred fifty-
13 five point twenty (255.20), two hundred fifty-five point twenty-one
14 (255.21), two hundred fifty-five point twenty-two (255.22), two hun-
15 dred fifty-five point twenty-four (255.24), two hundred fifty-five point
16 twenty-five (255.25), and two hundred fifty-five point twenty-six
17 (255.26) of the Code shall apply to said patients and to the sanatorium
18 the same as the provisions apply to the university hospitals.

19 b. "Selected chronic patients and patients for rehabilitation re-
20 ferred from other state hospitals or institutions, the state department
21 of vocational rehabilitation, or federal hospitals or agencies upon such
22 terms of payment for the reasonable costs of hospital care, medical
23 treatment, and training as may be determined by the sanatorium
24 authorities and negotiated with such other agencies.

25 c. "Such other patients as the sanatorium authorities may at their
26 discretion deem advisable and for which facilities are available. The
27 sanatorium shall collect from said patients or the person or persons
28 liable for their support, such reasonable charges for hospital care,
29 service, and treatment as fixed by the sanatorium authorities. Earn-
30 ings from such patients shall be deposited with the treasurer of the
31 state university of Iowa for the use and benefit of the sanatorium and
32 to supplement its legislative appropriations, collections, and other
33 sources of income."

34 2. "Physicians and surgeons on the staff of the university hospitals
35 who care for private patients at the sanatorium may charge for their
36 professional services under such rules, regulations, and plans as ap-
37 proved by the state board of regents. No physician, surgeon, or nurse
38 shall charge or receive any compensation for the care of indigent
39 patients or patients cared for at state or county expense or by other
40 public funds under arrangement by the board of regents specifying
41 that no medical fees are to be charged except their salary or compen-
42 sation fixed by the state board of regents to be paid from sanatorium
43 funds."

44 3. "Whenever a patient or person legally liable for the care of any
45 patient at the sanatorium has insurance, an estate, rights of action
46 against others, or other assets, any of which can be subjected thereto,
47 the sanatorium, by its superintendent or his assistants through the
48 office of the attorney general, is hereby authorized to file claims, insti-
49 tute or defend suits in courts, and use such other legal means as may
50 be available to collect accounts incurred for the care of indigent or
51 private patients, and may compromise, settle, and release the same, all
52 under such rules and procedures as may be prescribed by the president

53 of the state university of Iowa and the attorney general. If a county
 54 has paid any part of such patient's care a pro rata part of the amount
 55 collected, after deduction for cost of collection, shall be remitted to said
 56 county and the balance shall go into the sanatorium fund."

57 4. "All of the sanatorium land, buildings, and facilities heretofore
 58 comprising the sanatorium premises and no longer required therefor
 59 under the plan adopted by the state board of regents to carry out the
 60 provisions of this Act shall become a part of the campus of the state
 61 university of Iowa. All of the powers vested in the state board of
 62 regents by chapter two hundred sixty-two (262) of the Code, as
 63 amended, shall apply to these premises.

64 5. "All funds held by the sanatorium or to which it is entitled as of
 65 the effective date of this Act shall be transferred and paid to the
 66 treasurer of the state university of Iowa. All funds of the sanatorium
 67 thereafter shall be administered through the office of the treasurer of
 68 the state university of Iowa and accounted for and paid out under
 69 procedures established by the state board of regents."

Approved May 10, 1965.

CHAPTER 239

MERGER OF COUNTY SCHOOL SYSTEMS

H. F. 553

AN ACT relating to the county school system and to amend section two hundred seventy-three point thirteen (273.13), Code 1962, so as to provide for levying of a tax upon all territory included within a county school system, and to further amend chapter two hundred seventy-three (273), Code 1962, by adding a new section providing for merger of county school systems.

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

1 SECTION 1. Section two hundred seventy-three point thirteen
 2 (273.13), Code 1962, is amended by striking all of subsection ten
 3 (10) and inserting in lieu thereof the following:

4 "At the regular or special meeting held between July 1 and July 15,
 5 consider the budget as submitted by the county superintendent, and
 6 certify to the county auditor the estimates of the amounts needed.
 7 Such estimates shall follow the budget procedure under chapter 24.
 8 The boards or board of supervisors of the county or counties, territory
 9 which comprises the territory of the county school system, shall
 10 levy a tax on all the taxable property in the county school system for
 11 the amount certified."

1 SEC. 2. Chapter two hundred seventy-three (273), Code 1962, is
 2 amended by adding the following new section:

3 "County boards of education, in any two or more adjacent counties,
 4 may, by the concurrent action of the respective boards of directors at
 5 their regular meetings in July, or at special meetings thereafter,
 6 called for that purpose, merge the respective county school systems
 7 into one school system; provided, however, that said merger shall be
 8 approved by the state board of public instruction before becoming

9 effective and provided further that notice of the proposed merger
10 shall be published at least twenty (20) days prior to the proposed
11 merger pursuant to section six hundred eighteen point fourteen
12 (618.14) of the Code and with the following provisions covering such
13 mergers:

14 "1. The merged school system shall be known as the 'joint county
15 system of (name of county), (name of county), (name of county),
16 etc.'

17 "2. The merged system shall have one tax base made up of the
18 combined tax base of the respective county school systems.

19 "3. The merged system shall become effective upon the first day of
20 July, following the approval of said merger by the state board of
21 public instruction.

22 "4. The territory of the 'joint county system' shall be divided into
23 six election areas by the affected county boards in joint session and
24 be as nearly as possible of equal size and population, and contiguous
25 territory, to be designated as the first, the second, the third, the
26 fourth, the fifth, and the sixth election areas. In the event of changes
27 in the limits of the 'joint county system' the joint board of education
28 shall make any such adjustments as may be necessary to equalize the
29 territorial and population size of the election areas, provided, how-
30 ever, that no such change shall be made less than sixty (60) days
31 prior to the dates of the annual school election.

32 "5. There shall be a 'joint board of education' which shall consist
33 of seven (7) members, one member to be elected from each of the
34 respective election areas, by qualified school electors residing therein,
35 and one member to be elected at large by qualified school electors re-
36 siding within the territorial boundaries of the joint county system.
37 Their terms of office shall commence on the first Monday in October
38 following their election.

39 "Elections to the joint board of education shall be held at the
40 annual school elections in odd numbered years for members whose
41 terms expire on the first Monday in October following such elections
42 and their term of office shall be for six years. Vacancies on said
43 board shall be filled at the next regular meeting of the board by ap-
44 pointment by the remaining members of the board until the next odd
45 numbered year election at which election a member shall be elected
46 to fill the vacancy for the balance of the unexpired term. A vacancy
47 shall be defined as in section two hundred seventy-seven point twenty-
48 nine (277.29) of the Code.

49 "The provisions of sections two hundred seventy-three point five
50 (273.5) to two hundred seventy-three point ten (273.10) of the Code
51 shall be applicable.

52 "6. For the purpose of selecting the initial membership of the joint
53 board of education, the respective county boards shall meet in joint
54 session, at least thirty (30) days prior to the effective date of the
55 joint system, and select, from their own membership, one member
56 residing in each of the aforesaid election areas and one member at
57 large. The members so selected shall assume office upon the effective
58 date of the joint system for respective interim terms to be deter-
59 mined by lot. Three of such interim terms shall expire on the first
60 Monday in October in the first odd numbered year after the year of

61 such selection, two shall expire two years thereafter, and two shall
62 expire four years thereafter. On the effective date of the joint system
63 the respective county boards of education shall cease to exist and the
64 joint board of education shall thereafter exercise the powers and
65 perform the duties of the said respective boards.

66 "7. The joint board shall have the authority to provide adequate
67 office facilities by renting or leasing same for a period not to exceed
68 ten (10) years. The board shall designate a central office and may
69 designate such branch office as necessary with such designation,
70 rental or leasing of facilities subject to the approval of the state
71 board. In the event that the joint board cannot agree on the location
72 of the central office and branch offices, the state board shall so desig-
73 nate.

74 "8. The budget of the joint district shall be certified to the county
75 auditor of the county in which the central office is located, and the
76 county treasurer of the same county shall serve as treasurer for the
77 funds of the joint district.

78 "9. The joint board is hereby authorized to appoint such advisory
79 committees as deemed necessary.

80 "10. Joint boards or county boards subject to approval of the state
81 board of public instruction are hereby authorized to provide courses
82 and services for physically, mentally and educationally handicapped;
83 provide special and remedial courses and services, educational tele-
84 vision, vocational rehabilitation training centers, workshops; to
85 lease, acquire, maintain, and operate such facilities and buildings as
86 deemed necessary to provide authorized courses and services and
87 administer such authorized programs.

88 "11. The joint board or county boards are hereby authorized to
89 make application for, accept, and spend state and federal funds that
90 are available or might become available for programs of educational
91 benefit approved by the state board.

92 "12. Joint boards shall exercise all powers and carry out all duties
93 imposed on county boards of education by statute, and shall be gov-
94 erned in general by the provisions of this chapter.

95 "13. When two (2) or more county boards of education are merged
96 into a joint county board of education under this section, the county
97 conference board as provided for in chapter* four hundred forty-one
98 point two (441.2) of the Code shall include one representative from
99 the board of directors of each high school district of the county, who
100 shall replace the county board of education members on the confer-
101 ence board as provided for in chapter* four hundred forty-one point
102 two (441.2) of the Code.

103 "14. When two (2) or more county boards of education are merged
104 into a joint county board of education under this section, the boards
105 of education of schools located within each county shall select the
106 delegates to the district convention as provided in chapter two hun-
107 dred fifty-seven (257) of the Code which have previously been se-
108 lected by the county board of education."

1 SEC. 3. In addition to the procedure set forth in section two (2)
2 of this Act for the merger of county school systems the county boards

*According to enrolled Act.

3 of education of any two or more adjacent counties upon receipt of a
4 petition signed by not less than ten (10) per cent of those voting for
5 governor in the last general election in each county, shall call a special
6 election in said counties for the purpose of merging the respective
7 county school systems into one school system. The elections shall be
8 on the same day in each of said counties and the question on the
9 ballot shall be: "Shall the county school systems of (insert the names
10 of the counties) counties be merged into one school system?" If a
11 majority of the votes cast in each of said counties be in favor of the
12 proposal the county boards of education in the respective counties
13 shall by concurrent action merge the county school systems into one
14 school system. Prior to setting a date for said elections, approval of
15 the state board of public instruction shall be obtained and all provi-
16 sions covering a merger heretofore set out above shall also be appli-
17 cable to a merger under this procedure.

Approved May 21, 1965.

CHAPTER 240

REORGANIZATION OF SCHOOL DISTRICTS

S. F. 190

AN ACT relating to reorganization of school districts.

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

1 SECTION 1. Section two hundred seventy-five point one (275.1),
2 Code 1962, is hereby amended by striking all of lines thirty-four (34)
3 through fifty (50) inclusive and inserting in lieu thereof the follow-
4 ing:

5 "1966. If any area of the state is not a part of such a district by
6 April 1, 1966, or is not included in a reorganization petition filed in
7 accordance with section two hundred seventy-five point twelve
8 (275.12) of the Code on or before April 1, 1966, the area shall be
9 attached by the county board of education to a district, or districts
10 maintaining twelve (12) grades, such attachment to become effective
11 July 1, 1966, and provided such attachment has the approval of the
12 state board of public instruction. Any such district or part thereof
13 attached by the county board of education, with the approval of the
14 state board of public instruction, shall have the right to appeal this
15 attachment to a court of record in the county in which said district
16 or part thereof is located within twenty (20) days after the date of
17 the approval by the state board of public instruction.

18 "Any area included in a reorganization petition filed on or before
19 April 1, 1966, and not becoming a part of a district maintaining twelve
20 (12) grades because of the subsequent failure of the proposal to carry
21 or by reason of judicial appeal proceedings, shall be attached to a
22 district, or districts maintaining twelve (12) grades by the county
23 board of education. Such attachment shall become effective July 1,
24 1966, or if impossible by said date because of later vote or appeal
25 proceedings, on such date as fixed by the state board of public in-

26 struction. The authority of the county board of education to make
 27 such attachments shall extend beyond July 1, 1966, when necessary
 28 by reason of later vote or appeal proceedings."

1 SEC. 2. Section two hundred seventy-five point one (275.1), Code
 2 1962, is hereby further amended by striking from line fifty-four (54)
 3 the date "July 1, 1962" and inserting in lieu thereof the date "April 1,
 4 1966".

Approved April 12, 1965.

CHAPTER 241

SCHOOL DISTRICTS REORGANIZATION

S. F. 499

AN ACT relating to meetings of county boards on reorganization of school districts involving two (2) or more counties.

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

1 SECTION 1. Section two hundred seventy-five point sixteen
 2 (275.16), Code 1962, is hereby amended as follows:

3 1. By inserting in line twenty-three (23) of such section after the
 4 word "petition." the following:

5 "However, if such joint boards cast a tie vote and are unable to
 6 agree to an order fixing the boundaries for the proposed school dis-
 7 trict or to an order to dismiss the petition, the time during which such
 8 actions must be taken under the provisions of section two hundred
 9 seventy-five point fifteen (275.15) shall be extended from five (5) days
 10 to fifteen (15) days after the conclusion of the hearing under the pro-
 11 visions of section two hundred seventy-five point fifteen (275.15), and
 12 such joint board shall reconvene not less than ten (10) and not more
 13 than fifteen (15) days after the conclusion of such hearing. At such
 14 hearing the joint board shall reconsider their action and if a tie vote
 15 shall again be cast it shall be deemed an order granting the petition
 16 and changing the plans of any and all of the county boards affected by
 17 the petition and fixing the boundaries for the proposed school corpora-
 18 tion."

19 2. By adding thereto the following sentence:

20 "The provisions of this section shall apply to all tie votes under any
 21 provision of this chapter where a joint meeting of the members of
 22 two (2) or more county boards of education are required and to all
 23 petitions pending on the effective date of this Act.

24 3. By striking from line twenty-four (24) of such section the word
 25 "this" and inserting in lieu thereof the word "the".

1 SEC. 2. This Act, being deemed of immediate importance, shall
 2 take effect and be in force from and after its publication in The West

- 3 Liberty Index, a newspaper published in West Liberty, Iowa, and The
4 Tipton Advertiser, a newspaper published in Tipton, Iowa.

Approved May 27, 1965.

I hereby certify that the foregoing Act, Senate File 499, was published in The West Liberty Index, West Liberty, Iowa, June 3, 1965, and in The Tipton Advertiser, Tipton, Iowa, June 8, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 242

LEASE-PURCHASE OPTION OF SCHOOL BUILDINGS

S. F. 313

AN ACT providing for lease-purchase option of school buildings.

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

1 SECTION 1. Section two hundred seventy-eight point one (278.1),
2 Code 1962, is amended by adding thereto the following new para-
3 graphs:

4 "The board may, with approval of sixty (60) per cent of the voters,
5 voting in a regular or special election in the school district, make
6 extended time contracts not to exceed twenty (20) years in duration
7 for rental of buildings to supplement existing schoolhouse facilities;
8 and where it is deemed advisable for buildings to be constructed or
9 placed on real estate owned by the school district, such contracts may
10 include lease-purchase option agreements, such amounts to be paid out
11 of the schoolhouse fund.

12 "Before entering into a rental or lease-purchase option contract,
13 authorized by the electors, the board shall first adopt plans and speci-
14 fications for a building or buildings which it considers suitable for the
15 intended use and also adopt a form of rental or lease-purchase option
16 contract. The board shall then invite bids thereon, by advertisement
17 published once each week for two consecutive weeks, in a newspaper
18 published in the county in which the building or buildings are to be
19 located, and the rental or lease-purchase option contract shall be
20 awarded to the lowest responsible bidder, but the board may reject
21 any and all bids and advertise for new bids.

22 "The voters at the regular or special election shall have power to
23 vote a schoolhouse tax not exceeding five (5) mills on the dollar in any
24 one (1) year providing for lease-purchase option of school buildings."

1 SEC. 2. This Act being deemed of immediate importance shall take
2 effect and be in full force from and after its publication in the West
3 Des Moines Express, a newspaper published at West Des Moines, Iowa,

4 and The Fayette County Union, a newspaper published at West Union,
5 Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 313, was published in the West Des Moines Express, West Des Moines, Iowa, June 10, 1965, and in The Fayette County Union, West Union, Iowa, June 17, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 243

SCHOOLHOUSE TAX

S. F. 153

AN ACT relating to powers of electors to vote a schoolhouse tax.

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

1 SECTION 1. Section two hundred seventy-eight point one (278.1),
2 subsection seven (7), Code 1962, is hereby amended by adding the
3 following new sentence thereto:

4 "The power to levy said tax, when voted, shall continue for such
5 period of time as may be authorized by the voters and shall not be
6 affected by any change in the boundaries of the school district, in
7 whatever manner effected, except in case the school district is re-
8 organized pursuant to sections two hundred seventy-five point twelve
9 (275.12) to two hundred seventy-five point twenty-three (275.23),
10 both inclusive."

1 SEC. 2. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 the Burlington Hawk-Eye, a newspaper published at Burlington, Iowa,
4 and in The Bayard News, a newspaper published at Bayard, Iowa.

Approved May 18, 1965.

I hereby certify that the foregoing Act, Senate File 153, was published in the Burlington Hawk-Eye, Burlington, Iowa, May 21, 1965, and in The Bayard News, Bayard, Iowa, May 20, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 244

SCHOOL GROUP INSURANCE

S. F. 36

AN ACT authorizing school districts to pay for group health care coverage and group life insurance for employees.

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

1 SECTION 1. Section two hundred seventy-nine point twelve
2 (279.12), Code 1962, is hereby amended by inserting in line seven (7)

3 after the word "law," the words "and may establish and pay all or any
4 part thereof from school district funds the cost of group health insur-
5 ance plans, non-profit group hospital service plans, non-profit group
6 medical service plans and group life insurance plans adopted by the
7 board for the benefit of employees of the school district,".

Approved July 1, 1965.

CHAPTER 245
SCHOOL SUPPLIES

H. F. 171

AN ACT to amend section two hundred seventy-nine point twenty-five (279.25), Code 1962, relating to purchase of school supplies.

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

1 SECTION 1. Section two hundred seventy-nine point twenty-five
2 (279.25), Code 1962, is amended by striking from lines seven (7) to
3 nine (9) the words "to an amount not exceeding two hundred dollars
4 in any one year" and inserting in lieu thereof the words "as deemed
5 necessary by the board of directors".

Approved June 7, 1965.

CHAPTER 246
EYE PROTECTIVE DEVICES

S. F. 228

AN ACT to require the wearing of eye protective devices by students and teachers.

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

1 SECTION 1. Every student and teacher in any public school par-
2 ticipating in any of the following courses:
3 1. Vocational or industrial arts shops or laboratories involving ex-
4 perience with any of the following:
5 a. Hot molten metals;
6 b. Milling, sawing, turning, shaping, cutting, grinding, or stamping
7 of any solid materials;
8 c. Heat treatment, tempering, or kiln firing of any metal or other
9 materials;
10 d. Gas or electric arc welding;
11 e. Repair or servicing of any vehicle while in the shop;
12 f. Caustic or explosive materials;
13 2. Chemical or combined chemical-physical laboratories involving
14 caustic or explosive chemicals or hot liquids or solids when risk is in-
15 volved; is required to wear industrial quality eye protective devices at
16 all times while participating in any phase or activity of such course
17 which may subject the student or teacher to the risk or hazard of eye

18 injury from the materials or processes used in said courses. It shall
 19 be the duty of the teacher or other person supervising the students in
 20 said courses to see that the above requirements are complied with.
 21 Any student failing to comply with such requirements may be tem-
 22 porarily suspended from participation in said course and the registra-
 23 tion of a student for such course may be cancelled for wilful, flagrant
 24 or repeated failure to observe the above requirements. The board of
 25 education having jurisdiction of any school coming within the pur-
 26 view of this Act shall provide the safety devices required herein. Such
 27 devices may be paid for from the general fund but the board may
 28 require students and teachers to pay for said devices and shall make
 29 them available to students and teachers at no more than the actual cost
 30 to the district.

31 "Industrial quality eye protective devices," as used in this section,
 32 means devices meeting the standards of the American Standards
 33 Association Safety Code for Head, Eye, and Respiratory Protection,
 34 Z2.1-1959, promulgated by the American Standards Association, Inc.

Approved May 14, 1965.

CHAPTER 247

AREA VOCATIONAL SCHOOLS

S. F. 550

AN ACT to provide for establishment and operation of area vocational schools and area community colleges, establish a division of community and junior colleges within the state department of public instruction and an advisory committee to the state board of public instruction on community and junior colleges, and to require establishment and enforcement of approval standards for public and area community and junior colleges and area vocational schools.

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

1 SECTION 1. It is hereby declared to be the policy of the state of
 2 Iowa and the purpose of this Act to provide for the establishment of
 3 not more than twenty (20) areas which shall include all of the area
 4 of the state and which may operate either area vocational schools or
 5 area community colleges offering to the greatest extent possible, edu-
 6 cational opportunities and services in each of the following, when
 7 applicable, but not necessarily limited to:

- 8 1. The first two (2) years of college work including pre-professional
 9 education.
- 10 2. Vocational and technical training.
- 11 3. Programs for in-service training and retraining of workers.
- 12 4. Programs for high school completion for students of post-high
 13 school age.
- 14 5. Programs for all students of high school age who may best serve
 15 themselves by enrolling for vocational and technical training while
 16 also enrolled in a local high school, public or private.
- 17 6. Student personnel services.
- 18 7. Community services.

19 8. Vocational education for persons who have academic, socio-
20 economic, or other handicaps which prevent succeeding in regular
21 vocational education programs.

22 9. Training, retraining, and all necessary preparation for produc-
23 tive employment of all citizens.

1 SEC. 2. When used in this Act, unless the context otherwise re-
2 quires:

3 1. "Vocational school" means a publicly supported school which
4 offers as its curriculum or part of its curriculum vocational or tech-
5 nical education, training, or retraining available to persons who have
6 completed or left high school and are preparing to enter the labor
7 market; persons who are attending high school who will benefit from
8 such education or training but who do not have the necessary facilities
9 available in the local high schools; persons who have entered the labor
10 market but are in need of upgrading or learning skills; and persons
11 who due to academic, socio-economic, or other handicaps are prevented
12 from succeeding in regular vocational or technical education programs.

13 2. "Junior college" means a publicly supported school which offers
14 as its curriculum or part of its curriculum two (2) years of liberal
15 arts, pre-professional, or other instruction partially fulfilling the re-
16 quirements for a baccalaureate degree but which does not confer any
17 baccalaureate degree.

18 3. "Community college" means a publicly supported school which
19 meets the curriculum requirements of a junior college and which offers
20 in whole or in part the curriculum of a vocational school.

21 4. "Merged area" means an area where two (2) or more county
22 school systems or parts thereof merge resources to establish and oper-
23 ate a vocational school or a community college in the manner provided
24 in this Act.

25 5. "Area vocational school" means a vocational school established
26 and operated by a merged area.

27 6. "Area community college" means a community college established
28 and operated by a merged area.

29 7. "State board" means the state board of public instruction.

30 8. "State superintendent" means the state superintendent of public
31 instruction.

32 9. "Planning board" means any county board of education which is
33 a party to a plan for establishment of an area vocational school or area
34 community college.

1 SEC. 3. Boards of education of two (2) or more counties are here-
2 by authorized to plan for the merger of county school systems, or parts
3 thereof, for the purpose of providing an area vocational school or area
4 community college. Such plans shall be effectuated only upon approval
5 by the state board and by subsequent concurrent action of the county
6 boards of education at special meetings, called for that purpose, or at
7 the regular July meetings of the county boards. No area which has
8 less than four thousand (4,000) public and private pupils in grades
9 nine (9) through twelve (12) shall be approved by the state board as
10 a merged area.

1 SEC. 4. Upon recommendation of the county board of education
2 and approval by the state board in an area plan, a county school system

3 may be divided to permit parts of the system to merge with one (1)
4 or more merged areas in establishing an area vocational school or area
5 community college. When division is permitted, the county school
6 system shall be divided along local school district boundaries. No local
7 school district shall be a part of more than one (1) merged area. The
8 county board of education shall be the planning board for any portion
9 of the county school system which is to become a part of a merged
10 area.

1 SEC. 5. Plans formulated for a merged area when submitted to the
2 state board shall include the following:

3 1. A description of the geographic limits of the proposed area.

4 2. Total population, population trends, population density, and pro-
5 jected population density of the area.

6 3. Total school enrollments in grades one (1) through eight (8)
7 within the area.

8 4. Total school enrollments in grades nine (9) through twelve (12)
9 within the area.

10 5. Projections of school enrollments within the area.

11 6. A description of the types of educational offerings and capacities
12 of educational facilities beyond high school existing within the area,
13 or within fifty (50) miles of the center of the area, at the time of sub-
14 mission of plans.

15 7. Identification of educational programs needed within the area.

16 8. An evaluation of local interest in and attitude toward establish-
17 ment of the proposed area vocational school or area community college.

18 9. An evaluation of the ability of the area to contribute to the finan-
19 cial support of the establishment and operation of the proposed area
20 vocational school or area community college.

21 10. Estimated number of students within the area who are eligible
22 to attend the proposed area vocational school or area community col-
23 lege.

24 11. The curriculum intended to be offered in the proposed area voca-
25 tional school or area community college and assurances that adequate
26 and qualified personnel will be provided to carry on the proposed cur-
27 riculum and any necessary related services.

28 12. The location or locations where the proposed area vocational
29 school or area community college is to be constructed or established if
30 such location or locations have been agreed upon. The site or sites of
31 any proposed area vocational school or area community college shall
32 be of sufficient size to provide for adequate future expansion.

33 13. The boundaries of director districts which shall number not less
34 than five (5) or more than nine (9) if such districts have been agreed
35 upon. Director districts shall be of approximately equal population.

36 14. When it is intended that one (1) or more existing vocational
37 schools, community colleges, or public junior colleges are to become
38 an integrated part of an area vocational school or area community col-
39 lege, specific information regarding arrangements agreed upon for
40 compensating the local school district or districts which operate or
41 operated any existing school or college.

42 15. Such additional information as the state board may by admin-
43 istrative rule require.

1 SEC. 6. County boards of education may expend public funds for
2 the purpose of formulating plans for a merged area and may arrive at
3 an equitable distribution of cost, subject to approval of the state board,
4 to be paid by each participating board.

1 SEC. 7. Upon receipt of any plan submitted, the state board shall
2 cause the plan to be examined, conduct further investigation of and
3 hearings on the plan if deemed necessary, and evaluate the plan in
4 relation to all vocational schools, community colleges, and junior col-
5 leges existing, proposed, or needed throughout the state. The state
6 board may approve or disapprove the plan or may return the plan to
7 the planning boards for modification and resubmission.

1 SEC. 8. When a plan is approved, the state board shall issue an
2 order of the approval, a copy of which shall be sent to each of the
3 respective planning boards. The order shall:

4 1. Officially designate and classify the area school to be established
5 as an area vocational school or area community college.

6 2. Describe all territory included in the county school systems which
7 is to be a part of the approved area.

8 3. Officially designate the location or locations of the area vocational
9 school or area community college. If the plan did not specify a loca-
10 tion, the state board shall so determine.

11 4. Officially designate the boundaries of director districts. If the
12 plan did not specify such boundaries, the state board shall so deter-
13 mine.

1 SEC. 9. When a plan is disapproved, a statement of the reasons for
2 such disapproval shall be forwarded to each of the planning boards.
3 Within fifteen (15) calendar days from the date of receiving such
4 statement, the planning boards or their authorized representative may
5 request a hearing by the state board on the disapproved plan. The
6 state board shall grant the hearing within thirty (30) calendar days
7 after receipt of the request. Upon receiving all evidence and argu-
8 ments presented by the planning boards or their representative, the
9 state board may reaffirm or reconsider its previous action with respect
10 to the disapproved plan or may request the planning boards to modify
11 and resubmit the plan.

1 SEC. 10. When a plan proposing formation of a merged area is
2 approved by the state board, each county board of education which is
3 a planning board with respect to the approved plan shall:

4 1. Within thirty (30) calendar days after approval of the plan by
5 the state board, order published, in all official newspapers of the
6 county, notice of intent to form the proposed merged area. The state
7 board shall prescribe by administrative rule the form and content of
8 such published notices.

9 2. Within seventy (70) calendar days after approval of the plan by
10 the state board hold a meeting to accept or reject the merger plan.
11 In the event no decision has been made by a county board of education
12 within seventy (70) days, the county board shall be deemed to have
13 approved the merger plan. The secretaries of the respective boards
14 shall immediately notify the state board of the action taken at the
15 meetings.

1 SEC. 11. Upon receiving notice that all planning boards have given
2 final approval to the proposal to form a merged area, the state board
3 shall:

4 1. Officially designate all territory included in the plan approved by
5 the county school systems as a merged area.

6 2. Direct the county superintendent of the county in which the phys-
7 ical plant facilities of the area vocational school or area community
8 college are to be located to call and conduct a special election to choose
9 the members of the initial governing board of the merged area. If
10 physical plant facilities are to be located in more than one (1) county,
11 the county superintendent of the county in which the school or college
12 administrative offices are to be located shall be responsible for calling
13 and conducting the special election.

1 SEC. 12. The governing board of a merged area shall be a board of
2 directors composed of one (1) member elected from each director dis-
3 trict in the area by the electors of the respective district. Members of
4 the board shall be residents of the district from which elected. Suc-
5 cessors shall be chosen at the annual school elections for members
6 whose terms expire on the first (1st) Monday in October following
7 such elections. Terms of members of the board of directors shall be
8 three (3) years except that members of the initial board of directors
9 elected at the special election shall determine their respective terms by
10 lot so that the terms of one-third ($\frac{1}{3}$) of the members, as nearly as
11 may be, shall expire on the first (1st) Monday in October of each suc-
12 ceeding year. Vacancies on the board which occur more than ninety
13 (90) days prior to the next annual school election shall be filled at the
14 next regular meeting of the board by appointment by the remaining
15 members of the board. The member so chosen shall be a resident of
16 the district in which the vacancy occurred and shall serve until the
17 next annual school election, at which election a member shall be elected
18 to fill the vacancy for the balance of the unexpired term. A vacancy
19 shall be defined as in section two hundred seventy-seven point twenty-
20 nine (277.29) of the Code. No member shall serve on the board of
21 directors who is a member of a board of directors of a local school
22 district or a member of a county board of education.

1 SEC. 13. In each merged area, the initial board of directors elected
2 at the special election shall organize within fifteen (15) days following
3 the election and may thereafter proceed with the establishment of the
4 designated area vocational school or area community college. The
5 board of directors shall thereafter organize on the first (1st) Monday
6 in October of each year. Organization of the board shall be effected by
7 the election of a president and such other officers from the board mem-
8 bership as board members so determine. The board of directors shall
9 appoint a secretary and a treasurer who shall each give bond as pre-
10 scribed in section two hundred ninety-one point two (291.2) of the
11 Code and who shall each receive such salary as shall be determined
12 by the board. The secretary and treasurer shall perform such duties
13 as are prescribed in chapter two hundred ninety-one (291) of the Code
14 and such additional duties as the board of directors may deem neces-
15 sary. The frequency of meetings other than organizational meetings

16 shall be as determined by the board of directors but the president or a
17 majority of the members may call a special meeting at any time.

1 SEC. 14. All expenses incurred in electing the initial board of a
2 merged area shall be prorated among the several county school systems
3 included in the area, in the proportion that the value of taxable prop-
4 erty in each county school system, or any portion thereof which is part
5 of the merged area, bears to the total value of taxable property in the
6 area. The superintendent responsible for calling and conducting the
7 election shall certify to each county board of education the amount
8 which each board owes.

1 SEC. 15. The nomination of candidates, preparation of ballots, and
2 canvass for all elections of members of the board of directors of an area
3 vocational school or an area community college, except as otherwise
4 directed, shall be conducted in the manner provided in sections two
5 hundred seventy-three point five (273.5), two hundred seventy-three
6 point six (273.6), and two hundred seventy-three point seven (273.7)
7 of the Code for members of county boards of education. Nomination
8 papers in behalf of a candidate shall be filed with the secretary of the
9 board of the merged area. Each candidate shall be nominated by a
10 petition signed by not less than fifty (50) qualified electors of the dis-
11 trict from which the member is to be elected. The board of directors
12 of each respective merged area shall be responsible for causing the
13 printing of election ballots and the printing of necessary forms used
14 by judges and clerks of election and by secretaries of local school dis-
15 tricts in making election returns. The votes cast in the election shall
16 be returned to the respective boards of directors of the merged areas
17 who shall canvass the vote and issue certificates of election as pre-
18 scribed in section two hundred seventy-three point seven (273.7) of
19 the Code. Members elected to the board of directors of a merged area
20 shall qualify by taking the oath of office prescribed in section two hun-
21 dred seventy-seven point twenty-eight (277.28) of the Code.

1 SEC. 16. A merged area formed under the provisions of this Act
2 shall be a body politic as a school corporation for the purpose of exer-
3 cising powers granted under this Act, and as such may sue and be sued,
4 hold property, and exercise all the powers granted by law and such
5 other powers as are incident to public corporations of like character
6 and are not inconsistent with the laws of the state.

1 SEC. 17. The board of directors of each merged area shall prepare
2 an annual budget designating the proposed expenditures for operation
3 of the area vocational school or area community college. The board
4 shall further designate the amounts which are to be raised by local
5 taxation and the amounts which are to be raised by other sources of
6 revenue for such operation. The board of directors shall prorate the
7 amount to be raised by local taxation among the respective county
8 school systems, or parts thereof, in the proportion that the value of
9 taxable property in each system, or part thereof, bears to the total
10 value of taxable property in the area. The board of directors shall
11 certify the amount so determined to the respective county auditors and
12 the boards of supervisors shall levy a tax sufficient to raise the amount.
13 No tax in excess of three-fourths ($\frac{3}{4}$ ths) mill shall be levied on tax-

14 able property in a merged area for the operation of an area vocational
15 school or area community college. Taxes collected pursuant to such
16 levy shall be paid by the respective county treasurers to the treasurer
17 of the merged area in the same manner that other school taxes are
18 paid to local school districts.

1 SEC. 18. In addition to revenue derived by tax levy, a board of
2 directors of a merged area shall be authorized to receive and expend:

3 1. Federal funds made available and administered by the state
4 board, for such purposes as may be provided by federal laws, rules,
5 and regulations.

6 2. Other federal funds for such purposes as may be provided by
7 federal law, subject to the approval of the state board.

8 3. Tuition for instruction received by persons who reside outside the
9 area, or by persons twenty-one (21) years of age or over or who are
10 high school graduates residing within the area, to be charged and col-
11 lected in accordance with the rules adopted by the state board.

12 4. State aid to be paid in accordance with the statutes which provide
13 such aid.

14 5. State funds for sites and facilities made available and adminis-
15 tered by the state board.

16 6. Donations and gifts which may be accepted by the governing
17 board and expended in accordance with the terms of the gift without
18 compliance with the local budget law.

1 SEC. 19. Boards of directors of merged areas may acquire sites
2 and erect and equip buildings for use by area vocational schools or
3 area community colleges and may contract indebtedness and issue
4 bonds to raise funds for such purposes.

1 SEC. 20. Taxes for the payment of bonds issued under section nine-
2 teen (19) of this Act shall be levied in accordance with chapter
3 seventy-six (76) of the Code. The bonds shall be payable from a fund
4 created from the proceeds of such taxes in not more than twenty (20)
5 years and bear interest at a rate not exceeding five (5) percent per
6 annum, and shall be of such form as the board issuing the bonds shall
7 by resolution provide. Any indebtedness incurred shall not be con-
8 sidered an indebtedness incurred for general and ordinary purposes
9 as prescribed under section four hundred seven point one (407.1) of
10 the Code.

1 SEC. 21. No indebtedness shall be incurred under section nineteen
2 (19) of this Act until authorized by an election. A proposition to incur
3 indebtedness and issue bonds for area vocational school or area com-
4 munity college purposes shall be deemed carried in a merged area if
5 approved by a sixty (60) percent majority of all voters voting on the
6 proposition in the area.

1 SEC. 22. In addition to the tax authorized under section seventeen
2 (17) of this Act, the voters in any merged area may at the annual
3 school election vote a tax not exceeding three-fourths ($\frac{3}{4}$ ths) mill on
4 the dollar in any one (1) year for a period not to exceed five (5) years
5 for the purchase of grounds, construction of buildings, payment of
6 debts contracted for the construction of buildings, purchase of build-

7 ings and equipment for buildings, and the acquisition of libraries, and
 8 for the purpose of maintaining, remodeling, improving, or expanding
 9 the area vocational school or area community college of the merged
 10 area.

1 SEC. 23. The board of directors of each area vocational school or
 2 area community college shall:

3 1. Determine the curriculum to be offered in such school or college
 4 subject to approval of the state board.

5 2. Change boundaries of director districts in merged areas after
 6 each decennial census or change in boundaries of the merged area to
 7 compensate for changes in population if such population changes have
 8 taken place.

9 3. Have authority to determine tuition rates for instruction as au-
 10 thorized under section eighteen (18), subsection three (3) of this Act.

11 4. Have the powers and duties with respect to such schools and col-
 12 leges, not otherwise provided in this Act, which are prescribed for
 13 boards of directors of local school districts by chapter two hundred
 14 seventy-nine (279) of the Code.

15 5. Have the power to enter into contracts and take other necessary
 16 action to insure a sufficient curriculum and efficient operation and
 17 management of the school or college and maintain and protect the
 18 physical plant, equipment, and other property of the school or college.

19 6. Establish policy and make rules, not inconsistent with law and
 20 administrative rules, regulations, and policies of the state board, for
 21 its own government and that of the administrative, teaching, and other
 22 personnel, and the students of the school or college, and aid in the
 23 enforcement of such laws, rules, and regulations.

24 7. Have authority to sell any article resulting from any vocational
 25 program or course offered at an area vocational school or area com-
 26 munity college. Governmental agencies and governmental subdivisions
 27 of the state within the merged areas shall be given preference in the
 28 purchase of such articles. All revenue received from the sale of any
 29 article shall be credited to the funds of the board of the merged area.

30 8. With the consent of the inventor, and in the discretion of the
 31 board, secure letters patent or copyright on inventions of students,
 32 instructors, and officials of any vocational school or community college
 33 of the merged area, or take assignment of such letters patent or copy-
 34 right and make all necessary expenditures in regard thereto. Letters
 35 patent or copyright on inventions when so secured shall be the prop-
 36 erty of the board of the merged area and the royalties and earnings
 37 thereon shall be credited to the funds of the board.

1 SEC. 24. The board of directors of a merged area initially organized
 2 for the establishment of, and which is operating, an area vocational
 3 school may with the approval of the state board expand the curriculum
 4 of the school to qualify as an area community college. The state board
 5 shall upon approval officially classify the school as an area community
 6 college.

1 SEC. 25. The state board shall:

2 1. Have authority to designate any vocational school or community
 3 college as an "area vocational education school" within the meaning of,

4 and for the purpose of administering, the Act of Congress designated
5 the "Vocational Education Act of 1963." No vocational school or com-
6 munity college shall be so designated by the board for the expenditure
7 of funds under section thirty-five *c* (35*c*), subsection (*a*), paragraph
8 five (5), Title twenty (20), U.S.C., which has not been designated and
9 classified as an area vocational school or area community college by
10 the state board.

11 2. Change boundaries of director districts in any merged area when
12 the board of directors of the area fails to change boundaries as re-
13 quired under section twenty-three (23), subsection two (2), of this
14 Act.

15 3. Change boundaries of merged areas to take into account mergers
16 of local school districts and changes in boundaries of local school dis-
17 tricts, when necessary to maintain the policy of this Act that no local
18 school district shall be a part of more than one (1) merged area. The
19 state board may also make other changes in boundaries of merged
20 areas with the approval of the board of directors of each merged area
21 affected by the change. At any time when the boundaries of a merged
22 area are so changed, the state board may authorize the board of direc-
23 tors of the merged area to levy additional taxes upon the property
24 within the merged area, or any part thereof, and distribute the same
25 so that all parts of the merged area are paying their share toward the
26 support of the school or college.

27 4. Administer, allocate, and disburse any federal or state funds
28 made available to pay any portion of the cost of acquiring sites for and
29 constructing, acquiring, or remodeling facilities for area vocational
30 schools or area community colleges, and establish priorities for the
31 use of such funds.

32 5. Administer, allocate, and disburse any federal or state funds
33 available to pay any portion of the operating costs of area vocational
34 schools or area community colleges.

35 6. Approve, in such manner as it may prescribe, sites and buildings
36 to be acquired, erected, or remodeled for use by area vocational schools
37 or area community colleges.

38 7. Have authority to adopt such administrative rules and regula-
39 tions as it deems necessary to carry out the provisions of this Act.

40 8. Have the power to enter into contracts with local school boards
41 within the area that have and maintain a technical or vocational high
42 school and with private schools or colleges in the cooperative or merged
43 areas to provide courses or programs of study in addition to or as a
44 part of the curriculum made available in the community college or
45 area vocational schools.

1 SEC. 26. Any local school district which operated a community or
2 junior college for any period between September 1, 1964 and the effec-
3 tive date of this Act may continue to operate such college. Existing
4 public community or junior colleges may be converted into area voca-
5 tional schools or area community colleges in the manner provided in
6 this Act. In addition, an existing public community or junior college
7 may be converted into an area vocational school or area community
8 college by agreement between the board of directors of the local school
9 district operating the community or junior college and the board of

10 directors of the merged area. Such agreement shall be effective only
 11 if approved by the state board of public instruction. Such agreement
 12 shall provide for reasonable compensation to such local school district.

13 Where the board of any local school district operating a community
 14 or junior college and the board of directors of the merged areas are not
 15 in agreement on the reasonable value of any public community or
 16 junior college which is to be converted, the matters of disagreement
 17 shall be decided by three (3) disinterested arbitrators; one (1) se-
 18 lected by the local board, one (1) by the board of the merged area,
 19 and one (1) by the two (2) arbitrators so selected. The decision of
 20 the arbitrators shall be made in writing and a copy of the decision
 21 shall be filed with the secretary of the board of the merged area and
 22 the secretary of the local board. Any party to the proceedings may
 23 appeal therefrom to the district court by serving notice thereof within
 24 twenty (20) days after the decision is filed. Such appeal shall be tried
 25 in equity and a decree entered determining the entire matter. The
 26 decree so entered shall be final.

1 SEC. 27. There is hereby established within the state department
 2 of public instruction a division of community and junior colleges. The
 3 division shall, under the supervision of the state superintendent, exer-
 4 cise the powers and perform the duties with respect to area and public
 5 community and junior colleges imposed by law upon the department.

1 SEC. 28. The state superintendent, with the approval of the state
 2 board, shall appoint a full-time director of the division of community
 3 and junior colleges and may employ such other qualified personnel as
 4 shall be necessary. The director shall be a person with teaching or
 5 administrative experience in the field of community and junior colleges
 6 or higher education and shall meet such qualifications in the area of
 7 vocational education as the state board deems necessary.

1 SEC. 29. There is further established a state advisory committee
 2 on community and junior colleges which shall consist of nine (9) mem-
 3 bers. Members of the committee shall be appointed by the governor
 4 and shall include:

5 1. A member of the state board of regents.
 6 2. A member of the state advisory committee for vocational educa-
 7 tion.

8 3. A member to represent private universities and colleges.

9 4. A member to represent public and private junior and community
 10 colleges.

11 5. A member to represent associations which have been established
 12 for the purpose of furthering the education and training of individuals
 13 with academic, socio-economic, and other handicaps.

14 6. A member to represent local school districts which offer programs
 15 of vocational education.

16 7. Three (3) members to represent the general public.

1 SEC. 30. The members of the state advisory committee shall serve
 2 for terms of four (4) years but the nine (9) initial appointees shall
 3 serve as follows: Four (4) members shall serve from the date of ap-
 4 pointment until June 30, 1967 and five (5) members shall serve from
 5 the date of the appointment until June 30, 1969. Any vacancy on the

6 committee shall be filled for the unexpired term of the vacancy in the
7 same manner as the original appointment. Members of the committee
8 shall serve without compensation but shall be allowed actual and neces-
9 sary expenses while engaged in official duties.

1 SEC. 31. Prior to August 1 of each year, the advisory committee
2 shall meet and organize. The committee shall annually elect a chair-
3 man and such other officers as committee members deem necessary.
4 The chairman of the committee shall be responsible for calling meet-
5 ings of the advisory committee. Advisory committee members shall
6 meet at least four (4) times a year and at such other times as the
7 chairman or the state superintendent deems necessary.

1 SEC. 32. The advisory committee shall advise the state board on
2 the establishment of area community colleges, on the adoption of
3 standards for area and public community and junior colleges, and
4 other matters relating to area and public community and junior col-
5 leges under the jurisdiction of the state board and state superin-
6 tendent.

1 SEC. 33. Approval standards for area and public community and
2 junior colleges shall be established by the state board of public in-
3 struction and the state board of regents, acting jointly, with the advice
4 of the state advisory committee on community and junior colleges.
5 Such standards shall be issued and enforced by the state department
6 of public instruction which shall certify as approved any area or public
7 community or junior college meeting such standards. Approval stand-
8 ards for area and public community and junior colleges shall include
9 standards for administration, certification and assignment of person-
10 nel, curriculum, facilities and sites, requirements for the awarding of
11 diplomas and other evidence of educational achievement, guidance and
12 counseling, instruction or instructional materials, maintenance, school
13 library, and staff.

1 SEC. 34. Section two hundred fifty-eight point four (258.4), Code
2 1962, is hereby amended by inserting in line four (4) of subsection
3 seven (7) of such section after the word "programs," the words "area
4 vocational schools and programs".

1 SEC. 35. Section two hundred eighty point eighteen (280.18), Code
2 1962, is amended by striking all of lines thirty (30), thirty-one (31),
3 and thirty-two (32).

1 SEC. 36. Section two hundred eighty-six A point three (286A.3),
2 Code 1962, is hereby amended by striking lines four (4) through
3 eighteen (18) and inserting in lieu thereof the following:
4 "Approval standards for public community and junior colleges shall
5 be established and approved as prescribed in section thirty-three (33)
6 of this Act, with said standards to be issued and enforced by the state
7 department of public instruction. Eligibility for receipt of state aid
8 for public community and junior colleges shall be determined by the
9 state board of public instruction and the state board of regents. No
10 aid shall be paid to a public community or junior college unless such
11 college meets approval standards."

1 SEC. 37. Section two hundred eighty-six A point four (286A.4),
 2 Code 1962, as amended by chapter one hundred seventy-three (173),
 3 Acts of the Sixtieth General Assembly, is hereby amended as follows:

4 1. By inserting in line three (3) of subsection three (3) after the
 5 word "the" the words "community or".

6 2. By adding the following to subsection three (3) :

7 "Merged areas operating an area vocational school or area commu-
 8 nity college shall be entitled to general school aid. The general school
 9 aid funds allocated to each merged area operating an area vocational
 10 school or area community college shall be determined by multiplying
 11 two (2) dollars and twenty-five (25) cents by the average daily enroll-
 12 ment of students who are residents of the state and who are attending
 13 the vocational school or community college and are carrying twelve
 14 (12) or more semester hours of work plus the full-time equivalent of
 15 students carrying less than twelve (12) semester hours of work. Mul-
 16 tiple this product by the actual number of days the school or college
 17 was officially in session. The aid computation shall be made separately
 18 for each area vocational school or area community college."

1 SEC. 38. Section one (1) of chapter one hundred seventy-three
 2 (173), Acts 60th General Assembly is amended by striking from line
 3 seven (7) the words "one dollar and a half" and inserting in lieu
 4 thereof the words and figures "two (2) dollars and twenty-five (25)
 5 cents".

Approved June 7, 1965.

CHAPTER 248

SUMMER SCHOOL PROGRAMS

S. F. 41

AN ACT to amend chapter two hundred eighty-two (282), Code 1962, relating to at-
 tendance fees for summer school programs.

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

1 SECTION 1. Section two hundred eighty-two point six (282.6),
 2 Code 1962, is hereby amended by inserting after the word "twenty-
 3 one" in line eight (8) the following:

4 " , provided, however, fees may be charged covering instructional
 5 costs for a summer school program". The Board of Education may,
 6 in a hardship case, exempt a student from payment of the above fees.

1 SEC. 2. This Act being of immediate importance shall be in full
 2 force and effect from and after its passage and publication in The
 3 Clinton Herald, a newspaper published at Clinton, Iowa, and the Fort
 4 Dodge Messenger, a newspaper published at Fort Dodge, Iowa.

Approved April 23, 1965.

I hereby certify that the foregoing Act, Senate File 41, was published in The Clinton
 Herald, Clinton, Iowa, April 29, 1965, and in the Fort Dodge Messenger, Fort Dodge,
 Iowa, April 28, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 249

EDUCATION OF CHILDREN IN INSTITUTIONS

S. F. 86

AN ACT to amend chapter two hundred eighty-two (282), Code 1962, to provide for the education of children in state controlled institutions.

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

1 SECTION 1. Chapter two hundred eighty-two (282), Code 1962, is
2 hereby amended by adding the following section:
3 "When any child is cared for in any state supported institution in
4 this state which does not maintain a school and the domicile of the
5 child is in another school district than that wherein the institution is
6 situated, then such child shall be entitled to attend school in the dis-
7 trict where such institution is located, provided, however, the board
8 of the district has the authority to determine if such child can be
9 benefited from such attendance. In such case the cost of tuition and
10 transportation, at the rates established by law, shall be paid by the
11 treasurer of the state from any funds in the state treasury not other-
12 wise appropriated and upon warrants drawn by the state comptroller
13 upon requisition of the superintendent of public instruction."

Approved February 19, 1965.

CHAPTER 250

ADVANCED COURSES FOR HIGH SCHOOL STUDENTS

S. F. 110

AN ACT to permit specially qualified high school students to attend a college or university for advanced courses.

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

1 SECTION 1. The board of any junior college school district may, by
2 mutual agreement with any college or university, permit any specially
3 qualified high school student to attend advanced courses of academic
4 instruction therein.
5 The state board of regents and the department of public instruction
6 may by rule permit such students to attend any institution of higher
7 learning under their jurisdiction. Credit earned in any such course at
8 a junior college, college or university may be applied toward credit for
9 high school graduation. No public school funds shall be expended for
10 payment of tuition or other costs for such attendance at any college or
11 university, unless such payment is expressly permitted or required by
12 law.
13 The foregoing provisions shall also apply to junior colleges, colleges
14 and universities in adjacent states when such institutions are located
15 nearer to the homes or schools of the school district than the closest
16 junior college, college or university within the state.

Approved May 28, 1965.

CHAPTER 251

FINANCING SCHOOL COSTS

S. F. 169

AN ACT relating to the financing of school costs.

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

1 SECTION 1. Section two hundred eighty-six A point seven
2 (286A.7), Code 1962, as amended by section two (2) of chapter one
3 hundred seventy-four (174), Acts of the Sixtieth General Assembly,
4 is hereby repealed and the following enacted in lieu thereof:

5 "For the purpose of carrying out the provisions of this chapter for
6 the distribution of general school aid, the funds of each school district,
7 except schoolhouse funds, shall be designated as a general fund.

8 "All general aid monies distributed to a public school district shall
9 be placed in the general fund of said district which fund shall be used
10 only for the cost of maintaining and operating the school and the cost
11 of instruction and supervision occasioned by the teaching of the cur-
12 riculum of said school and for the purposes set forth in chapters
13 ninety-seven B (97B) and ninety-seven C (97C) and sections two
14 hundred ninety-four point eight (294.8), two hundred ninety-four
15 point nine (294.9), two hundred ninety-four point ten (294.10), two
16 hundred ninety-four point eleven (294.11), two hundred ninety-four
17 point twelve (294.12), as amended by chapter one hundred seventy-
18 seven (177), Acts of the Sixtieth General Assembly, two hundred
19 ninety-four point thirteen (294.13), and two hundred ninety-four
20 point fourteen (294.14) of the Code.

21 "The board of directors of each school district shall prepare a budget
22 as required by law setting out the amount of money proposed to be
23 expended from the general fund. The board shall include all state
24 funds distributed to the district under the provisions of this chapter
25 in the anticipated income to be received by the general fund, and the
26 amount to be raised by taxation for general fund purposes shall be
27 fixed after deducting the amount to be received pursuant to this chap-
28 ter, any other funds received from the state of Iowa, and funds from
29 any other source, from the budget requirements.

30 "Not later than September 1 of each year the department of public
31 instruction shall certify to the board of supervisors of each county the
32 amount of general aid, supplementary aid, transportation aid, and any
33 other state aid that will be received by each school district within the
34 county. In the event any estimate of said aids in any school budget
35 certified to the county auditor, as provided by section twenty-four
36 point seventeen (24.17) of the Code, is less than the amount of said
37 aid certified to the county board of supervisors by the department of
38 public instruction as provided by this section, the board of supervisors
39 shall reduce the amount to be raised by taxation shown in the certified
40 budget by an amount equal to the difference between the estimated aid
41 in the budget and the amount of aid certified to the board of super-
42 visors by the state department of public instruction before levying the

43 taxes as provided by section two hundred ninety-eight point eight
44 (298.8) of the Code."

1 SEC. 2. Section two hundred ninety-eight point one (298.1), Code
2 1962, is hereby amended by striking lines eight (8) through twenty
3 (20) and inserting in lieu thereof the following:
4 "exceed the sum of four hundred (400) dollars for each person of
5 school age and such additional amount as".

1 SEC. 3. Section two hundred ninety-eight point four (298.4), Code
2 1962, is hereby repealed.

1 SEC. 4. Section three hundred one point four (301.4), Code 1962,
2 is amended by striking all after the word "fund" in line four (4).

1 SEC. 5. Section two hundred ninety-eight point two (298.2), Code
2 1962, is hereby amended by adding thereto the following:
3 "However, for the school fiscal year beginning July 1, 1966 and each
4 year thereafter, no school district shall levy an amount for the general
5 fund which is more than twice the average amount per person of
6 school age raised by taxation for the school general fund throughout
7 the state during the preceding school fiscal year, unless the proposition
8 to do so is submitted to and approved by a majority of the voters at
9 any regular or special election. If approved, the amount of the levy
10 in excess of said limitation shall be certified to the levying board prior
11 to the first day of October".

1 SEC. 6. Section two hundred seventy-eight point one (278.1), Code
2 1962, is hereby amended by adding thereto the following:
3 "11. Approve a proposed general fund levy in excess of the limita-
4 tion provided in section two hundred ninety-eight point two (298.2)
5 of the Code for the fiscal year next ensuing".

Approved May 24, 1965.

CHAPTER 252

SCHOOL ANNUITY CONTRACTS

S. F. 276

AN ACT to amend chapter two hundred ninety-four (294), Code 1962, to authorize school districts to purchase annuity contracts for employees.

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

1 SECTION 1. Chapter two hundred ninety-four (294), Code 1962, is
2 hereby amended by adding thereto the following:
3 "At the request of an employee through contractual agreement a
4 school district may purchase an individual annuity contract for an
5 employee, from such insurance organization authorized to do business
6 in this state and through an Iowa licensed insurance agent as the
7 employee may select, for retirement or other purposes and may make
8 payroll deductions in accordance with such arrangements for the pur-
9 pose of paying the entire premium due and to become due under such

10 contract. The deductions shall be made in the manner which will
 11 qualify the annuity premiums for the benefit afforded under section
 12 four hundred three 'b' (403b) of the federal internal revenue code and
 13 amendments thereto. The employee's rights under such annuity con-
 14 tract shall be nonforfeitable except for the failure to pay premiums."

Approved May 28, 1965.

CHAPTER 253
 SCHOOL SITE TAX
 S. F. 269

AN ACT to amend chapter two hundred ninety-seven (297), Code 1962, relating to school site tax.

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

1 SECTION 1. Section two hundred ninety-seven point five (297.5),
 2 Code 1962, is hereby amended by striking all of lines one (1) and two
 3 (2) and line three (3) to and including the word "city", and substitut-
 4 ing in lieu thereof the following: "The directors in any high school
 5 district maintaining a program kindergarten through grade twelve
 6 (12) and having a total enrollment of 600 or more".

Approved May 25, 1965.

CHAPTER 254
 SPECIAL SCHOOLHOUSE TAX
 S. F. 255

AN ACT relating to special levies on schoolhouse tax.

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

1 SECTION 1. Section two hundred ninety-eight point nine (298.9),
 2 Code 1962, is amended by adding thereto the following:
 3 "If the certification is so filed prior to the first day of October, said
 4 annual levy shall begin with the tax levy of the year of filing. If the
 5 certification is filed after the first day of October in any year, such
 6 levy shall begin with the levy of the calendar year succeeding the year
 7 of the filing of such certification."

Approved April 30, 1965.

CHAPTER 255

SCHOOL BONDS MILLAGE LIMIT

H. F. 2

AN ACT to amend section two hundred ninety-eight point eighteen (298.18), Code 1962, relating to millage limitation on school bonded indebtedness.

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

1 SECTION 1. Section two hundred ninety-eight point eighteen
2 (298.18), Code 1962, is hereby amended as follows:

3 1. By striking the word "seven" in line fourteen (14) and inserting
4 in lieu thereof the word "ten (10)".

5 2. By striking the word "seven" in line seventeen (17) and insert-
6 ing in lieu thereof the word "ten (10)".

1 SEC. 2. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its passage and publication
3 in The Hartley Sentinel, a newspaper published in Hartley, Iowa, and
4 in the Cedar Rapids Gazette, a newspaper published in Cedar Rapids,
5 Iowa.

Approved March 19, 1965.

I hereby certify that the foregoing Act, House File 2, was published in The Hartley Sentinel, Hartley, Iowa, April 8, 1965, and in the Cedar Rapids Gazette, Cedar Rapids, Iowa, March 22, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 256

INTERSTATE LIBRARY COMPACT

S. F. 17

AN ACT conferring authority on the Iowa State Traveling Library to enter into an interstate library compact to authorize cooperation with states bordering on the state of Iowa in providing library services.

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

1 SECTION 1. Iowa state traveling library is hereby authorized to
2 enter into interstate library compacts on behalf of the state of Iowa
3 with any state bordering on Iowa which legally joins therein in sub-
4 stantially the following form.

5 The contracting states agree that:

6 ARTICLE I—PURPOSE

7 Because the desire for the services provided by public libraries
8 transcends governmental boundaries and can be provided most effec-
9 tively by giving such services to communities of people regardless of
10 jurisdictional lines, it is the policy of the states who are parties to
11 this compact to cooperate and share their responsibilities in providing
12 joint and cooperative library services in areas where the distribution

13 of population makes the provision of library service on an interstate
14 basis the most effective way to provide adequate and efficient services.

15 ARTICLE II—PROCEDURE

16 The appropriate state library officials and agencies having com-
17 parable powers with those of the Iowa state traveling library of the
18 party states or any of their political subdivisions may, on behalf of
19 said states or political subdivisions, enter into agreements for the
20 cooperative or joint conduct of library services when they shall find
21 that the executions of agreements to that end as provided herein will
22 facilitate library services.

23 ARTICLE III—CONTENT

24 Any such agreement for the cooperative or joint establishment,
25 operation or use of library services, facilities, personnel, equipment,
26 materials or other items not excluded because of failure to enumerate
27 shall, as among the parties of the agreement:

- 28 1. Detail the specific nature of the services, facilities, properties or
29 personnel to which it is applicable;
- 30 2. Provide for the allocation of costs and other financial responsi-
31 bilities;
- 32 3. Specify the respective rights, duties, obligations and liabilities;
- 33 4. Stipulate the terms and conditions for duration, renewal, termi-
34 nation, abrogation, disposal of joint or common property, if any, and
35 all other matters which may be appropriate to the proper effectuation
36 and performance of said agreement.

37 ARTICLE IV—CONFLICT OF LAWS

38 Nothing in this compact or in any agreement entered into here-
39 under shall alter, or otherwise impair any obligation imposed on any
40 public library by otherwise applicable laws, or be constituted to super-
41 sede.

42 ARTICLE V—ADMINISTRATOR

43 Each state shall designate a compact administrator with whom
44 copies of all agreements to which his state or any subdivision thereof
45 is party shall be filed. The administrator shall have such powers as
46 may be conferred upon him by the laws of his state and may consult
47 and cooperate with the compact administrators of other party states
48 and take such steps as may effectuate the purposes of this compact.

49 ARTICLE VI—EFFECTIVE DATE

50 This compact shall become operative when entered in by two or
51 more entities having the powers enumerated herein.

52 ARTICLE VII—RENUNCIATION

53 This compact shall continue in force and remain binding upon each
54 party state until six months after any such state has given notice of
55 repeal by the legislature. Such withdrawal shall not be construed to
56 relieve any party to an agreement authorized by Articles II and III
57 of the compact from the obligation of that agreement prior to the end
58 of its stipulated period of duration.

59 ARTICLE VIII—SEVERABILITY—CONSTRUCTION

60 The provisions of this compact shall be severable. It is intended
61 that the provisions of this compact be reasonably and liberally con-
62 strued.

1 SEC. 2. **Administrator.** The director of the Iowa state traveling
2 library shall be the compact administrator. The compact administra-
3 tor shall receive copies of all agreements entered into by the state or
4 its political subdivisions and other states or political subdivisions;
5 consult with, advise and aid such governmental units in the formula-
6 tion of such agreements; make such recommendations to the governor,
7 legislature, governmental agencies and units as he deems desirable to
8 effectuate the purposes of this compact and consult and cooperate with
9 the compact administrators of other party states.

1 SEC. 3. **Agreements.** The compact administrator and the chief
2 executive of any county, city, village, town or library board is hereby
3 authorized and empowered to enter into agreements with other states
4 or their political subdivisions pursuant to the compact. Such agree-
5 ments as may be made pursuant to this compact on behalf of the state
6 of Iowa shall be made by the compact administrator. Such agreements
7 as may be made on behalf of a political subdivision shall be made after
8 due notice to the compact administrator and consultation with him.

1 SEC. 4. **Enforcement.** The agencies and officers of this state and
2 its subdivisions shall enforce this compact and do all things appropri-
3 ate to effect its purpose and intent which may be within their respec-
4 tive jurisdiction.

1 SEC. 5. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its publication in The Daily
3 Gate City, a newspaper published in Keokuk, Iowa, and in the Bur-
4 lington Hawk-Eye, a newspaper published in Burlington, Iowa.

Approved February 19, 1965.

I hereby certify that the foregoing Act, Senate File 17, was published in The Daily Gate City, Keokuk, Iowa, February 26, 1965, and in the Burlington Hawk-Eye, Burlington, Iowa, March 1, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 257

OFFICIAL HISTORICAL MARKERS

H. F. 633

AN ACT granting the board of curators of the state historical society the authority to establish a uniform official historical marker system, and to provide an appropriation therefor.

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

1 SECTION 1. The board of curators of the state historical society
2 shall plan, develop, and publicize a uniform official system of marking
3 of state historical, archaeological, geological, and legendary sites.

1 SEC. 2. Sites selected by the board of curators shall be marked
2 with markers of standard design selected and approved by the board.
3 Markers so selected and approved shall be displayed at each site with
4 an inscription setting forth the facts of particular interest.

1 SEC. 3. Standard design markers as adopted and used shall be sub-
2 ject to such conditions as the board of curators may impose and shall
3 not be used to mark sites other than those designated by the board of
4 curators. The board may cause the removal of any marker not used as
5 designated.

1 SEC. 4. The board of curators may employ such personnel as shall
2 be necessary to make surveys necessary in selecting marker locations,
3 develop designs and prepare legends for markers, and perform such
4 other duties as the board may determine. The board shall further
5 have the authority to purchase approved markers when the board be-
6 lieves the purchase is in the best interests of the state.

1 SEC. 5. The selection of sites and erection of markers may be co-
2 ordinated with other state departments, including but not limited to
3 the Iowa state highway commission, the Iowa conservation commis-
4 sion, the Iowa development commission, with any governmental sub-
5 division of the state, and with private and public groups concerned
6 with the marking of sites.

1 SEC. 6. The board of curators may accept gifts, appropriations,
2 and bequests and shall use such gifts, appropriations, and bequests in
3 accordance with the wishes of the donor if expressed. Funds received
4 shall be paid into the state treasury and shall be paid out on order of
5 the board. All state boards, commissions, departments, and institu-
6 tions are directed to cooperate with the board in the performance of
7 its duties. The board may accept the aid, support, and cooperation of
8 county, city, and town agencies and of any person in executing board
9 projects.

1 SEC. 7. There is hereby appropriated to the board of curators of
2 the state historical society from the general fund of the state, the sum
3 of ten thousand (10,000) dollars for each year of the biennium be-
4 ginning July 1, 1965 and ending June 30, 1967, or so much thereof as
5 shall be necessary, for the purpose of this Act.

Approved June 2, 1965.

CHAPTER 258

HISTORICAL, ARCHEOLOGICAL AND PALEONTOLOGICAL SALVAGE

H. F. 371

AN ACT to authorize the state highway commission to enter into agreements for removal and preservation of historical, archeological, and paleontological remains disturbed or to be disturbed by highway construction.

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

1 SECTION 1. As used in this Act:

2 1. "Historical objects" means archeological and paleontological
3 objects, including all ruins, sites, buildings, artifacts, fossils, or other
4 objects of antiquity that have state and national significance from an
5 historical or scientific standpoint for the inspiration and benefit of the
6 people of the United States.

7 2. "Salvage" means the salvage of historical objects.

8 3. "Appropriate authority" means the federal or state authorities
9 concerned with the preservation and study of historical objects.

1 SEC. 2. 1. The state highway commission in letting contracts for
2 road construction shall take action to see that historical objects will
3 not be needlessly destroyed or if such destruction cannot be avoided
4 reasonable action shall be taken to obtain all information concerning
5 such objects prior to destruction. If it should appear that the proposed
6 construction will result in the destruction of historical objects and it is
7 determined by the appropriate authority that such objects cannot be
8 reasonably removed or otherwise preserved, consideration shall be
9 given to possible alternate locations of the highway.

10 2. If during the course of construction, historical objects are en-
11 countered, the appropriate authority shall be notified immediately and
12 steps taken to excavate and preserve the objects if practicable or if
13 preservation is impracticable, to permit the appropriate authority to
14 obtain and record data relative thereto.

15 3. Agreements may be entered into with the appropriate authority
16 to pay from federal highway funds the reasonable cost of salvage
17 work. Extra work orders may be issued to the contractor where neces-
18 sary and extra work orders may be issued in cases within the meaning
19 of "subsurface or lateral conditions" or "unknown physical conditions"
20 where such terms are used in the standard contract forms. Payment
21 for salvage work shall be limited to that performed within the road-
22 way prism and any location designated as a source of material. If the
23 contractor's operations are delayed because of salvage work such con-
24 tractor shall be entitled to an appropriate extension of the contract
25 time. If practicable, the operations shall be rescheduled to avoid the
26 section where the historical material is, until the removal of it.

27 4. The cost of exploratory work prior to construction shall be borne
28 by the appropriate authority. Costs of excavation of historical objects
29 or recordation of data may be paid by the federal highway funds.
30 Excavation costs may include costs of protecting and preservation
31 during removal from the site but shall not include the expense of
32 shipping historical objects from the site.

1 SEC. 3. Where federal funds are available to the state under fed-
 2 eral statutes providing for archeological and paleontological salvage,
 3 they shall be collected and credited as provided in section three hun-
 4 dred seven point seven (307.7) of the Code.

Approved June 2, 1965.

CHAPTER 259

INTERSTATE HIGHWAY USE

H. F. 583

AN ACT to prohibit parking on any portion of the national system of interstate and defense highways, and relating to the unlawful use of controlled-access facilities.

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

1 SECTION 1. Section three hundred six A point nine (306A.9), Code
 2 1962, is hereby repealed.

1 SEC. 2. Chapter three hundred twenty-one (321), Code 1962, is
 2 hereby amended by adding thereto the following:

3 "It is unlawful for any person (1) to drive a vehicle over, upon, or
 4 across any curb, central dividing section, or other separation or divid-
 5 ing line on controlled-access facilities; (2) to make a left turn or a
 6 semicircular or U-turn at maintenance cross-overs except by mainte-
 7 nance vehicles and authorized emergency vehicles; (3) to drive any
 8 vehicle except in the proper lane provided for that purpose and in the
 9 proper direction and to the right of the central dividing curb, separa-
 10 tion, section, or line; (4) to drive any vehicle into the controlled-access
 11 facility from a local service road except through an opening provided
 12 for that purpose in the dividing curb or dividing section or dividing
 13 line which separates such service road from the controlled-access facil-
 14 ity property; (5) to stop, park, or leave standing any vehicle, whether
 15 attended or unattended, upon the paved portion, the shoulders, or the
 16 right-of-way except at designated rest areas or in case of an emergency
 17 or other dire necessity, or in the case of an authorized emergency
 18 vehicle.

19 "For the purpose of this section, controlled-access facility shall have
 20 the same meaning as the meaning prescribed in section three hundred
 21 six A point two (306A.2).

22 "Violations of this section shall be punishable as provided in section
 23 three hundred twenty-one point four hundred eighty-two (321.482)."

Approved June 7, 1965.

CHAPTER 260

OUTDOOR ADVERTISING ON INTERSTATE HIGHWAYS

S. F. 192

AN ACT relating to outdoor advertising along the interstate highways within this state.

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

1 SECTION 1. As used in this Act:

2 1. "Advertising device" includes any outdoor sign, display, device,
3 figure, painting, drawing, message, placard, poster, billboard, or any
4 other device designed, intended, or used to advertise or to give infor-
5 mation in the nature of advertising and having the capacity of being
6 visible from the traveled portion of any highway of the interstate
7 system in this state.

8 2. "Interstate system" means the system of highways as defined in
9 Title twenty-three (23) U.S.C. one hundred three (103), subsection
10 (d) or amendments thereto.

11 3. "National policy" means the provisions relating to control of
12 advertising devices adjacent to the interstate system contained in Title
13 twenty-three (23) U.S.C. one hundred thirty-one (131) or amend-
14 ments thereto and the national standards promulgated pursuant to
15 such provisions.

1 SEC. 2. No advertising device shall be erected or maintained with-
2 in six hundred sixty (660) feet of the edge of the right-of-way of the
3 interstate system except the following:

4 1. Directional or other official signs or notices that are erected by
5 public officers or agencies and required or authorized by law.

6 2. Advertising devices in compliance with national policy and rules
7 and regulations promulgated by the state highway commission which
8 indicate the sale or lease of the property upon which such devices are
9 located or which advertise activities being conducted on the property
10 where the devices are located providing said rules and regulations
11 promulgated by the state highway commission shall not be more re-
12 strictive than required to conform to the national standards as set
13 forth in Title twenty-three, (23), United States Code.

14 3. Advertising devices in compliance with national policy and rules
15 and regulations promulgated by the state highway commission which
16 advertise activities being conducted within twelve (12) air miles of
17 the place where such devices are located.

18 4. Advertising devices in compliance with national policy and rules
19 and regulations promulgated by the state highway commission which
20 are designed to give information in the specific interest of the travel-
21 ing public.

22 5. Advertising devices which are located in commercial or industrial
23 zones traversed by segments of the interstate system within the bound-
24 aries of incorporated municipalities as such boundaries existed Sep-
25 tember 21, 1959, where the use of property adjacent to the interstate
26 system is subject to municipal regulation and control, or other areas
27 where the land on September 21, 1959, was clearly established by law
28 for industrial or commercial purposes.

1 SEC. 3. The state highway commission shall promulgate and en-
2 force rules and regulations consistent with the safety of the traveling
3 public and in compliance with national policy governing the erection,
4 maintenance, and frequency of advertising devices within six hundred
5 sixty (660) feet of the edge of the right-of-way of the interstate sys-
6 tem which are authorized by this Act and which are outside of com-
7 mercial and industrial zones designated in subsection five (5) of sec-
8 tion two (2) of this Act.

1 SEC. 4. The state highway commission shall acquire by purchase,
2 gift, or condemnation all advertising devices existing on the effective
3 date of this Act which violate the provisions of this Act or which fail
4 to conform to rules and regulations promulgated by the state highway
5 commission under this Act and all rights and interests of all persons
6 in and to such devices; except that in instances involving any author-
7 ized device which fails to conform to rules and regulations, the state
8 highway commission shall give notice to the owner of the device and
9 to the owner of the land on which the device is located and shall give
10 the owner and landowner time to conform to such rules and regula-
11 tions as provided in section five (5) of this Act before proceeding as
12 directed in this section. The provisions of chapters four hundred
13 seventy-one (471) and four hundred seventy-two (472) of the Code
14 shall be applicable to any such condemnation and the state highway
15 commission shall have the right to take immediate possession of and
16 remove such devices under the procedures of section four hundred
17 seventy-two point twenty-five (472.25) of the Code.

1 SEC. 5. Any advertising device erected adjacent to any interstate
2 system after the effective date of this Act which violates the provisions
3 of this Act or fails to comply with the rules and regulations promul-
4 gated by the state highway commission is a public nuisance. The state
5 highway commission shall give thirty (30) days notice, by certified
6 mail, to the owner of the device and to the owner of the land on which
7 said device is located to remove such advertising device if it is a pro-
8 hibited device or cause it to conform to rules and regulations if it is
9 an authorized device. If the landowner or owner of the device fails
10 to act within thirty (30) days as required in the notice, the state high-
11 way commission may file a petition in the district court of the county
12 where such advertising device is located to abate the nuisance. If the
13 court finds that a violation exists as alleged in the petition, the court
14 shall enter an order of abatement against the person or persons erect-
15 ing or maintaining such advertising device and against the person or
16 persons owning the land on which such advertising device is located.

1 SEC. 6. Whoever erects or maintains an advertising device in vio-
2 lation of this Act or in violation of rules and regulations promulgated
3 by the state highway commission under this Act shall be guilty of a
4 misdemeanor and upon conviction be fined not less than twenty-five
5 (25) dollars nor more than one hundred (100) dollars.

1 SEC. 7. The state highway commission may enter into agreements
2 with the secretary of commerce of the United States concerning the
3 erection, maintenance, regulation, location, frequency, and related
4 matters of advertising devices permitted under this Act.

1 SEC. 8. The state highway commission may accept any allotment
2 of funds by the United States or any department or agency thereof
3 appropriated under Title twenty-three (23) U.S.C. or amendments
4 thereto to accomplish the purposes of this Act.

1 SEC. 9. Section four hundred twenty-two point sixty-two (422.62),
2 Code 1962, as amended by chapter two hundred sixty-six (266) and
3 section one (1) of chapter two hundred sixty-seven (267), Acts of the
4 Sixtieth General Assembly, is hereby amended as follows:

5 1. By inserting in line six (6) after the word "treasurer." the fol-
6 lowing:

7 "Within fifteen (15) days after the effective date of this Act, the
8 state treasurer shall transfer the sum of three hundred fifty thousand
9 (350,000) dollars to a fund which shall be known as the 'interstate
10 outdoor advertising fund' from which all expenditures under this Act
11 shall be paid."

12 2. By inserting in line twenty-seven (27) after the word "plates"
13 the words "and the amount transferred during such fiscal year to the
14 interstate outdoor advertising fund".

1 SEC. 10. Section one (1) of chapter two hundred sixty-six (266),
2 Acts of the Sixtieth General Assembly, is hereby amended by inserting
3 in line eleven (11) after the word "year" the words ", and any amount
4 unexpended in the interstate outdoor advertising fund on June 30,
5 1969,".

1 SEC. 11. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its publication in The Deni-
3 son Review, a newspaper published in Denison, Iowa, and in The What
4 Cheer Patriot-Chronicle, a newspaper published in What Cheer, Iowa.

Approved May 7, 1965.

I hereby certify that the foregoing Act, Senate File 192, was published in The Denison Review, Denison, Iowa, May 17, 1965, and in The What Cheer Patriot-Chronicle, What Cheer, Iowa, May 20, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 261

SECONDARY ROADS

S. F. 224

AN ACT relating to secondary roads.

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

1 SECTION 1. Section three hundred nine point seven (309.7), sub-
2 section one (1), Code 1962, is amended by striking the words "two
3 and one-half ($2\frac{1}{2}$)" in line one (1) and inserting in lieu thereof the
4 words "eleven and one-eighth ($11\frac{1}{8}$)".

1 SEC. 2. Section three hundred nine point seven (309.7), Code
2 1962, is amended by striking all of subsection two (2).

Approved May 25, 1965.

CHAPTER 262

SECONDARY ROAD RESEARCH FUND

H. F. 424

AN ACT to establish a secondary road research fund.

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

1 SECTION 1. Section four (4) of chapter seventeen (17), Acts of
2 the Sixtieth General Assembly, is hereby repealed.

1 SEC. 2. Chapter three hundred ten (310) Code 1962, is hereby
2 amended by striking sections three hundred ten point thirty-five
3 (310.35) and three hundred ten point thirty-six (310.36).

1 SEC. 3. Chapter three hundred ten (310), Code 1962, is hereby
2 amended by adding the following sections:

3 1. **Secondary road research fund.** Notwithstanding any law to the
4 contrary, the state highway commission is hereby authorized to set
5 aside each year not to exceed one and one-half percent of the receipts
6 in the farm-to-market road fund in a fund to be known as the second-
7 ary road research fund.

8 2. **Use of fund.** The secondary road research fund shall be used by
9 the state highway commission solely for the purpose of financing engi-
10 neering studies and research projects which have as their objective
11 the more efficient use of funds and materials that are available for the
12 construction and maintenance of secondary roads, including bridges
13 and culverts located thereon.

14 3. **Report to governor.** The research projects and engineering
15 studies authorized herein shall be conducted in co-operation with the
16 county engineers. Once each year the highway commission shall file
17 a report with the governor and county engineers showing the work
18 accomplished and projects undertaken under section 2, and copies of
19 a biennial report of the same for the use and benefit of the general
20 assembly shall be filed with the chief clerk of the house of representa-
21 tives and the secretary of the senate on or before January 31 of each
22 odd-numbered year.

Approved June 2, 1965.

CHAPTER 263

HIGHWAY GRADE CROSSING FUND

H. F. 695

AN ACT relating to the annual credit to the highway grade crossing safety fund.

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

1 SECTION 1. Section three hundred twelve point two (312.2), Code
2 1962, is hereby amended by striking from line four (4) of subsection
3 five (5) of such section the words "one hundred twenty thousand dol-
4 lars" and inserting in lieu thereof the words "two hundred forty thou-
5 sand dollars".

Approved June 3, 1965.

CHAPTER 264

INSTITUTIONAL AND STATE PARK ROADS

H. F. 86

AN ACT to increase the amount of road use tax funds allocated for construction and maintenance of state institutional roads and state park roads.

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

1 SECTION 1. Section three hundred twelve point two (312.2), Code
2 1962, as amended, is hereby amended by striking from line six (6)
3 of subsection five (5) the words "five hundred thousand" and inserting
4 in lieu thereof the words "one million (\$1,000,000.00)."

Approved June 2, 1965.

CHAPTER 265

ROAD USE TAX FUNDS

S. F. 103

AN ACT relating to the use of road use tax money by cities and towns.

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

1 SECTION 1. Section three hundred twelve point six (312.6), Code
2 1962, is amended by inserting in line three (3) after the word "used"
3 a colon (:) and by striking the remainder of line three (3) and all of
4 lines four (4) through eleven (11) up to and including the period (.)
5 and inserting in lieu thereof the following:
6 "1. For the purposes for which street fund money may be used,
7 with the exception of parking facilities as provided in subsection five
8 (5) of section four hundred four point seven (404.7) of the Code.
9 2. For the acquisition and installation of traffic control signals and

10 devices required as part of a street construction or reconstruction
11 project.

12 3. For sidewalk expenditures required as part of a street construc-
13 tion or reconstruction project.

14 4. For payment of principal and interest on bonds issued for street,
15 bridge and viaduct purposes.

16 5. For the construction of storm sewers and other drains for con-
17 trolling and providing adequate drainage for surface waters originat-
18 ing within or flowing upon the right of ways of newly constructed or
19 reconstructed streets, and for the payment of principal and interest
20 on bonds issued to finance such construction."

Approved May 19, 1965.

CHAPTER 266

EXTENSIONS OF PRIMARY ROADS

H. F. 189

AN ACT relating to improvement and maintenance of extensions of primary roads within cities and towns.

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

1 SECTION 1. Section three hundred thirteen point twenty-one
2 (313.21), Code 1962, is hereby amended by striking from line thirteen
3 (13) the word "twenty-five" and inserting in lieu thereof the word
4 "thirty-five (35)".

1 SEC. 2. Section three hundred thirteen point thirty-six (313.36),
2 Code 1962, is hereby amended by striking from line ten (10) the word
3 "twenty-five" and inserting in lieu thereof the word "thirty-five (35)".

Approved June 2, 1965.

CHAPTER 267

PRIMARY ROAD SCENIC AND IMPROVEMENT FUND

H. F. 636

AN ACT relating to the establishment of a primary road scenic and improvement fund and to provide an appropriation therefor.

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

1 SECTION 1. Chapter three hundred thirteen (313), Code 1962, is
2 amended by adding thereto the following section:

3 "There is hereby created a primary road scenic and improvement
4 fund which shall include and embrace all funds hereafter credited
5 thereto. Said fund shall be administered by the state highway com-
6 mission and shall be used for the construction, reconstruction, im-
7 provement, and maintenance of roadside safety rest areas and scenic

8 beautification areas along the primary roads of the state including the
 9 acquisition of such property and property rights needed to accomplish
 10 said purposes. Part or all of said fund may be used to match federal
 11 allotments made available to the state of Iowa for the purposes pro-
 12 vided in this section and to this end, the state highway commission is
 13 empowered on behalf of the state to enter into any agreements or
 14 contracts with the duly constituted federal authorities in order to
 15 secure the benefit of all present and future federal allotments."

1 SEC. 2. Section four hundred twenty-two point sixty-two (422.62),
 2 Code 1962, as amended by section one (1) of chapter two hundred
 3 sixty-six (266) and sections one (1) and three (3) of chapter two
 4 hundred sixty-seven (267), Acts of the Sixtieth General Assembly, is
 5 hereby amended by inserting in line thirty-three (33) after the word
 6 "Code" the following:

7 " , provided however, that the treasurer of the state shall before
 8 making any allocation to the road use tax fund, credit to the primary
 9 road scenic and improvement fund from the net receipts collected the
 10 sum of one hundred thousand (100,000) dollars for the biennial period
 11 ending June 30, 1967, with the appropriation for the year ending June
 12 30, 1966, to be available upon publication".

1 SEC. 3. This Act, being deemed of immediate importance, shall
 2 take effect and be in full force from and after its publication in The
 3 Sigourney News-Review, a newspaper published in Sigourney, Iowa,
 4 and in the Oskaloosa Daily Herald, a newspaper published in Oska-
 5 loosa, Iowa.

Approved June 2, 1965.

I hereby certify that the foregoing Act, House File 636, was published in The Sigour-
 ney News-Review, Sigourney, Iowa, June 9, 1965, and in the Oskaloosa Daily Herald,
 Oskaloosa, Iowa, June 5, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 268

VEHICLES TRANSPORTING FERTILIZERS

S. F. 388

AN ACT relating to vehicles used for the transportation of fertilizers and chemicals
 used for farm crop production.

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

1 SECTION 1. Section three hundred twenty-one point one (321.1),
 2 Code 1962, is hereby amended by striking the last sentence of sub-
 3 section sixteen (16) thereof.

1 SEC. 2. Section three hundred twenty-one point one (321.1), Code
 2 1962, subsection seventeen (17) thereof, is amended by inserting after
 3 the word "including" in line five (5) thereof, the following:

4 "trailers and bulk spreaders which are not self-propelled having a
 5 gross weight of not more than six (6) tons used for the transportation

6 of fertilizers and chemicals used for farm crop production, and other
7 equipment used primarily for the application of fertilizers and chem-
8 icals in farm fields or for farm storage, but not including trucks
9 mounted with applicators of such products.”

1 SEC. 3. Section three hundred twenty-one point one hundred
2 twenty-three (321.123), Code 1962, is hereby amended by adding
3 thereto the following new subsection:

4 “Trailers and bulk spreaders which are not self-propelled having a
5 gross weight of not more than six (6) tons used for the transportation
6 of fertilizers and chemicals used for farm crop production, five dol-
7 lars (\$5.00).”

1 SEC. 4. Section three hundred twenty-one point three hundred
2 eighty-three (321.383), Code 1962, is hereby amended by inserting
3 after the comma (,) in line three (3) thereof the following:

4 “bulk spreaders and other fertilizer and chemical equipment defined
5 as special mobile equipment.”

1 SEC. 5. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its passage and publication
3 in The Sigourney News-Review, a newspaper published in Sigourney,
4 Iowa, and in the Mason City Globe-Gazette, a newspaper published in
5 Mason City, Iowa.

Approved April 29, 1965.

I hereby certify that the foregoing Act, Senate File 388, was published in The Sigour-
ney News-Review, Sigourney, Iowa, May 5, 1965, and in the Mason City Globe-Gazette,
Mason City, Iowa, May 5, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 269

BAIL FOR TRAFFIC VIOLATIONS

H. F. 214

AN ACT to amend sections three hundred twenty-one point one (321.1) and three hun-
dred twenty-one point four hundred eighty-six (321.486), Code 1962, relating to
appearance bail in connection with traffic violations.

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

1 SECTION 1. Section three hundred twenty-one point one (321.1),
2 Code 1962, is hereby amended by adding the following subsection:
3 “‘Guaranteed arrest bond certificate’ means any printed, unexpired
4 certificate issued by an automobile club or association to any of its
5 members, or any printed, unexpired certificate issued by an insurance
6 company authorized to write automobile liability insurance within this
7 state, which said certificate is signed by such member or insured and
8 contains a printed statement that such automobile club, association or
9 insurance company and a surety company which is doing business in
10 this state under the provisions of section five hundred fifteen point
11 forty-eight (515.48), subsection two (2) guarantee the appearance of

12 the person whose signature appears on the certificate and that they
 13 will, in the event of failure of such person to appear in court at the
 14 time of trial, pay any fine or forfeiture imposed on such person in an
 15 amount not to exceed two hundred dollars (\$200.00). If such insur-
 16 ance company is itself qualified under the provisions of section five
 17 hundred fifteen point forty-eight (515.48), subsection two (2) of the
 18 Code then it may be its own surety. Bail in this form shall be subject
 19 to the forfeiture and enforcement provisions with respect to bail bonds
 20 in criminal cases as provided by law."

1 SEC. 2. Section three hundred twenty-one point four hundred
 2 eighty-six (321.486), Code 1962, is hereby amended by inserting, after
 3 the first paragraph, a new paragraph as follows: "When bail is re-
 4 quired a current 'guaranteed arrest bond certificate' as defined in sec-
 5 tion three hundred twenty-one point one (321.1) of this chapter shall
 6 be considered sufficient surety to guarantee appearance for any offense
 7 charged under the provisions of this chapter, when upon conviction
 8 the prescribed penalty does not exceed two hundred dollars (\$200.00),
 9 but shall not be exclusive as to other forms of bail provided by law."

Approved May 6, 1965.

CHAPTER 270

AUXILIARY AXLES ON VEHICLES

S. F. 467

AN ACT relating to the use of auxiliary axles on vehicles.

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

1 SECTION 1. Section three hundred twenty-one point one (321.1),
 2 Code 1962, is hereby amended by adding thereto the following new
 3 subsection:

4 " 'Auxiliary axle' means a transferable axle with pneumatic tires
 5 utilized to convert any single axle to a tandem axle, or to convert any
 6 semitrailer to a full trailer with four or more wheels and which may
 7 be registered as if a vehicle."

1 SEC. 2. Section three hundred twenty-one point thirty-seven
 2 (321.37), Code 1962, is hereby amended by adding thereto the follow-
 3 ing new paragraph:

4 "The registration plate issued for an auxiliary axle shall be at-
 5 tached to the rear thereof when directly visible from the rear, and in
 6 all other cases, shall be attached to the right frame of such axle so as
 7 to be visible from the right side of the vehicle utilizing such axle."

1 SEC. 3. Section three hundred twenty-one point forty-three
 2 (321.43), Code 1962, is hereby amended by inserting after the word
 3 "vehicle" in line three (3) the words "or auxiliary axle".

1 SEC. 4. Section three hundred twenty-one point forty-three
 2 (321.43), Code 1962, is hereby further amended by inserting after the
 3 word "vehicle" in line seven (7) the words "or auxiliary axle".

1 SEC. 5. Section three hundred twenty-one point forty-three
2 (321.43), Code 1962, is hereby further amended by inserting after the
3 word "vehicle" in line eight (8) the words "or auxiliary axle".

1 SEC. 6. Section three hundred twenty-one point one hundred
2 twenty-two (321.122), Code 1962, is hereby amended by adding the
3 following to subsection one (1) thereof:

4 "Where an auxiliary axle has been registered under the provisions
5 of this chapter, the registered gross weight of the vehicle or combina-
6 tion of vehicles shall be the sum of the registered gross weight of such
7 auxiliary axle or axles added to the registered gross weight of the
8 truck, truck-tractor, or road-tractor."

1 SEC. 7. Section three hundred twenty-one point one hundred
2 twenty-two (321.122), Code 1962, is hereby further amended by add-
3 ing thereto the following:

4 "An auxiliary axle may be registered on an annual basis and the
5 annual registration fee shall be twenty-five dollars (\$25.00) for each
6 ton of registered gross weight."

1 SEC. 8. Section three hundred twenty-one point four hundred
2 sixty-six (321.466), Code 1962, is hereby amended by inserting the
3 following new paragraph following paragraph four (4) thereof:

4 "The registered gross weight of any vehicle or combination of
5 vehicles may also be increased by installing and using a properly reg-
6 istered auxiliary axle or axles, and the combined registered gross
7 weight of such vehicle and auxiliary axle or axles shall determine the
8 total registered gross weight thereof. No auxiliary axle may be used
9 to convert a single axle to a tandem axle unless equipped with a device
10 to equalize the load carried by the single axle and the said auxiliary
11 axle when in tandem and when in motion or when standing, and the
12 load transmitted to the highway by either the single axle or the auxil-
13 iary axle shall not exceed that permitted for any single axle, nor shall
14 the load transmitted to the highway when in tandem and when in
15 motion or when standing, exceed that permitted for any tandem axle."

1 SEC. 9. Section three hundred twenty-one point four hundred
2 sixty-six (321.466), Code 1962, is hereby further amended by insert-
3 ing after the word "thereof" in line three (3) of the fifth (5th) para-
4 graph the following:

5 "or any such vehicle equipped with a transferable auxiliary axle or
6 axles."

1 SEC. 10. Chapter three hundred twenty-one (321), Code 1962, is
2 hereby amended by adding thereto the following new section:

3 "No auxiliary axle shall be registered which is not permanently
4 identified by a serial or other identifying number permanently affixed
5 thereto and permanently and conspicuously displayed."

Approved June 30, 1965.

CHAPTER 271

MOTOR VEHICLE FEES TO COUNTIES

H. F. 229

AN ACT to amend chapter three hundred twenty-one (321), Code 1962, relating to motor vehicles as to fees collectible with respect to titles and liens and as to amounts of various fees to be retained by the counties for administrative services furnished by the county treasurers.

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

1 SECTION 1. Section three hundred twenty-one point twenty-three
2 (321.23), Code 1962, is amended by striking from line four (4) of
3 subsection one (1) the word "seventy-five" and inserting in lieu there-
4 of the words "one (1) dollar fifty (50)".

1 SEC. 2. Section three hundred twenty-one point forty-six (321.46),
2 Code 1962, is amended by striking the words, "seventy-five cents" in
3 line twelve (12) thereof and by inserting in lieu thereof the following:
4 "one dollar".

1 SEC. 3. Section three hundred twenty-one point forty-seven
2 (321.47), Code 1962, is amended by striking from line twenty-three
3 (23) the words "seventy-five" and inserting in lieu thereof the words
4 "one (1) dollar fifty (50)".

1 SEC. 4. Section three hundred twenty-one point forty-eight
2 (321.48), Code 1962, is amended by striking from line seven (7) of
3 subsection two (2) the word "seventy-five" and inserting in lieu there-
4 of the words "one (1) dollar fifty (50)".

1 SEC. 5. Section three hundred twenty-one point fifty (321.50),
2 Code 1962, is further amended by inserting after the word "dollar"
3 in line fifty-five (55) the words "and fifty cents".

1 SEC. 6. Section three hundred twenty-one point one hundred fifty-
2 two (321.152), Code 1962, is amended by striking the words, "fifty
3 cents" in line three (3) thereof and by inserting in lieu thereof the
4 following: "seventy-five cents", and by striking the words, "forty
5 cents" in line six (6) thereof and by inserting in lieu thereof the fol-
6 lowing: "sixty-five cents."

1 SEC. 7. Section three hundred twenty-one point twenty (321.20),
2 Code 1962, is amended by striking the words, "seventy-five cents" in
3 line nine (9) thereof and by inserting in lieu thereof the following:
4 "one dollar".

Approved June 3, 1965.

CHAPTER 272

MOTOR FUEL AND SPECIAL FUEL TAX

S. F. 594

AN ACT to amend the motor fuel and special fuel tax laws and to provide for dispensation of such fuels with penalties involved for violation of these provisions.

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

1 SEC. 1. Section three hundred twenty-one point twenty-four
2 (321.24), Code 1962, is amended by adding in line sixteen (16) after
3 the word "paid" the words ", type of fuel used".

1 SEC. 2. Section three hundred twenty-four point fifteen (324.15),
2 Code 1962, is amended by adding at the end of subsection three (3)
3 "Any report not filed within the time allowed by the treasurer will be
4 subject to a penalty of ten dollars."

1 SEC. 3. Section three hundred twenty-four point thirty-three
2 (324.33), Code 1962, is amended as follows:

3 1. By adding in subsection one (1) after the word "includes" in line
4 one (1) the words "fuel oils and".

1 SEC. 4. Section three hundred twenty-four point thirty-four
2 (324.34), Code 1962, is amended by striking all of said section after
3 the period in line twenty-two (22) and inserting the following para-
4 graphs:

5 "All deliveries by distributors of special fuel to be used for highway
6 use must be made into storage connected to a sealed meter pump as
7 licensed in said section.

8 The treasurer shall make reasonable rules and regulations governing
9 the dispensing of special fuel at retail service stations and may require
10 that all pumps located at said stations through which fuel oil can be
11 dispensed, metered, inspected, tested for accuracy, sealed and licensed
12 by the state department of agriculture, and that special fuel delivered
13 into the fuel supply tank of any motor vehicle shall be dispensed only
14 through these pumps.

15 All gallonage for non-highway use, dispensed through metered
16 pumps as licensed above, on which special fuel tax is not collected,
17 must be substantiated by non-highway exemption certificates as pro-
18 vided by the treasurer, signed by the purchaser, and retained by the
19 dealer.

20 For the privilege of purchasing special fuel, dispensed through
21 metered pumps as licensed above, on a basis exempt from the special
22 fuel tax, the purchaser shall sign non-highway exemption certificates
23 for the gallonage claimed for non-highway use.

24 The treasurer will disallow all sales said to be for non-highway use
25 unless proof is established by the retention of said certificate. Certifi-
26 cates for non-highway use sales must be retained by the dealer for a
27 period of three years."

1 SEC. 5. Section three hundred twenty-four point sixty-one
2 (324.61), Code 1962, is amended by adding in line eighteen (18) after
3 the words "have been paid" the words "(d) any person selling fuel oil
4 that can be used for highway use".

1 SEC. 6. Section three hundred twenty-four point seventy-three
2 (324.73), Code 1962, is amended by striking subsections six (6) and
3 seven (7) and renumbering the remaining subsections.

4 Said section is further amended by adding a new subsection as fol-
5 lows:

6 "Any delivery by a distributor of special fuel to a dealer or user for
7 the purpose of evading the state tax on special fuels, into facilities
8 other than those licensed above knowing that said fuel will be used as
9 special fuel for highway use shall constitute a violation of this section.
10 Any dealer or user for purposes of evading the state tax on special
11 fuel, who allows a distributor to place special fuel for highway use in
12 facilities other than those licensed above will also be deemed in viola-
13 tion of this section."

14 Section three hundred twenty-four point seventy-three (324.73),
15 Code 1962, is further amended by striking the last paragraph and
16 inserting in lieu thereof the following:

17 "Any person found guilty of any of the foregoing illegal acts shall
18 for the first offense be fined three hundred dollars, and for the second
19 and subsequent offenses shall be fined five hundred dollars and all of
20 his licenses held under the "Iowa Motor Vehicle Fuel Tax Law" may,
21 at the discretion of the court, be suspended for a period of up to six
22 months."

1 SEC. 7. This Act being deemed of immediate importance shall take
2 effect and be in force from and after its passage and publication in the
3 Burlington Hawk-Eye, a newspaper published in Burlington, Iowa,
4 and The Farmer-Labor Press, a newspaper published in Council Bluffs,
5 Iowa.

Approved June 30, 1965.

I hereby certify that the foregoing Act, Senate File 594, was published in the Burlington Hawk-Eye, Burlington, Iowa, July 1, 1965, and in The Farmer-Labor Press, Council Bluffs, Iowa, July 1, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 273

MOTOR VEHICLE TRANSIT PLATES

S. F. 242

AN ACT relating to the purchase of motor vehicle transit plates.

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

1 SECTION 1. Section three hundred twenty-one point one hundred
2 nine (321.109), Code 1962, is hereby amended as follows:

3 "1. By adding the following sentence at the end of said section:

4 'The provisions of this law will also apply to the purchase of travel
5 trailers.'"

Approved May 14, 1965.

CHAPTER 274

DRIVERS' EDUCATION COURSES

H. F. 390

AN ACT providing that no operator's or chauffeur's license shall be issued to a person under eighteen (18) years of age without his first having successfully completed an approved driver education course.

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

1 SECTION 1. Section three hundred twenty-one point one hundred
2 seventy-seven (321.177), Code 1962, is hereby amended as follows:

3 1. By striking all of subsection one (1) and inserting in lieu thereof
4 the following subsection:

5 "1. To any person, as an operator, who is under the age of sixteen
6 (16) years; provided that, effective August 1, 1966, the department
7 shall not issue a license to any person, as an operator, who is under the
8 age of seventeen (17) years and effective August 1, 1967, the depart-
9 ment shall not issue a license to any person, as an operator, who is
10 under the age of eighteen (18) years, without his first having success-
11 fully completed an approved driver education course, in which case,
12 the minimum age shall be sixteen (16) years. However, the depart-
13 ment may issue a restricted license as provided in section three hun-
14 dred twenty-one point one hundred ninety-four (321.194), Code 1962,
15 or an instruction permit as provided in section three hundred twenty-
16 one point one hundred eighty (321.180), Code 1962, to any person who
17 is at least fourteen (14) years of age."

18 2. By striking lines two (2) through six (6) in subsection two (2)
19 and inserting in lieu thereof the words "under the age of eighteen (18)
20 years."

1 SEC. 2. Section three hundred twenty-one point one hundred
2 seventy-eight (321.178), Code 1962, is hereby repealed.

1 SEC. 3. Section three hundred twenty-one point three hundred
2 seventy-five (321.375), Code 1962, is hereby amended by striking from
3 lines two (2) and three (3) the words "be at least sixteen years of
4 age," and inserting in lieu thereof the words "be at least eighteen (18)
5 years of age, unless such person has successfully completed an ap-
6 proved driver education course, in which case, the minimum age shall
7 be sixteen (16) years,".

1 SEC. 4. Section three hundred twenty-one point three hundred
2 seventy-six (321.376), Code 1962, is hereby amended as follows:

3 1. By inserting in line ten (10) after the word "sixteen", the words
4 "or seventeen (17)".

5 2. By inserting in line eleven (11) after the word "age" the words
6 " , if such person has successfully completed an approved driver edu-
7 cation course,".

1 SEC. 5. Chapter three hundred twenty-one (321), Code 1962, is
2 hereby amended by adding thereto the following:

3 "An approved driver education course as programmed by the de-
4 partment of public instruction shall consist of at least thirty (30)
5 clock hours of classroom instruction, and six (6) or more clock hours

6 of laboratory instruction of which at least three (3) clock hours shall
7 consist of street or highway driving.

8 "Commencing with the September, 1965, school term, the state of
9 Iowa shall reimburse each public school district in an amount not to
10 exceed thirty (30) dollars per student for each student completing an
11 approved driver education course offered or made available by the
12 school district. Every public school district in Iowa shall offer or make
13 available to all students residing in the school district an approved
14 course in driver education. Funds for such reimbursement shall be
15 appropriated by the legislature to a special driver education fund to be
16 administered by the department of public instruction. Two (2) per-
17 cent of the annual amount allocated to the special driver education
18 fund, shall be available to the department of public instruction for use
19 in discharging the cost of administration of this Act.

20 "Student, for purposes of this Act shall mean any person between
21 the ages of fifteen (15) years and twenty-one (21) years who resides
22 in the public school district and who satisfies the preliminary licensing
23 requirements of the department of public safety.

24 "Any person who successfully completes an approved driver educa-
25 tion course at a private or commercial driver education school licensed
26 by the department of public safety, shall likewise be eligible for an
27 operator's license at the age of sixteen (16) years, providing the
28 instructor in charge of the student's training has satisfied the educa-
29 tional requirements for a teaching certificate at the secondary level
30 and holds a valid certificate to teach driver education in the public
31 schools of Iowa."

1 SEC. 6. Section three hundred twenty-one point one hundred eighty
2 (321.180), Code 1962, as amended by chapter one hundred ninety-five
3 (195), section one (1), Acts of the Sixtieth General Assembly, is
4 hereby amended as follows:

5 1. By striking in line fourteen (14) the words "six months" and
6 inserting in lieu thereof the words "two (2) years from the date of
7 issuance".

8 2. By striking lines nineteen (19) and twenty (20) and inserting in
9 lieu thereof the words "less than sixteen (16) years of age shall en-
10 title".

1 SEC. 7. Section three hundred twenty-one point one hundred
2 ninety-four (321.194), Code 1962, is hereby amended as follows:

3 1. By striking in line four (4) the word "sixteen" and inserting in
4 lieu thereof the word "eighteen (18)".

5 2. By striking line seventeen (17) and inserting in lieu thereof the
6 words "expire on the licensee's eighteenth (18th) birthday or upon
7 issuance of a temporary driver's permit."

Approved June 7, 1965.

CHAPTER 275

TEMPORARY DRIVER'S PERMIT

S. F. 422

AN ACT relating to the issuance of a temporary driver's permit.

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

1 SECTION 1. Section three hundred twenty-one point one hundred
2 eighty-one (321.181), Code 1962, is hereby amended by adding the
3 following thereto:

4 "Any person on first application for a license to operate a motor
5 vehicle, except for a school license, who meets the requirements of sec-
6 tion three hundred twenty-one point one hundred eighty-six (321.186),
7 shall be issued a temporary driver's permit for a period not to exceed
8 one year. The permit shall be cancelled upon the conviction for a
9 moving traffic violation and reapplication may be made thirty (30)
10 days after the date of cancellation."

1 SEC. 2. Section three hundred twenty-one point one hundred
2 eighty-two (321.182), Code 1962, is hereby amended by adding to line
3 two (2) after the word "license", the words "or temporary driver's
4 permit".

1 SEC. 3. The cancellation of the temporary driver's permit upon
2 conviction for a moving traffic violation shall not result in requiring
3 the applicant to maintain proof of financial responsibility under sec-
4 tion three hundred twenty-one A point seventeen (321A.17), unless
5 the conviction would otherwise result in a suspension or revocation of
6 the person's driver's license.

Approved May 7, 1965.

CHAPTER 276

DUPLICATE DRIVER'S LICENSE FEES

H. F. 488

AN ACT relating to duplicate operator's and chauffeur's license fees.

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

1 SECTION 1. Section three hundred twenty-one point one hundred
2 ninety-five (321.195), Code 1962, is hereby amended by striking lines
3 seven (7) and eight (8) and inserting in lieu thereof the following:

4 "of two (2) dollars for an operator's or chauffeur's license, or
5 exten-".

Approved June 3, 1965.

CHAPTER 277

DRIVERS' LICENSES

H. F. 67

AN ACT relating to fees for the chauffeur's and operator's license and for the instruction and temporary driver's permit and to amend section three hundred twenty-one point one hundred ninety-seven (321.197), Code 1962, relating to expiration of chauffeur's license.

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

1 SECTION 1. Section three hundred twenty-one point one hundred
2 ninety-one (321.191), Code 1962, is hereby repealed and the follow-
3 ing enacted in lieu thereof:

4 "The fee for an operator's license or a temporary driver's permit
5 shall be five (5) dollars. The fee for an instruction permit shall be
6 three (3) dollars. The fee for a chauffeur's license shall be ten (10)
7 dollars."

1 SEC. 2. Section three hundred twenty-one point one hundred
2 ninety-seven (321.197), Code 1962, is hereby amended by striking
3 from line two (2) of said section the word "annually" and inserting
4 in lieu thereof the words "every two years".

1 SEC. 3. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its passage and publication
3 in the New Hampton Tribune, a newspaper published in New Hamp-
4 ton, Iowa, and in the Audubon News-Advocate, a newspaper published
5 in Audubon, Iowa.

Approved May 13, 1965.

I hereby certify that the foregoing Act, House File 67, was published in the New Hampton Tribune, New Hampton, Iowa, May 20, 1965, and in the Audubon News-Advocate, Audubon, Iowa, May 20, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 278

TREATMENT OF ALCOHOLISM

S. F. 529

AN ACT to provide for treatment of alcoholism.

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

1 SECTION 1. Section three hundred twenty-one point two hundred
2 eighty-one (321.281), Code 1962, is hereby amended by inserting after
3 the first paragraph of said section after the period in line twenty-three
4 (23) the following:

5 "In lieu of, or prior to imposition of, the punishment above described
6 for second offense, third offense and each offense thereafter, the court
7 upon hearing may commit the defendant for treatment of alcoholism
8 to any hospital or institution in Iowa providing such treatment. The
9 court may prescribe the length of time for such treatment or it may be

- 10 left to the discretion of the hospital to which the person is committed.
 11 A person committed under this Act shall be considered a state patient.”

Approved May 26, 1965.

CHAPTER 279

DRAG RACING PROHIBITED

S. F. 76

AN ACT relating to drag racing on Iowa's streets and highways.

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

1 SECTION 1. Chapter three hundred twenty-one (321), Code 1962,
 2 is hereby amended by adding thereto the following section:
 3 “No person shall engage in any motor vehicle speed contest or ex-
 4 hibition of speed on any street or highway of this state and no person
 5 shall aid or abet any motor vehicle speed contest or speed exhibition
 6 on any street or highway of this state, except that a passenger shall
 7 not be considered as aiding and abetting. Motor vehicle speed contest
 8 or exhibition of speed are defined as one or more persons competing in
 9 speed in excess of the applicable speed limit in vehicles on the public
 10 streets or highways.

11 “Any person who violates the provisions of this section shall be
 12 guilty of drag racing and upon conviction shall be punished by a fine
 13 of not more than one hundred (100) dollars or by imprisonment in the
 14 county jail for not more than thirty (30) days.”

1 SEC. 2. Chapter three hundred twenty-one point two hundred nine
 2 (321.209) is hereby amended by adding the following new subsection:
 3 “Conviction of drag racing.”

Approved April 23, 1965.

CHAPTER 280

FREEWAY SPEED LIMIT

S. F. 625

AN ACT relating to speed limits on freeways.

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

1 SECTION 1. Section three hundred twenty-one point two hundred
 2 eighty-five (321.285), Code 1962, is hereby amended by inserting in
 3 line eleven (11)* of subsection eight (8) immediately following the
 4 word “sunrise.” the words “However, the highway commission or the
 5 cities and towns, with the approval of the highway commission, may
 6 establish a lower speed limit upon such highways located within the

*Line 10 in Code 1962.

7 corporate limits of any city or town used as city alternate routes,
8 commonly referred to as 'freeways'."

1 SEC. 2. This Act being deemed of immediate importance, shall take
2 effect and be in force after its publication in The West Des Moines
3 Express, a newspaper published in West Des Moines, Iowa, and in the
4 Highland Park News, a newspaper published in Des Moines, Iowa.

Approved June 4, 1965.

I hereby certify that the foregoing Act, Senate File 625, was published in The West Des Moines Express, West Des Moines, Iowa, June 10, 1965, and in the Highland Park News, Des Moines, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 281

SIGNAL TO TURN BY VEHICLE DRIVERS

H. F. 128

AN ACT relating to the continuous signal by vehicle drivers of intention to turn.

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

1 SECTION 1. Section three hundred twenty-one point three hundred
2 fifteen (321.315)* is amended by striking the period in line five (5)
3 and inserting in lieu thereof the words "when the speed limit is forty-
4 five (45) miles per hour or less and a continuous signal during not
5 less than the last three (3) hundred feet when the speed limit is in
6 excess of forty-five (45) miles per hour."

Approved March 12, 1965.

*"Code 1962" omitted in enrolled Act.

CHAPTER 282

LEFT TURNS BY VEHICLES

H. F. 596

AN ACT to amend section three hundred twenty-one point three hundred twenty (321.320), Code 1962, relating to turning left at an intersection.

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

1 SECTION 1. Section three hundred twenty-one point three hundred
2 twenty (321.320), Code 1962, is hereby amended as follows:
3 1. By striking the word "but" in line seven (7) of said section and
4 inserting in lieu thereof the word "then".
5 2. By striking all of said section after the word "turn" in line ten
6 (10) of said section and inserting in lieu thereof a period.

7 3. By striking the words "any vehicle" in line four (4) of said sec-
8 tion and substituting in lieu thereof the words "all vehicles".

Approved May 24, 1965.

CHAPTER 283

BACKING VEHICLE ON HIGHWAY

S. F. 75

AN ACT relating to the responsibility of a motor vehicle operator in backing vehicles on highways.

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

1 SECTION 1. Chapter three hundred twenty-one (321), Code 1962,
2 is hereby amended by adding thereto the following section:
3 "No person shall operate a vehicle on a highway in reverse gear
4 unless and until such operation can be made with reasonable safety,
5 and shall yield the right of way to any approaching vehicle on the
6 highway or intersecting highway thereto which is so close thereto as
7 to constitute an immediate hazard."

Approved March 19, 1965.

CHAPTER 284

HIGHWAY CONSTRUCTION WORKERS SAFETY

S. F. 201

AN ACT relating to the safety of persons performing maintenance and construction work on highways.

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

1 SECTION 1. Chapter three hundred twenty-one (321), Code 1962
2 is hereby amended by adding thereto the following section:
3 1. "Every driver of a vehicle shall yield the right of way to pedes-
4 trian workers engaged in maintenance or construction work on a
5 highway whenever the driver is notified of the presence of such work-
6 ers by a flagman or a warning sign."

Approved April 14, 1965.

CHAPTER 285

SCHOOL BUSES ON PUBLIC HIGHWAYS

H. F. 159

AN ACT to amend chapter three hundred twenty-one (321), Code 1962, relating to the use and operation of school buses on the public highways.

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

1 SECTION 1. Section three hundred twenty-one point three hundred
2 seventy-two (321.372), Code 1962, is hereby amended as follows:

3 1. By adding to subsection one (1) the following paragraph:
4 "A school bus, when operating on a highway with four or more lanes
5 shall not stop to load or unload pupils who must cross the highway,
6 except at designated stops where pupils who must cross the highway
7 may do so at points where there are official traffic control devices or
8 police officers."

9 2. By striking in subsection three (3), line twenty-two (22) the
10 period (.) and adding the following, "where the speed limit is in excess
11 of thirty-five (35) miles per hour."

12 3. By adding a new subsection as follows: "The driver of a vehicle
13 upon a highway providing two or more lanes in each direction need not
14 stop upon meeting a school bus which is traveling in the opposite direc-
15 tion even though said school bus is stopped."

1 SEC. 2. Section three hundred twenty-one point three hundred
2 seventy-three (321.373), Code 1962, is hereby amended as follows:

3 1. By striking in subsection four (4), line two (2) the words,
4 "forty-eight" and inserting in lieu thereof the words, "sixty-seven
5 (67)".

6 2. By striking in subsection fourteen (14), line two (2) the words,
7 "at least twenty inches long" and inserting in lieu thereof the follow-
8 ing: ", octagonal in shape, with a distance of at least eighteen (18)
9 inches between parallel sides,".

10 3. By striking in subsection fourteen (14), line five (5) the word
11 "black" and inserting in lieu thereof the word "white".

12 4. By striking in subsection fourteen (14), line five (5) the word
13 "five" and inserting in lieu thereof the word "six (6)".

14 5. By striking in subsection fourteen (14), line six (6) the words,
15 "national school bus chrome" and inserting in lieu thereof the words
16 "a red".

17 6. By adding the following sentences to subsection fourteen (14):
18 "The outer edge of sign shall be painted white one-half inch wide. The
19 entire sign including lettering shall be reflectorized."

20 7. By adding the following to subsection fifteen (15): "Area
21 around lens of each red flashing warning signal lamp at rear, and
22 around each flashing warning signal lamp assembly in front, and
23 extending approximately three (3) inches, shall be painted black. In
24 installations where there is no flat vertical portion of body immediately
25 surrounding entire lens of lamp, a circular or square band of black,
26 approximately three (3) inches wide, shall be painted on body or roof
27 area against which signal lamp is seen."

28 8. By adding the following new subsection:

29 "No vehicle formerly used as a school bus shall be operated on any
 30 public highway unless the body of such vehicle shall be painted a color
 31 other than national school bus chrome. This subsection shall not apply
 32 to any vehicle owned by a school corporation, church or camp organiza-
 33 tion regularly transporting children or by a manufacturer of, distribu-
 34 tor of, or dealer in school buses; and shall not apply to any other
 35 owner of a vehicle formerly used as a school bus until ten (10) days
 36 after such owner has acquired ownership of such vehicle."

Approved June 7, 1965.

CHAPTER 286

MOTOR VEHICLE HEADLIGHTS

H. F. 5

AN ACT relating to displaying of lighted headlamps on motor vehicles upon a highway.

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

1 SECTION 1. Section three hundred twenty-one point three hundred
 2 eighty-four (321.384), Code 1962, is hereby amended as follows:

3 1. By striking from lines two (2) and three (3) in subsection one
 4 (1) the words "one-half hour after" and the words "one-half hour
 5 before".

Approved April 8, 1965.

CHAPTER 287

AMBER LIGHTS ON PUBLIC VEHICLES

H. F. 17

AN ACT to amend section three hundred twenty-one point three hundred ninety-three (321.393), Code 1962, relating to the use of amber-colored lights on vehicles used by the state and the political subdivisions of the state.

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

1 SECTION 1. Section three hundred twenty-one point three hundred
 2 ninety-three (321.393), Code 1962, is hereby amended as follows:

3 1. By inserting in line twenty (20) after the word "blue" the words
 4 "or amber".

5 2. By striking all of such section after the word "truck" in line
 6 twenty-two (22) and inserting in lieu thereof the following: ", trailer,
 7 tractor, or motor grader owned by the state, or any political subdivi-
 8 sion of the state, or any municipality therein, while such equipment is
 9 being used for snow removal, sanding, maintenance, or repair of the
 10 public streets or highways."

Approved April 23, 1965.

CHAPTER 288

MOTOR VEHICLE LIGHTING EQUIPMENT

H. F. 109

AN ACT to amend section three hundred twenty-one point three hundred ninety-five (321.395), Code 1962, relating to lighting equipment on motor vehicles.

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

- 1 SECTION 1. Section three hundred twenty-one point three hundred
 2 ninety-five (321.395), Code 1962, is hereby amended by inserting in
 3 line nineteen (19) after the period the following sentence:
 4 "Lamps on parked or stopped vehicles, except trucks, trailers or
 5 semitrailers as defined in section three hundred twenty-one point three
 6 hundred ninety-two (321.392) of the Code, required to be exhibited by
 7 this section, but not including running lights, shall not be lighted at
 8 any time when the vehicle is being driven on the highway unless the
 9 head lamps are also lighted."

Approved June 3, 1965.

CHAPTER 289

VOLUNTEER FIREMEN

H. F. 286

AN ACT relating to the use of flashing blue lights by volunteer firemen.

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

- 1 SECTION 1. Section three hundred twenty-one point four hundred
 2 twenty-three (321.423), Code 1962, is amended by striking from lines
 3 four (4) and five (5) of subsection two (2) the words "visible from
 4 directly in front of such motor vehicle".

Approved May 28, 1965.

CHAPTER 290

FLASHING LIGHTS ON VEHICLES

S. F. 324

AN ACT relating to flashing safety warning lights on vehicles.

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

- 1 SECTION 1. Section three hundred twenty-one point four hundred
 2 twenty-three (321.423), Code 1962, is hereby amended by inserting
 3 after the word "mail" in the last line of subsection one (1) thereof the
 4 words:
 5 "and except on vehicles being operated under an excess size permit

6 issued under section three hundred twenty-one point four hundred
7 sixty-seven (321.467)".

Approved May 19, 1965.

CHAPTER 291

SAFETY BELTS ON MOTOR VEHICLES

H. F. 29

AN ACT relating to the equipment of motor vehicles with safety belts.

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

1 SECTION 1. Chapter three hundred twenty-one (321), Code 1962,
2 is hereby amended by adding thereto the following sections:

3 "Every new or used car, pickup or school bus, 1966 model or newer,
4 sold, offered for sale, or subject to registration in Iowa except com-
5 mercial vehicles registered with the commerce commission, shall be
6 equipped with at least two (2) sets of safety belts or safety harnesses
7 installed for use in the front seat of such vehicle; however, when a
8 pickup or school bus has only an operator's seat, such vehicle need be
9 equipped with only one (1) safety belt or safety harness installed for
10 use by the operator thereof. The safety belts or safety harnesses re-
11 quired shall not be removed unless replaced with approved safety belts
12 or safety harnesses as long as the vehicle is subject to registration."

13 "All safety belts and safety harnesses installed for use in any motor
14 vehicle where such safety equipment is required shall be of a size to
15 accommodate an adult person and shall be designed and installed for
16 use in a manner to prevent or substantially reduce the movement of
17 the person using the safety equipment in the event of a collision or
18 accident."

19 "All safety belts and safety harnesses installed for use in any motor
20 vehicle as required under this Act shall be of any approved type and
21 shall be installed in a manner approved by the commissioner."

1 SEC. 2. The fact of use, or non-use, of seat belts by a person shall
2 not be admissible or material as evidence in civil actions brought for
3 damages.

1 SEC. 3. Failure to use seat belts installed in a motor vehicle shall
2 not be a crime or a public offense.

Approved May 21, 1965.

CHAPTER 292

LENGTH OF VEHICLES

S. F. 404

AN ACT relating to the overall length of vehicles and to amend section three hundred twenty-one point four hundred fifty-three (321.453), Code 1962, relating to exceptions to provisions of chapter three hundred twenty-one (321), Code 1962, governing size, weight, and load of vehicles moved upon a highway.

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

1 SECTION 1. Section four (4) of chapter two hundred five (205),
2 Acts of the Sixtieth General Assembly is hereby repealed.

1 SEC. 2. Section three hundred twenty-one point four hundred fifty-
2 three (321.453), Code 1962, is hereby amended by striking in lines
3 seven (7) and eight (8) the words "twenty-five-mile radius of his
4 place of business where the transaction was made" and inserting in
5 lieu thereof the following words: "fifty-mile radius from corporate
6 limits wherein his place of business is located."

Approved May 27, 1965.

CHAPTER 293

DUAL AXLE REQUIREMENTS

H. F. 629

AN ACT relating to dual axle requirements of motor vehicles, trailers, and semitrailers.

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

1 SECTION 1. Section three hundred twenty-one point four hundred
2 fifty-nine (321.459), Code 1962, is hereby amended by inserting in
3 line four (4) after the word "state" the following:
4 " , unless the combined gross weight imposed on the highway by all
5 of the wheels of all axles which are less than forty (40) inches apart
6 center to center does not exceed eighteen thousand (18,000) pounds in
7 the case of wheels equipped with pneumatic tires or fourteen thousand
8 (14,000) pounds in the case of wheels equipped with solid rubber
9 tires".

Approved June 2, 1965.

CHAPTER 294

EMERGENCY VEHICLES

H. F. 289

AN ACT relating to drivers of emergency vehicles.

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

1 SECTION 1. Section three hundred twenty-one point four hundred
2 ninety-six (321.496), Code 1962, is hereby amended by adding in line
3 two (2) after the word "town" the following: "or members of the
4 police and/or fire departments".

Approved April 13, 1965.

CHAPTER 295

DRIVER'S LICENSE INTERSTATE COMPACTS

H. F. 607

AN ACT to enable Iowa to enter into the interstate driver license compact with other states and to designate an administrator for the compact.

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

1 SECTION 1. The commissioner of public safety is hereby author-
2 ized to enter into drivers license compacts with other jurisdictions
3 legally joining therein in substantially the following form.
4 The contracting states agree:

5 ARTICLE I—*Findings and Declaration of Policy*

6 a. The party states find that:

7 1. The safety of their streets and highways is materially affected
8 by the degree of compliance with state laws and local ordinances
9 relating to the operation of motor vehicles.

10 2. Violation of such a law or ordinance is evidence that the violator
11 engages in conduct which is likely to endanger the safety of persons
12 and property.

13 3. The continuance in force of a license to drive is predicated upon
14 compliance with laws and ordinances relating to the operation of
15 motor vehicles, in whichever jurisdiction the vehicle is operated.

16 b. It is the policy of each of the party states to:

17 1. Promote compliance with the laws, ordinances, and administra-
18 tive rules and regulations relating to the operation of motor vehicles
19 by their operators in each of the jurisdictions where such operators
20 drive motor vehicles.

21 2. Make the reciprocal recognition of licenses to drive and eligibil-
22 ity therefor more just and equitable by considering the overall com-
23 pliance with motor vehicle laws, ordinances and administrative rules
24 and regulations as a condition precedent to the continuance or issu-
25 ance of any license by reason of which the licensee is authorized or
26 permitted to operate a motor vehicle in any of the party states.

27

ARTICLE II—*Definitions*

28 As used in this compact:

29 a. "State" means a state, territory or possession of the United
30 States, the District of Columbia, or the Commonwealth of Puerto Rico.31 b. "Home state" means the state which has issued and has the
32 power to suspend or revoke the use of the license or permit to operate
33 a motor vehicle.34 c. "Conviction" means a conviction of any offense related to the
35 use or operation of a motor vehicle which is prohibited by state law,
36 municipal ordinance or administrative rule or regulation, or a forfe-
37 forfeiture of bail, bond or other security deposited to secure appearance
38 by a person charged with having committed any such offense, and
39 which conviction or forfeiture is required to be reported to the licens-
40 ing authority.

41

ARTICLE III—*Reports of Conviction*42 The licensing authority of a party state shall report each convic-
43 tion of a person from another party state occurring within its jurisdic-
44 tion to the licensing authority of the home state of the licensee.
45 Such report shall clearly identify the person convicted; describe the
46 violation specifying the section of the statute, code or ordinance vio-
47 lated; identify the court in which action was taken; indicate whether
48 a plea of guilty or not guilty was entered, or the conviction was a
49 result of the forfeiture of bail, bond or other security; and shall in-
50 clude any special findings made in connection therewith.

51

ARTICLE IV—*Effect of Conviction*52 a. The licensing authority in the home state, for the purposes of
53 suspension, revocation or limitation of the license to operate a motor
54 vehicle, shall give the same effect to the conduct reported, pursuant
55 to Article III of this compact, as it would if such conduct had oc-
56 curred in the home state, in the case of convictions for:57 1. Manslaughter or negligent homicide resulting from the opera-
58 tion of a motor vehicle;59 2. Driving a motor vehicle while under the influence of intoxicat-
60 ing liquor or a narcotic drug, or under the influence of any other drug
61 to a degree which renders the driver incapable of safely driving a
62 motor vehicle;

63 3. Any felony in the commission of which a motor vehicle is used;

64 4. Failure to stop and render aid in the event of a motor vehicle
65 accident resulting in the death or personal injury of another.66 b. As to other convictions, reported pursuant to Article III, the
67 licensing authority in the home state shall give such effect to the
68 conduct as is provided by the laws of the home state.69 c. If the laws of a party state do not provide for offenses or viola-
70 tions denominated or described in precisely the words employed in
71 subdivision "a" of this article, such party state shall construe the
72 denominations and descriptions appearing in subdivision "a" hereof
73 as being applicable to and identifying those offenses or violations of
74 a substantially similar nature, and the laws of such party state shall
75 contain such provisions as may be necessary to ensure that full force
76 and effect is given to this article.

77 ARTICLE V—*Applications for New Licenses*

78 Upon application for a license to drive, the licensing authority in a
 79 party state shall ascertain whether the applicant has ever held, or is
 80 the holder of a license to drive issued by any other party state. The
 81 licensing authority in the state where application is made shall not
 82 issue a license to drive to the applicant if:

83 1. The applicant has held such a license, but the same has been
 84 suspended by reason, in whole or in part, of a violation and if such
 85 suspension period has not terminated.

86 2. The applicant has held such a license, but the same has been
 87 revoked by reason, in whole or in part, of a violation and if such
 88 revocation has not terminated, except that after the expiration of one
 89 year from the date the license was revoked, such person may make
 90 application for a new license if permitted by law. The licensing
 91 authority may refuse to issue a license to any such applicant if, after
 92 investigation, the licensing authority determines that it will not be
 93 safe to grant to such person the privilege of driving a motor vehicle
 94 on the public highways.

95 3. The applicant is the holder of a license to drive issued by an-
 96 other party state and currently in force unless the applicant surren-
 97 ders such license.

98 ARTICLE VI—*Applicability of Other Laws*

99 Except as expressly required by provisions of this compact, nothing
 100 contained herein shall be construed to affect the right of any party
 101 state to apply any of its other laws relating to licenses to drive to any
 102 person or circumstance, nor to invalidate or prevent any driver
 103 license agreement or other co-operative arrangement between a party
 104 state and a nonparty state.

105 ARTICLE VII

106 *Compact Administrator and Interchange of Information*

107 a. The head of the licensing authority of each party state shall be
 108 the administrator of this compact for his state. The administrators,
 109 acting jointly, shall have the power to formulate all necessary and
 110 property procedures for the exchange of information under this
 111 compact.

112 b. The administrator of each party state shall furnish to the ad-
 113 ministrator of each other party state any information or documents
 114 reasonably necessary to facilitate the administration of this compact.

115 ARTICLE VIII—*Entry Into Force and Withdrawal*

116 a. This compact shall enter into force and become effective as to
 117 any state when it has enacted the same into law.

118 b. Any party state may withdraw from this compact by enacting
 119 a statute repealing the same, but no such withdrawal shall take effect
 120 until six months after the executive head of the withdrawing state
 121 has given notice of the withdrawal to the executive heads of all other
 122 party states. No withdrawal shall affect the validity or applicability
 123 by the licensing authorities of states remaining party to the compact
 124 of any report of conviction occurring prior to the withdrawal.

125

ARTICLE IX—*Construction and Severability*126
127

This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable.

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SEC. 2. The agencies and officers of this state and its subdivisions and municipalities shall enforce this compact and do all things appropriate to effect its purpose and intent which may be within their respective jurisdictions.

Approved June 3, 1965.

CHAPTER 296

VEHICLE EQUIPMENT SAFETY COMPACT

H. F. 606

AN ACT to enable Iowa to enter into the vehicle equipment safety compact with other states and to designate a commissioner to administer the compact.

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

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SECTION 1. The commissioner of public safety is hereby authorized to enter into vehicle equipment safety compacts with other jurisdictions legally joining therein in substantially the following form.

The contracting states agree:

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ARTICLE I—*Findings and purposes*6
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a. The party states find that:

1. Accidents and deaths on their streets and highways present a very serious human and economic problem with a major deleterious effect on the public welfare.

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2. There is a vital need for the development of greater interjurisdictional co-operation to achieve the necessary uniformity in the laws, rules, regulations and codes relating to vehicle equipment, and to accomplish this by such means as will minimize the time between the development of demonstrably and scientifically sound safety features and their incorporation into vehicles.

16

b. The purposes of this compact are to:

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18

1. Promote uniformity in regulation of and standards for equipment.

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2. Secure uniformity of law and administrative practice in vehicular regulation and related safety standards to permit incorporation of desirable equipment changes in vehicles in the interest of greater traffic safety.

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3. To provide means for the encouragement and utilization of research which will facilitate the achievement of the foregoing purposes, with due regard for the findings set forth in subdivision "a" of this article.

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c. It is the intent of this compact to emphasize performance requirements and not to determine the specific detail of engineering in the manufacture of vehicles or equipment except to the extent necessary for the meeting of such performance requirements.

31

ARTICLE II—*Definitions*

32 As used in this compact:

33 a. "Vehicle" means every device in, upon or by which any person
34 or property is or may be transported or drawn upon a highway,
35 excepting devices moved by human power or used exclusively upon
36 stationary rails or tracks.

37 b. "State" means a state, territory or possession of the United
38 States, the District of Columbia, or the Commonwealth of Puerto
39 Rico.

40 c. "Equipment" means any part of a vehicle or any accessory for
41 use thereon which affects the safety of operation of such vehicle or
42 the safety of the occupants.

43

ARTICLE III—*The commission*

44 a. There is hereby created an agency of the party states to be
45 known as the "Vehicle Equipment Safety Commission" hereinafter
46 called the commission. The commission shall be composed of one
47 commissioner from each party state who shall be appointed, serve
48 and be subject to removal in accordance with the laws of the state
49 which he represents. If authorized by the laws of his party state, a
50 commissioner may provide for the discharge of his duties and the
51 performance of his functions on the commission, either for the dura-
52 tion of his membership or for any lesser period of time, by an alter-
53 nate. No such alternate shall be entitled to serve unless notification
54 of his identity and appointment shall have been given to the commis-
55 sion in such form as the commission may require. Each commis-
56 sioner, and each alternate, when serving in the place and stead of a com-
57 missioner, shall be entitled to be reimbursed by the commission for
58 expenses actually incurred in attending commission meetings or while
59 engaged in the business of the commission.

60 b. The commissioners shall be entitled to one vote each on the
61 commission. No action of the commission shall be binding unless
62 taken at a meeting at which a majority of the total number of votes
63 on the commission are cast in favor thereof. Action of the commis-
64 sion shall be only at a meeting at which a majority of the commis-
65 sioners, or their alternates, are present.

66 c. The commission shall have a seal.

67 d. The commission shall elect annually, from among its members,
68 a chairman, a vice-chairman and a treasurer. The commission may
69 appoint an executive director and fix his duties and compensation.
70 Such executive director shall serve at the pleasure of the commission,
71 and together with the treasurer shall be bonded in such amount as
72 the commission shall determine. The executive director also shall
73 serve as secretary. If there be no executive director, the commission
74 shall elect a secretary in addition to the other officers provided by this
75 subdivision.

76 e. Irrespective of the civil service, personnel or other merit system
77 laws of any of the party states, the executive director with the ap-
78 proval of the commission, or the commission if there be no executive
79 director, shall appoint, remove or discharge such personnel as may
80 be necessary for the performance of the commission's functions, and
81 shall fix the duties and compensation of such personnel.

82 *f.* The commission may establish and maintain independently or in
83 conjunction with any one or more of the party states, a suitable re-
84 tirement system for its full time employees. Employees of the com-
85 mission shall be eligible for social security coverage in respect of old
86 age and survivor's insurance provided that the commission takes such
87 steps as may be necessary pursuant to the laws of the United States,
88 to participate in such program of insurance as a governmental
89 agency or unit. The commission may establish and maintain or par-
90 ticipate in such additional programs of employee benefits as may be
91 appropriate.

92 *g.* The commission may borrow, accept or contract for the services
93 of personnel from any party state, the United States, or any sub-
94 division or agency of the aforementioned governments, or from any
95 agency of two or more of the party states or their subdivisions.

96 *h.* The commission may accept for any of its purposes and func-
97 tions under this compact any and all donations, and grants of money,
98 equipment, supplies, materials, and services, conditional or otherwise,
99 from any state, the United States, or any other governmental agency
100 and may receive, utilize and dispose of the same.

101 *i.* The commission may establish and maintain such facilities as
102 may be necessary for the transacting of its business. The commission
103 may acquire, hold, and convey real and personal property and any
104 interest therein.

105 *j.* The commission shall adopt bylaws for the conduct of its busi-
106 ness and shall have the power to amend and rescind these bylaws.
107 The commission shall publish its bylaws in convenient form and shall
108 file a copy thereof and a copy of any amendment thereto, with the
109 appropriate agency or officer in each of the party states. The bylaws
110 shall provide for appropriate notice to the commissioners of all com-
111 mission meetings and hearings and the business to be transacted at
112 such meetings or hearings. Such notice shall also be given to such
113 agencies or officers of each party state as the laws of such party state
114 may provide.

115 *k.* The commission annually shall make to the governor and legis-
116 lature of each party state a report covering the activities of the com-
117 mission for the preceding year, and embodying such recommendations
118 as may have been issued by the commission. The commission may
119 make such additional reports as it may deem desirable.

120

ARTICLE IV—*Research and testing*

121 The commission shall have power to:

122 *a.* Collect, correlate, analyze and evaluate information resulting or
123 derivable from research and testing activities in equipment and re-
124 lated fields.

125 *b.* Recommend and encourage the undertaking of research and test-
126 ing in any aspect of equipment or related matters when, in its judg-
127 ment, appropriate or sufficient research or testing has not been
128 undertaken.

129 *c.* Contract for such equipment research and testing as one or more
130 governmental agencies may agree to have contracted for by the com-
131 mission, provided that such governmental agency or agencies shall
132 make available the funds necessary for such research and testing.

133 *d.* Recommend to the party states changes in law or policy with
 134 emphasis on uniformity of laws and administrative rules, regulations
 135 or codes which would promote effective governmental action or co-
 136 ordination in the prevention of equipment-related highway accidents
 137 or the mitigation of equipment-related highway safety problems.

138 ARTICLE V—*Vehicular equipment*

139 *a.* In the interest of vehicular and public safety, the commission
 140 may study the need for or desirability of the establishment of or
 141 changes in performance requirements or restrictions for any item of
 142 equipment. As a result of such study, the commission may publish a
 143 report relating to any item or items of equipment, and the issuance
 144 of such a report shall be a condition precedent to any proceedings or
 145 other action provided or authorized by this article. No less than sixty
 146 days after the publication of a report containing the results of such
 147 study, the commission upon due notice shall hold a hearing or hear-
 148 ings at such place or places as it may determine.

149 *b.* Following the hearing or hearings provided for in subdivision
 150 "a" of this article, and with due regard for standards recommended
 151 by appropriate professional and technical associations and agencies,
 152 the commission may issue rules, regulations or codes embodying per-
 153 formance requirements or restrictions for any item or items of equip-
 154 ment covered in the report, which in the opinion of the commission
 155 will be fair and equitable and effectuate the purposes of this compact.

156 *c.* Each party state obligates itself to give due consideration to any
 157 and all rules, regulations and codes issued by the commission and
 158 hereby declares its policy and intent to be the promotion of uniform-
 159 ity in the laws of the several party states relating to equipment.

160 *d.* The commission shall send prompt notice of its action in issu-
 161 ing any rule, regulation or code pursuant to this article to the appro-
 162 priate motor vehicle agency of each party state and such notice shall
 163 contain the complete text of the rule, regulation or code.

164 *e.* If the constitution of a party state requires, or if its statutes
 165 provide, the approval of the legislature by appropriate resolution or
 166 act may be made a condition precedent to the taking effect in such
 167 party state of any rule, regulation or code. In such event, the com-
 168 missioner of such party state shall submit any commission rule, regu-
 169 lation or code to the legislature as promptly as may be in lieu of
 170 administrative acceptance or rejection thereof by the party state.

171 *f.* Except as otherwise specifically provided in or pursuant to sub-
 172 divisions "e" and "g" of this article, the appropriate motor vehicle
 173 agency of a party state shall in accordance with its constitution or
 174 procedural laws adopt the rule, regulation or code within six months
 175 of the sending of the notice, and, upon such adoption, the rule, regu-
 176 lation or code shall have the force and effect of law therein.

177 *g.* The appropriate motor vehicle agency of a party state may de-
 178 cline to adopt a rule, regulation or code issued by the commission
 179 pursuant to this article if such agency specifically finds, after public
 180 hearing on due notice, that a variation from the commission's rule,
 181 regulation or code is necessary to the public safety, and incorporates
 182 in such finding the reasons upon which it is based. Any such finding
 183 shall be subject to review by such procedure for review of adminis-

184 trative determinations as may be applicable pursuant to the laws of
185 the party state. Upon request, the commission shall be furnished
186 with a copy of the transcript of any hearings held pursuant to this
187 subdivision.

188

ARTICLE VI—*Finance*

189 *a.* The commission shall submit to the executive head or designated
190 officer or officers of each party state a budget of its estimated ex-
191 penditures for such period as may be required by the laws of that
192 party state for presentation to the legislature thereof.

193 *b.* Each of the commission's budgets of estimated expenditures
194 shall contain specific recommendations of the amount or amounts to
195 be appropriated by each of the party states. The total amount of
196 appropriations under any such budget shall be apportioned among
197 the party states as follows: One-third in equal shares; and the re-
198 mainder in proportion to the number of motor vehicles registered in
199 each party state. In determining the number of such registrations,
200 the commission may employ such source or sources of information
201 as in its judgment present the most equitable and accurate compari-
202 sons among the party states. Each of the commission's budgets of
203 estimated expenditures and requests for appropriations shall indi-
204 cate the source or sources used in obtaining information concerning
205 vehicular registrations.

206 *c.* The commission shall not pledge the credit of any party state.
207 The commission may meet any of its obligations in whole or in part
208 with funds available to it under Article III "*h*" of this compact, pro-
209 vided that the commission takes specific action setting aside such
210 funds prior to incurring any obligation to be met in whole or in part
211 in such manner. Except where the commission makes use of funds
212 available to it under Article III "*h*" hereof, the commission shall not
213 incur any obligation prior to the allotment of funds by the party
214 states adequate to meet the same.

215 *d.* The commission shall keep accurate accounts of all receipts and
216 disbursements. The receipts and disbursements of the commission
217 shall be subject to the audit and accounting procedures established
218 under its rules. However, all receipts and disbursements of funds
219 handled by the commission shall be audited yearly by a qualified pub-
220 lic accountant and the report of the audit shall be included in and
221 become part of the annual reports of the commission.

222 *e.* The accounts of the commission shall be open at any reasonable
223 time for inspection by duly constituted officers of the party states and
224 by any persons authorized by the commission.

225 *f.* Nothing contained herein shall be construed to prevent commis-
226 sion compliance with laws relating to audit or inspection of accounts
227 by or on behalf of any government contributing to the support of the
228 commission.

229

ARTICLE VII—*Conflict of interest*

230 *a.* The commission shall adopt rules and regulations with respect
231 to conflict of interest for the commissioners of the party states, and
232 their alternates, if any, and for the staff of the commission and con-
233 tractors with the commission to the end that no member or employee

234 or contractor shall have a pecuniary or other incompatible interest
 235 in the manufacture, sale or distribution of motor vehicles or vehicular
 236 equipment or in any facility or enterprise employed by the commis-
 237 sion or on its behalf for testing, conduct of investigations or research.
 238 In addition to any penalty for violation of such rules and regulations
 239 as may be applicable under the laws of the violator's jurisdiction of
 240 residence, employment or business, any violation of a commission
 241 rule or regulation adopted pursuant to this article shall require the
 242 immediate discharge of any violating employee and the immediate
 243 vacating of membership, or relinquishing of status as a member on
 244 the commission by any commissioner or alternate. In the case of a
 245 contractor, any violation of any such rule or regulation shall make
 246 any contract of the violator with the commission subject to cancella-
 247 tion by the commission.

248 b. Nothing contained in this article shall be deemed to prevent a
 249 contractor for the commission from using any facilities subject to his
 250 control in the performance of the contract even though such facilities
 251 are not devoted solely to work of or done on behalf of the commission;
 252 nor to prevent such a contractor from receiving remuneration or
 253 profit from the use of such facilities.

254 **ARTICLE VIII—*Advisory and technical committees***

255 The commission may establish such advisory and technical com-
 256 mittees as it may deem necessary, membership on which may include
 257 private citizens and public officials, and may cooperate with and use
 258 the services of any such committees and the organizations which the
 259 members represent in furthering any of its activities.

260 **ARTICLE IX—*Entry into force and withdrawal***

261 a. This compact shall enter into force when enacted into law by
 262 any six or more states. Thereafter, this compact shall become effec-
 263 tive as to any other state upon its enactment thereof.

264 b. Any party state may withdraw from this compact by enacting a
 265 statute repealing the same, but no such withdrawal shall take effect
 266 until one year after the executive head of the withdrawing state has
 267 given notice in writing of the withdrawal to the executive heads of
 268 all other party states. No withdrawal shall affect any liability al-
 269 ready incurred by or chargeable to a party state prior to the time of
 270 such withdrawal.

1 **SEC. 2.** The agencies and officers of this state and its subdivisions
 2 and municipalities shall enforce this compact and do all things ap-
 3 propriate to effect its purpose and intent which may be within their
 4 respective jurisdictions.

Approved June 4, 1965.

CHAPTER 297

MOTOR VEHICLE MANUFACTURERS AND DISTRIBUTORS LICENSES

S. F. 287

AN ACT relating to the licensing of manufacturers, distributors, wholesalers, factory branches, distributor branches, factory representatives and distributor representatives of motor vehicles.

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

1 SECTION 1. Section three hundred twenty-two point two (322.2),
 2 Code 1962, is hereby amended by adding thereto the following new
 3 subsections:
 4 "Manufacturer" means any person, resident or nonresident, who
 5 manufactures or assembles motor vehicles."
 6 "Distributor" or "wholesaler" means a person, resident or nonresi-
 7 dent, who in whole or part, sells or distributes motor vehicles to motor
 8 vehicle dealers, or who maintains distributor representatives."
 9 "Factory branch" means a branch office maintained by a person
 10 who manufactures or assembles motor vehicles, for the sale of motor
 11 vehicles to distributors, or for the sale of motor vehicles to motor
 12 vehicle dealers or for directing or supervising in whole or part, its
 13 representatives."
 14 "Distributor branch" means a branch office similarly maintained
 15 by a distributor or wholesaler for the same purposes."
 16 "Factory representative" means a representative employed by a
 17 person who manufactures or assembles motor vehicles or by a factory
 18 branch, for the purpose of making or promoting the sale of its motor
 19 vehicles, or for supervising or contacting its dealers or prospective
 20 dealers."
 21 "Distributor representative" means a representative similarly em-
 22 ployed by a distributor, distributor branch or wholesaler."

1 SEC. 2. Chapter three hundred twenty-two (322), Code 1962, is
 2 hereby amended by adding thereto the following new sections:
 3 "No manufacturer of motor vehicles, or factory branch, or distribu-
 4 tor, or distributor branch, shall engage in business as such in this state
 5 without a license therefor as provided in this chapter."
 6 "No factory representative or distributor representative shall en-
 7 gage in business as such in this state without a license therefor as
 8 provided in this chapter."
 9 "Application for license shall be made to the department by a manu-
 10 facturer, distributor, wholesaler, factory branch, distributor branch,
 11 factory representative or distributor representative in such form and
 12 contain such information as the department shall require and shall be
 13 accompanied by the required license fee. Such licenses shall be granted
 14 or refused within thirty (30) days after application therefor, and
 15 shall expire, unless sooner revoked or suspended, on December 31 of
 16 the calendar year for which they are granted."
 17 "License fees for each calendar year, or part thereof, shall be as
 18 follows effective January 1, 1966:
 19 "For motor vehicle manufacturers, distributors or wholesalers, five
 20 dollars (\$5.00); and for each factory branch in this state of a motor
 21 vehicle manufacturer, five dollars (\$5.00)."

22 "For a factory representative or distributor branch representative,
23 two dollars (\$2.00)."

24 "Every factory representative or distributor representative shall
25 carry his license when engaged in his business, and display the same
26 upon request. The license shall name his employer, and in case of a
27 change of employer, the representative shall immediately mail his
28 license to the department which shall endorse such change on the
29 license without charge."

30 "The licenses of manufacturers, factory branches, distributors and
31 distributor branches shall specify the location of the office or branch
32 and must be conspicuously displayed at such location. In case such
33 location be changed, the department shall endorse the change of loca-
34 tion on the license without charge if it be within the same municipal-
35 ity. A change of location to another municipality shall require a new
36 license."

37 "The department may deny the application of any person for a
38 license as a manufacturer, distributor, wholesaler, factory branch,
39 distributor branch, factory representative or distributor representa-
40 tive if after reasonable notice and a hearing the department deter-
41 mines that such applicant has violated any provision of this chapter
42 and may revoke or suspend any such license that has been issued if
43 the department shall determine after reasonable notice and a hearing
44 that such licensee has violated any provision of this chapter."

1 SEC. 3. Section three hundred twenty-two point nine (322.9),
2 Code 1962, is hereby amended by striking from line three (3) thereof
3 the word "licensee" and inserting in lieu thereof the words "retail
4 motor vehicle dealer".

1 SEC. 4. Section three hundred twenty-two point nine (322.9),
2 Code 1962, is hereby further amended by striking from line two (2)
3 of the second paragraph thereof the word "licensee" and inserting in
4 lieu thereof the words "retail motor vehicle dealer".

1 SEC. 5. Section three hundred twenty-two point three (322.3),
2 Code 1962, is hereby amended by striking the word "licensee" from
3 line four (4) of subsection three (3) and inserting in lieu thereof the
4 words "retail motor vehicle dealer".

1 SEC. 6. Section three hundred twenty-two point three (322.3),
2 Code 1962, is hereby further amended by inserting after the word
3 "agent" in line two (2) of subsection five (5) the words "or repre-
4 sentative".

1 SEC. 7. Section three hundred twenty-two point three (322.3),
2 Code 1962, is hereby further amended by inserting after the word
3 "agent" in line two (2) of subsection eight (8) the words "or repre-
4 sentative".

1 SEC. 8. Section three hundred twenty-two point seven (322.7),
2 Code 1962, is hereby amended by inserting after the word "The" in
3 line one (1) of subsection four (4) the words "motor vehicle dealer".

1 SEC. 9. Section three hundred twenty-two point eight (322.8),
2 Code 1962, is hereby amended by inserting after the word "Each" in
3 line one (1) the words "motor vehicle dealer".

1 SEC. 10. Section three hundred twenty-two point thirteen
 2 (322.13), Code 1962, is hereby amended by striking from line three
 3 (3) of subsection two (2) the words "motor vehicle dealers" and
 4 inserting in lieu thereof the word "persons".

1 SEC. 11. Section three hundred twenty-two point fourteen
 2 (322.14), Code 1962, is hereby amended by striking the first sentence
 3 of the second paragraph thereof.

1 SEC. 12. Section three hundred twenty-two point fourteen
 2 (322.14), Code 1962, is hereby further amended by adding thereto the
 3 following new paragraph:

4 "The provisions of this section shall not apply to violations under
 5 subsection five (5) of section three hundred twenty-two point three
 6 (322.3)."

1 SEC. 13. Chapter three hundred twenty-two (322), Code 1962, is
 2 hereby amended by adding a new section as follows:

3 "Nothing in this chapter shall be construed to impair the obliga-
 4 tions of a contract or to prevent a licensee hereunder from requiring
 5 performance of a written contract entered into with another licensee
 6 hereunder, nor shall the requirement of such performance constitute a
 7 violation of any of the provisions of this chapter."

Approved May 25, 1965.

CHAPTER 298

MOTOR VEHICLE FUEL TAX

H. F. 160

AN ACT relating to the tax on diesel fuel, motor fuel, and other special fuel.

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

1 SECTION 1. Section three hundred twenty-four point three (324.3),
 2 Code 1962, as amended by section one (1) of chapter one hundred
 3 ninety-four (194), Acts of the Sixtieth General Assembly, is hereby
 4 amended by striking from line two (2) the word "six" and inserting
 5 in lieu thereof the word "seven (7)".

1 SEC. 2. Section three hundred twenty-four point thirty-four
 2 (324.34), Code 1962, is hereby amended by striking from line six (6)
 3 the word "seven" and inserting in lieu thereof the word "eight (8)".

1 SEC. 3. Section three hundred twenty-four point seventy-eight
 2 (324.78), Code 1962, is hereby amended by adding thereto the follow-
 3 ing:

4 "The net proceeds of one (1) cent per gallon excise tax on the diesel
 5 special fuel and one (1) cent per gallon excise tax on motor fuel and
 6 other special fuel collected under the provisions of this chapter shall
 7 be credited by the treasurer of state to the primary road fund to be
 8 used for construction of primary roads other than highways desig-

9 nated as interstate on the basis of need as determined by the state
10 highway commission.

11 "Fifty percent (50%) of the net proceeds of one cent per gallon
12 under this Act shall be used for the purposes of reconstruction, con-
13 struction, or widening of highways and bridges that are twenty feet,
14 or less, wide until such time such primary highway mileage is modern-
15 ized."

1 SEC. 4. Section three hundred twelve point one (312.1), Code
2 1962, is hereby amended by inserting in line two (2) of subsection two
3 (2) of such section after the number "324" the words ", except those
4 net proceeds allocated to the primary road fund under section three
5 hundred twenty-four point seventy-eight (324.78) of the Code.

1 SEC. 5. This Act, being deemed of immediate importance, shall
2 take effect and be in force on July 1, 1965 after its publication in The
3 Spencer Daily Reporter, a newspaper published in Spencer, Iowa, and
4 in The Spirit Lake Beacon, a newspaper published in Spirit Lake,
5 Iowa.

Approved May 13, 1965.

I hereby certify that the foregoing Act, House File 160, was published in The Spencer Daily Reporter, Spencer, Iowa, May 19, 1965, and in The Spirit Lake Beacon, Spirit Lake, Iowa, May 20, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 299

INVENTORY OF MOTOR FUEL AND SPECIAL FUEL

S. F. 616

AN ACT relating to the inventory taking of motor fuel and special fuel gallonage to be sold or dispensed at tax rates established by House File one hundred sixty (160), Acts of the Sixty-first General Assembly.

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

1 SECTION 1. Any licensed distributor, dealer, user, or unlicensed
2 retailer having title on July 1, 1965 to motor fuel or special fuel upon
3 which the excise tax has been paid prior to such date shall take an
4 inventory of gallonage on hand as of the close of business June 30,
5 1965. All inventoried gallonage sold or dispersed on and after July 1,
6 1965 shall be taxed at rates established by House File one hundred
7 sixty (160), Acts of the Sixty-first General Assembly. The distributor,
8 dealer, user, or retailer shall pay to the treasurer of state a one (1)
9 cent per gallon tax on the gallonage on hand as of June 30, 1965, such
10 payments representing the margin between the tax paid on the gal-
11 lonage prior to July 1, 1965 by the distributor, dealer, user or retailer
12 and the tax which shall be levied on sales to the ultimate consumer on
13 and after July 1, 1965. All those falling within the purview of this
14 legislation shall report gallonage on hand on forms provided by the
15 treasurer and remit the tax due by July 10, 1965. The treasurer of

16 state shall have authority to make such rules and regulations as shall
17 be necessary to carry out the provisions of this section.

1 SEC. 2. This Act being deemed to be of immediate importance shall
2 be in full force and effect from and after its passage and publication in
3 The Grundy Register, a newspaper published at Grundy Center, Iowa
4 and in The Everly News, a newspaper published at Everly, Iowa.

Approved June 4, 1965.

I hereby certify that the foregoing Act, Senate File 616, was published in The Grundy Register, Grundy Center, Iowa, June 10, 1965, and in The Everly News, Everly, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 300

SPECIAL FUEL DEALERS OR USERS

S. F. 39

AN ACT to amend section three hundred twenty-four point thirty-eight (324.38), Code 1962, relating to reports by special fuel dealers or users to the state treasurer's office.

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

1 SECTION 1. Section three hundred twenty-four point thirty-eight
2 (324.38), Code 1962, is hereby amended by striking from subsection
3 four (4) all of said subsection following the word "made." in line
4 twenty (20).

Approved April 19, 1965.

CHAPTER 301

MOTOR CARRIERS SAFETY REGULATIONS

H. F. 634

AN ACT relating to authority of the commissioner of public safety to establish equipment safety regulations pertaining to motor carriers.

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

1 SECTION 1. "Motor carrier" when used in this Act means carriers
2 holding a certificate under chapter three hundred twenty-five (325)
3 of the Code, truck operators and contract carriers holding permits
4 under chapter three hundred twenty-seven (327) of the Code, liquid
5 transport carriers holding a certificate under chapter three hundred
6 twenty-seven A (327A) of the Code, and private carriers.

1 SEC. 2. In addition to the requirements set forth in chapter three
2 hundred twenty-one (321) of the Code, the commissioner of public
3 safety, in order to promote safety of operation, shall establish reason-

- 4 able requirements prescribing standards of equipment for vehicles
 5 operated by motor carriers on the highways of this state pertaining
 6 to the following:
- 7 1. Lighting devices, reflectors, and electrical equipment.
 - 8 2. Brakes.
 - 9 3. Glazing and window construction.
 - 10 4. Fuel systems.
 - 11 5. Coupling devices and towing methods.
 - 12 6. Emergency equipment.
 - 13 7. The following miscellaneous parts and accessories:
 - 14 a. Tires.
 - 15 b. Heaters.
 - 16 c. Windshield wiper.
 - 17 d. Defrosting device.
 - 18 e. Rear vision mirrors.
 - 19 f. Horn.
 - 20 g. Speedometer.
 - 21 h. Exhaust system location.
 - 22 i. Floors.
 - 23 j. Protection against shifting cargo.
 - 24 k. Rear end protection.
 - 25 l. Flags on projecting loads.
 - 26 m. Television receivers.
 - 27 n. Buses, drive shaft protection.
 - 28 o. Buses, standee line or bar.
 - 29 p. Buses, aisle seats.
 - 30 q. Buses, marking emergency doors.

1 SEC. 3. It shall be unlawful for any person to operate any vehicle
 2 subject to the standards prescribed by the commissioner on the high-
 3 ways of this state in violation of such standards.

Approved June 3, 1965.

CHAPTER 302

COMMERCIAL MOTOR VEHICLES

H. F. 637

AN ACT to amend chapter 326, Code 1962, relating to proration of registration fees of commercial motor vehicles.

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

- 1 SECTION 1. Section three hundred twenty-six point two (326.2),
 2 Code 1962, is hereby amended as follows:
- 3 1. By striking from lines twenty-eight (28) and twenty-nine (29)
 4 the words "other states in which such fleets operate." and inserting in
 5 lieu thereof the words: "the other states a party to such agreements."
 - 6 2. By striking lines thirty-two (32) through thirty-four (34), and
 7 inserting in lieu thereof the following: "fleets operate in all states
 8 with whom Iowa has an apportionment registration agreement and
 9 with whom the fleet owner has or will register vehicles on an appor-

10 tioned registration basis shall be used by the Iowa reciprocity board
 11 to determine the amount of registration computed on a dollar basis.
 12 Mile-".

13 3. By striking lines fifty-three (53) through sixty-five (65) and
 14 inserting in lieu thereof the following: "miles traveled in states with
 15 whom Iowa has an apportionment registration agreement and with
 16 whom the fleet owner has or will register vehicles on an apportioned
 17 registration basis to the fees which would otherwise be required for
 18 total fleet registration in this state and shall mean a percentage of the
 19 annual fee on each vehicle of an apportioned fleet. If the composite
 20 percentage paid by the Iowa resident to each of the states a party to
 21 an apportioned registration agreement with Iowa for apportioned
 22 registrations is less than one hundred (100) percent percentagewise,
 23 the Iowa reciprocity board may redetermine the registration fees due
 24 the state of Iowa to bring the composite percent to one hundred (100)
 25 percentagewise. If the composite percent paid by the nonresident fleet
 26 operator to each of the states a party to an apportioned registration
 27 agreement with Iowa for apportioned registration fees on vehicles
 28 base plated in Iowa is less than one hundred (100) percent percent-
 29 agewise, the Iowa reciprocity board may redetermine the registration
 30 fees due the state of Iowa to bring the composite percent to one hun-
 31 dred (100) percent percentagewise on such Iowa base plated vehicles.
 32 The minimum proportional registration fee for each vehicle registered
 33 with the state of Iowa in accordance with the provisions of this Act
 34 shall not be less than one (1) dollar. In addition to the apportioned
 35 registration fees, the Iowa reciprocity board shall collect the amount
 36 of fees due as hereinafter provided for the issuance of plates, stickers,
 37 or other identification of all the vehicles registered in accordance with
 38 this Act. The proportional registration provision of this Act shall
 39 apply to vehicles added to a fleet during the registration year and
 40 operated in this state in interstate commerce."

41 4. By striking lines eighty-two (82) through ninety-two (92).

1 SEC. 2. Section three hundred twenty-six point three (326.3),
 2 Code 1962, is hereby amended as follows:

3 1. By striking from lines seven (7) and eight (8) the following:
 4 "or vehicle registration apportionment".

5 2. By striking the period in line fifteen (15) and inserting the fol-
 6 lowing: "as directed by the Iowa reciprocity board."

7 3. By inserting after the word "thereto" in line twenty (20) the
 8 following: "on the basis of the apportioned registration application
 9 and supporting documents filed with the Iowa reciprocity board by the
 10 fleet operator".

1 SEC. 3. Section three hundred twenty-six point five (326.5), Code
 2 1962, is hereby amended by striking lines sixteen (16) through twenty-
 3 one (21) and inserting in lieu thereof the following: "ant to the pro-
 4 visions hereof. In addition, the Iowa reciprocity board shall charge
 5 and collect an additional fee of one (1) dollar for each plate, sticker,
 6 or other identification furnished for each vehicle registered in accord-
 7 ance with the provisions of this Act or extended reciprocity in accord-
 8 ance with the provisions of this Act. The same fee".

1 SEC. 4. Chapter three hundred twenty-six (326), Code 1962, is
2 hereby amended by adding thereto the following sections:

3 "The Iowa reciprocity board may issue a trip permit to the carrier
4 who has registered a fleet of vehicles with this state on an apportion-
5 ment basis pursuant to this chapter to permit a non-Iowa registered
6 vehicle to operate on the highways of this state in interstate commerce
7 if that leased vehicle, when operated by the lessor, would be entitled
8 to reciprocity in the state of Iowa and the Iowa reciprocity board shall
9 charge and collect a fee of five (5) dollars for each such permit issued.
10 If the vehicle operated on the trip basis is owned by the prorated fleet
11 carrier or is, at the time of the trip, under lease to the prorated carrier
12 for thirty (30) days duration or longer, the Iowa reciprocity board
13 may limit the issuance permits on a particular vehicle not registered
14 in Iowa to one round trip interstate on the Iowa highways for each cal-
15 endar quarter. The Iowa reciprocity board may issue a trip permit to
16 the Iowa carrier or Iowa broker who has not registered vehicles on an
17 apportionment basis pursuant to the provisions of this chapter to per-
18 mit a non-Iowa registered vehicle to operate on the highways of this
19 state in interstate commerce if that leased vehicle, when operated by
20 the lessor, would be entitled to reciprocity in this state; and the Iowa
21 reciprocity board shall charge and collect a fee of five (5) dollars for
22 each permit issued. A 'trip' shall mean: (1) a one way movement
23 from one (1) point originating outside this state and destined to an-
24 other point outside this state; (2) a round trip movement between
25 two (2) points in Iowa; (3) a round trip movement which originates
26 in Iowa or is destined for a point in Iowa. The term 'broker' means
27 any person not included in the term 'motor carrier' and not a bona fide
28 employee or agent for any such carrier, who or which as principal or
29 agent sells or offers for sale any transportation, or negotiates for, or
30 holds himself or itself out for solicitation, advertisement, or otherwise
31 as one who sells, provides, furnishes, contracts, or arranges for such
32 transportation."

33 "Operation of a commercial vehicle in violation of the requirements
34 of this chapter or in violation of the motor vehicle laws of the state of
35 Iowa may, after due notice and hearing, be grounds for denial of ap-
36 portioned registration privileges on the vehicle so operated; and any-
37 one denied such privileges shall be subject to the payment of a full
38 annual Iowa registration fee on such vehicle operated on the Iowa
39 highways."

40 "All provisions of chapter three hundred twenty-one (321), Code
41 1962, in so far as the same is applicable, are hereby specifically ex-
42 tended to include carriers who register vehicles in this state on an
43 apportioned registration basis or who operate interstate on the Iowa
44 highways on reciprocity."

45 "This Act shall be effective as to all apportioned vehicle registrations
46 issued by the state of Iowa for the 1965 registration year and shall be
47 in accordance with section 'e' of the Iowa interstate vehicle registra-
48 tion proration application for 1965."

1 SEC. 5. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its publication in The North

3 English Record, a newspaper published in North English, Iowa, and
4 in The Denison Bulletin, a newspaper published in Denison, Iowa.

Approved May 28, 1965.

I hereby certify that the foregoing Act, House File 637, was published in The North English Record, North English, Iowa, June 3, 1965, and in The Denison Bulletin, Denison, Iowa, June 3, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 303

MOTOR CARRIERS

S. F. 140

AN ACT relating to interstate commerce commission authority of motor carriers.

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

1 SECTION 1. After January 1, 1966, it shall be unlawful for any
2 carrier to perform an interstate transportation service for compensa-
3 tion upon the highways of this state without first having secured ap-
4 propriate authority from the interstate commerce commission, if such
5 authority is required, and without first having registered such author-
6 ity, if any, with the Iowa state commerce commission and it shall be
7 unlawful for any carrier to perform such service for compensation if
8 authority from the interstate commerce commission is not required
9 without first having registered with the Iowa state commerce commis-
10 sion showing that interstate authority is not required provided, how-
11 ever, nothing in this section shall be construed to include any carrier
12 transporting property consisting of ordinary livestock or agricultural
13 (including horticultural) commodities (not including manufactured
14 products thereof), if such carrier does not transport any other prop-
15 erty for compensation.

16 Such registrations shall be granted upon application without hear-
17 ing, upon payment of a filing fee in the amount of twenty-five dollars
18 (\$25.00). Amendments may be filed upon payment of a filing fee in
19 the amount of ten dollars (\$10.00) for each filing of supplemental
20 authority.

21 Upon registering with the Iowa state commerce commission as here-
22 in provided, the commission shall identify the registration by number
23 and shall annually issue a decal or sticker bearing the registration
24 number of the carrier for each tractor or truck of the carrier oper-
25 ating in this state and shall charge and collect from the carrier a fee
26 of twenty-five cents (25¢) for each such decal or sticker.

1 SEC. 2. The Iowa state commerce commission may designate by
2 resolution certain of its employees upon each of whom there is hereby
3 conferred the authority of a peace officer to make arrests for viola-
4 tions of laws relating to the registration of a motor carrier's interstate
5 transportation service with the Iowa state commerce commission.

1 SEC. 3. All fees paid under the provisions of this Act or so much
2 thereof as may be necessary shall be used for the administration of

3 this Act and shall be paid to the commission by warrant drawn from
4 time to time upon the treasurer of state. Unexpended balances on June
5 30 of each year shall be credited to the general fund of the state by
6 December 31 following.

1 SEC. 4. Section three hundred twenty-one point four hundred
2 seventy-seven (321.477), Code 1962, is hereby amended by inserting
3 after the word "trailers" in the last line thereof the words "and regis-
4 tration of a motor carrier's interstate transportation service with the
5 Iowa commerce commission".

1 SEC. 5. The provisions of this Act shall not be construed to include
2 private carriers.

Approved June 3, 1965.

CHAPTER 304

CLAIMS AGAINST COUNTIES

S. F. 246

AN ACT relative to claims against counties.

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

1 SECTION 1. Section three hundred thirty-one point twenty-one
2 (331.21), Code 1962, is hereby amended as follows:

3 1. By inserting in line three (3) after the word "compensation" the
4 words "in excess of twenty-five (25) dollars".

Approved May 19, 1965.

CHAPTER 305

PUBLIC DEFENDER

H. F. 655

AN ACT enabling boards of supervisors to establish the office of public defender and the compensation and duties of public defenders and assistant public defenders.

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

1 SECTION 1. In any county, the board of supervisors may establish
2 the office of public defender. A county may join with one or more
3 other contiguous counties within its judicial district to establish one
4 office of public defender to serve those counties.

5 The office of public defender may be abolished by the following pro-
6 cedure:

7 1. A board of county supervisors shall submit the issue that the
8 office of public defender be abolished to a vote of the people of the
9 county upon receipt of a petition that the office of public defender be
10 abolished, signed by not less than ten (10) per cent of those voting

11 for governor in the last general election, and shall submit the issue to
12 a vote of the people at the next general election or at a special election
13 called therefor in the form and manner required for the submission of
14 public measures in the title on elections. If a majority of the votes cast
15 approve the issue, the office of public defender shall be abolished on the
16 date specified on the ballot.

17 If more than one (1) county is involved in the abolishment of the
18 office of public defender, the office shall not be abolished unless the
19 abolishment is authorized by a vote of the people in each of the coun-
20 ties involved.

1 SEC. 2. In addition to such funds as may be appropriated from the
2 court fund by the county for this purpose, a county may accept money
3 and other contributions from private organizations and individuals,
4 and other public agencies, in order to finance the establishment or
5 operation of the office of public defender, and be strictly accountable
6 therefore.

1 SEC. 3. 1. The public defender shall be a qualified attorney ad-
2 mitted to practice before the Iowa supreme court. When a vacancy
3 exists in the office of the public defender, the judges of the district
4 court of the county or counties which the defender is to serve shall
5 nominate two (2) attorneys qualified to serve as public defender and
6 certify the names of such nominees to the board(s) of supervisors of
7 the county or counties which the public defender is to serve. The
8 supervisors shall, within thirty (30) days after such certification,
9 appoint by majority vote, one of these nominees to be public defender
10 for a term of six (6) years so long as he shall remain qualified as
11 otherwise provided in this Act.

12 2. The public defender shall represent without charge, each indigent
13 person who is under arrest or charged with a crime if:

14 a. The defendant requests it; or

15 b. The court, on its own motion or otherwise so orders.

1 SEC. 4. For the purpose of this Act, an indigent shall be any per-
2 son who would be unable to retain in his behalf, legal counsel without
3 prejudicing his financial ability to provide economic necessities for
4 himself or his family.

5 Before the initial arraignment or other initial court appearance, the
6 determination of indigency shall be made by the public defender within
7 criteria set by the board(s) of supervisors. At or after arraignment
8 or other initial court appearance, the determination shall be made by
9 the court.

1 SEC. 5. 1. The compensation of the public defender shall be fixed
2 by the board(s) of supervisors. The compensation shall not be more
3 than that paid the highest paid county attorney of the county or coun-
4 ties the public defender serves.

5 2. The public defender may appoint as many assistant attorneys,
6 clerks, investigators, stenographers, and other employees as the
7 board(s) consider(s) necessary to enable him to carry out his re-
8 sponsibilities. Appointments under this section shall be made in the
9 manner prescribed by the county board(s) of supervisors. An assist-

10 ant attorney must be a qualified attorney licensed to practice before
11 the supreme court.

12 3. The compensation of persons appointed under subsection two (2)
13 shall be fixed by the county board (s) of supervisors.

1 SEC. 6. When representing an indigent person in a criminal pro-
2 ceeding, the public defender shall counsel and defend him, whether he
3 is held in custody without commitment or charged with a criminal
4 offense, at every stage of the proceedings against him; and prosecute
5 any appeals or other remedies before or after conviction that he con-
6 siders to be in the interest of justice.

1 SEC. 7. The court may, for cause, upon the application of the in-
2 digent person or the public defender, or on its own motion, appoint
3 an attorney other than the public defender, to represent the indigent
4 person at any state of the proceedings or on appeal. The attorney so
5 appointed shall be compensated as provided in section seven hundred
6 seventy-five point five (775.5) of the Code.

1 SEC. 8. The public defender shall make an annual report to the
2 judges of the district court sitting in any county he serves, the attorney
3 general and the board (s) of supervisors of any county he serves re-
4 porting all cases handled by him during the preceding year.

1 SEC. 9. The county board(s) of supervisors shall provide office
2 space, furniture, equipment, and supplies for the use of the public
3 defender suitable for the business of his office. However, an allowance
4 may be provided in place of facilities. Each item is a charge against
5 the county in which the services were rendered. If the public defender
6 serves more than one county, expenses that are properly allocable to
7 the business of more than one of those counties shall be pro-rated
8 among the counties concerned.

1 SEC. 10. Any public defender whose annual salary rate is twelve
2 thousand dollars (\$12,000) or more, and any assistant public defender
3 whose annual salary rate is ten thousand dollars (\$10,000) or more,
4 shall devote his full time to the discharge of his duties and shall not
5 directly or indirectly engage in the private practice of law, except that
6 he may be a member of a law partnership on leave of absence.

1 SEC. 11. No public defender or assistant public defender who is
2 subject to the preceding section shall directly or indirectly refer any
3 legal matter or civil or criminal litigation to any particular lawyer or
4 lawyers or directly or indirectly recommend or suggest to any person
5 the employment of any particular lawyer or lawyers to counsel in,
6 conduct, defend, or prosecute any legal matter or litigation, if the
7 county is or is likely to be a party thereto or have a substantial interest
8 therein; or receive any direct or indirect fee or compensation for or
9 in connection with any such referral, recommendation, or suggestion.
10 However, he may recommend a lawyer when requested to do so by any
11 court, governmental agency, or legal aid society.

Approved June 2, 1965.

CHAPTER 306

INDIAN RESERVATION OFFICER

S. F. 521

AN ACT relating to the title and salary of the Indian reservation officer and making an appropriation therefor.

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

- 1 SECTION 1. Chapter* three hundred thirty-seven point twenty-one
 2 (337.21), Code 1962, is hereby amended as follows:
 3 1. By striking in lines three (3) and four (4) the words "two
 4 thousand five hundred" and substituting in lieu thereof the words
 5 "three thousand five hundred (3500)".
 6 2. By changing the word "reservation" to read "settlement" wher-
 7 ever it appears therein.

Approved June 3, 1965.

*According to enrolled Act.

CHAPTER 307

COMPENSATION OF COUNTY OFFICERS

H. F. 349

AN ACT relating to the compensation of county officers, deputies and clerks.

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

- 1 SECTION 1. The annual compensation of the county auditor, county
 2 treasurer, county recorder, and clerk of the district court shall be
 3 computed from the following table:

4	POPULATION OF COUNTY		SALARY "A"
5	Below	5,000.....	\$2475
6	5,000 to	6,000.....	2525
7	6,000 to	7,000.....	2575
8	7,000 to	8,000.....	2625
9	8,000 to	9,000.....	2675
10	9,000 to	10,000.....	2725
11	10,000 to	12,500.....	2750
12	12,500 to	15,000.....	2800
13	15,000 to	17,500.....	2850
14	17,500 to	20,000.....	2900
15	20,000 to	25,000.....	2950
16	25,000 to	30,000.....	3000
17	30,000 to	35,000.....	3050
18	35,000 to	40,000.....	3100
19	40,000 to	45,000.....	3175
20	45,000 to	50,000.....	3250
21	50,000 to	60,000.....	3350
22	60,000 to	70,000.....	3450

23	70,000 to 80,000.....	3550
24	80,000 to 90,000.....	3700
25	90,000 to 100,000.....	3800
26	100,000 to 125,000.....	3950
27	125,000 to 150,000.....	4100
28	150,000 to 175,000.....	4200
29	175,000 to 200,000.....	4300
30	200,000 to 225,000.....	4400
31	225,000 to 250,000.....	4550
32	250,000 to 275,000.....	4700
33	275,000 and over.....	5000

34	TAXABLE VALUATION OF COUNTY	SALARY "B"
35	\$ 8,000,000 to \$ 10,000,000.....	\$2475
36	10,000,000 to 12,000,000.....	2525
37	12,000,000 to 14,000,000.....	2575
38	14,000,000 to 16,000,000.....	2625
39	16,000,000 to 18,000,000.....	2675
40	18,000,000 to 20,000,000.....	2725
41	20,000,000 to 22,500,000.....	2750
42	22,500,000 to 25,000,000.....	2800
43	25,000,000 to 30,000,000.....	2850
44	30,000,000 to 35,000,000.....	2900
45	35,000,000 to 40,000,000.....	2950
46	40,000,000 to 45,000,000.....	3000
47	45,000,000 to 50,000,000.....	3050
48	50,000,000 to 55,000,000.....	3100
49	55,000,000 to 60,000,000.....	3175
50	60,000,000 to 65,000,000.....	3250
51	65,000,000 to 70,000,000.....	3350
52	70,000,000 to 75,000,000.....	3450
53	75,000,000 to 80,000,000.....	3550
54	80,000,000 to 90,000,000.....	3700
55	90,000,000 to 100,000,000.....	3800
56	100,000,000 to 125,000,000.....	3950
57	125,000,000 to 150,000,000.....	4100
58	150,000,000 to 175,000,000.....	4200
59	175,000,000 to 200,000,000.....	4300
60	200,000,000 to 225,000,000.....	4400
61	225,000,000 to 250,000,000.....	4550
62	250,000,000 to 275,000,000.....	4700
63	275,000,000 to 300,000,000.....	5000
64	300,000,000 to 325,000,000.....	5250
65	325,000,000 to 350,000,000.....	5500
66	350,000,000 to 375,000,000.....	5750
67	375,000,000 to 400,000,000.....	6000
68	400,000,000 to 425,000,000.....	6250
69	425,000,000 to 450,000,000.....	6500
70	450,000,000 to 475,000,000.....	6750
71	475,000,000 to 500,000,000.....	7000
72	500,000,000 and over.....	7250

73 The annual compensation shall be the sums of the salary in column "A"
 74 based on population, when added to the salary shown in column "B"
 75 based on taxable valuation less the valuation of moneys and credits.

1 SEC. 2. In counties having a population of forty thousand (40,000)
 2 or over in which there is a city of fifteen thousand (15,000) or more
 3 population, of any form of government, the board of supervisors may
 4 allow additional compensation to the county treasurer not to exceed
 5 fifty (50) dollars per annum for each five thousand (5,000) popula-
 6 tion of such cities in excess of fifteen thousand (15,000). When such
 7 county has a city with a population of seventy-five thousand (75,000)
 8 or over, the board of supervisors shall allow additional compensation
 9 in an amount not less than twenty-five (25) dollars nor more than
 10 fifty (50) dollars for each five thousand (5,000) population of such
 11 cities in excess of seventy-five thousand (75,000); provided however,
 12 that in no case shall such allowance exceed five hundred (500) dollars.
 13 The board of supervisors shall allow an additional five hundred
 14 (500) dollars compensation in counties having two places at which the
 15 district court is held.

1 SEC. 3. Section three hundred thirty-one point twenty-two
 2 (331.22), Code 1962, is amended by striking from lines three (3) and
 3 four (4) the words "fourteen (14) dollars" and inserting in lieu there-
 4 of in each instance the words "seventeen (17) dollars and fifty (50)
 5 cents".
 6 Further amend said section by striking the last paragraph of said
 7 section of the Code and inserting in lieu thereof the following:
 8 "However in counties having a population in excess of forty thou-
 9 sand (40,000) by the last federal decennial census the members of the
 10 boards of supervisors shall be paid on an annual basis according to the
 11 following schedule:

12 Boards of five members

13	Population of county	Annual Salary
14	40,000 to 60,000.....	\$ 5,500
15	60,001 to 150,000.....	6,000
16	150,001 to 200,000.....	8,200
17	over 200,000.....	10,950

18 Boards of three members

19	40,000 to 60,000.....	\$ 5,500
20	60,001 to 100,000.....	7,250
21	100,001 to 150,000.....	7,500
22	over 150,000.....	8,200

23 These salaries shall be in full payment of all services rendered to
 24 the county by said supervisors except statutory mileage while actually
 25 engaged in the performance of official duties.

1 SEC. 4. Section three hundred thirty-one point twenty-three
 2 (331.23), Code 1962, is amended by striking subsections four (4),
 3 five (5), six (6) and seven (7).

1 SEC. 5. In July of the year of nineteen hundred sixty-five (1965)
2 for the remainder of such year and in each succeeding December for
3 each year thereafter, the board of supervisors shall, by resolution, fix
4 the salaries of the officials in conformity with the schedule based on
5 population as shown in the last current report of the bureau of census,
6 United States department of commerce and on the taxable valuation
7 of the county as certified by the Iowa state tax commission or in con-
8 formity with this Act. If a vacancy occurs in any office, the person
9 who is appointed or elected to fill the unexpired term in the office va-
10 cated, shall receive the same salary as the person vacating the office.

1 SEC. 6. The first and second deputies and the deputy in charge of
2 the motor vehicle registration and title department, may be paid an
3 amount not to exceed eighty percent of the amount of the annual sal-
4 ary of his or her principal. In counties where more than two deputies
5 are required, deputies in excess of two may be paid an amount not to
6 exceed seventy-five percent of the annual salary of his or her principal.
7 Upon certification to the board of supervisors by the elected official
8 concerned, the amount of the annual salary for each deputy as above
9 provided, the board of supervisors shall certify to the county auditor
10 of any such county the annual salary certified by the elected officials,
11 but in no event shall said board of supervisors be required to certify
12 to the auditor of any such county an amount in excess of the amounts
13 authorized above. The board of supervisors shall fix all compensation
14 for extra help and clerks.

1 SEC. 7. In any county in which there exists a city, not the county
2 seat, having a population of six thousand or over, the treasurer may
3 appoint a resident deputy collector of taxes for such city and vicinity
4 under bond as provided for other deputies, and his compensation shall
5 be the same percentage of the treasurer's salary as the chief deputy
6 and second deputy in such county. Such resident deputy collector shall
7 maintain an office in such city for a period of approximately five weeks
8 each spring and fall, such periods to terminate on April 1 and October
9 1 respectively or as soon thereafter as possible. The treasurer in such
10 case shall prepare the necessary books and records for such deputy
11 each year, and the board of supervisors is authorized to allow payment
12 of incidental expenses pertaining to the operations of such office, not
13 to exceed one hundred dollars per year.

1 SEC. 8. Sections three hundred forty point one (340.1), three hun-
2 dred forty point two (340.2), three hundred forty point three (340.3),
3 three hundred forty point five (340.5), three hundred forty point eight
4 (340.8), and three hundred forty point eleven (340.11), Code 1962,
5 and chapter two hundred sixteen (216) Acts of the Sixtieth (60th)
6 General Assembly are hereby repealed.

1 SEC. 9. Section three hundred thirty-eight point one (338.1), Code
2 1962, is hereby amended by striking from line five (5) the words "one
3 hundred".

1 SEC. 10. It is hereby declared to be the policy of this state that all
2 courthouses shall be open for the transaction of business five and one-

3 half (51½) days per week. Such period shall include Saturdays from
4 8 a.m. to 12 noon, excepting legal holidays.

Approved April 8, 1965.

CHAPTER 308

DEPUTY TAX COLLECTOR

H. F. 222

AN ACT relating to the appointment of a deputy collector by the county treasurer.

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

1 SECTION 1. Section three hundred forty point two (340.2)*, Code
2 1962, is hereby amended by striking lines twenty-seven (27) through
3 thirty-one (31) and inserting in lieu thereof the following:
4 "In any county in which there exists a city or town, not the county
5 seat, the treasurer may appoint a resident deputy collector of taxes
6 for such city or town under bond as provided for".

1 SEC. 2. Section three hundred forty point two (340.2)*, Code 1962,
2 is further amended by inserting after the word "city" in line thirty-
3 six (36) of said section the words "or town".

Approved May 24, 1965.

*Repealed by ch. 307, §8.

CHAPTER 309

SHERIFFS AND COUNTY ATTORNEYS COMPENSATION

S. F. 136

AN ACT relating to salaries and meal allowance of county sheriffs and county attorneys.

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

1 SECTION 1. Section three hundred forty point seven (340.7), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:
3 "Each sheriff shall receive for his annual salary in counties having
4 a population of:
5 1. Less than ten thousand (10,000), six thousand (6,000) dollars.
6 2. Ten thousand (10,000) and less than twenty thousand (20,000),
7 six thousand five hundred (6,500) dollars.
8 3. Twenty thousand (20,000) and less than thirty thousand (30,-
9 000), seven thousand (7,000) dollars.
10 4. Thirty thousand (30,000) and less than forty thousand (40,000),
11 seven thousand five hundred (7,500) dollars.
12 5. Forty thousand (40,000) and less than fifty thousand (50,000),
13 eight thousand (8,000) dollars.
14 6. Fifty thousand (50,000) and less than sixty thousand (60,000),
15 eight thousand five hundred (8,500) dollars.

16 7. Sixty thousand (60,000) and less than seventy-five thousand
17 (75,000), nine thousand (9,000) dollars.

18 8. Seventy-five thousand (75,000) and less than one hundred thou-
19 sand (100,000), nine thousand five hundred (9,500) dollars.

20 9. One hundred thousand (100,000) and less than one hundred fifty
21 (150,000), ten thousand (10,000) dollars.

22 10. In counties over one hundred fifty thousand (150,000), twelve
23 thousand (12,000) dollars.

24 11. In counties where the sheriff is not furnished a residence by the
25 county, an additional sum of seven hundred and fifty (750) dollars
26 per annum in addition to the foregoing schedule. The foregoing addi-
27 tional allowance for residence shall not be considered as salary in
28 computing the salary of deputies as provided in section three hundred
29 forty point eight (340.8) of the Code."

1 SEC. 2. Section three hundred forty point nine (340.9), Code 1962,
2 as amended by sections one (1) and two (2) of chapter two hundred
3 twenty-four (224), Acts of the Sixtieth General Assembly, is hereby
4 repealed and the following enacted in lieu thereof:

5 "Each county attorney shall receive as his annual salary in counties
6 having a population of:

7 1. Less than twenty thousand (20,000) population, six thousand
8 (6,000) dollars.

9 2. Twenty thousand (20,000) and less than twenty-five thousand
10 (25,000) population, sixty-five hundred (6,500) dollars.

11 3. Twenty-five thousand (25,000) and less than thirty thousand
12 (30,000) population, seven thousand (7,000) dollars.

13 4. Thirty thousand (30,000) and less than thirty-five thousand
14 (35,000) population, seventy-five hundred (7,500) dollars.

15 5. Thirty-five thousand (35,000) and less than fifty thousand (50,-
16 000) population, eighty-five hundred (8,500) dollars.

17 6. Fifty thousand (50,000) and less than seventy-five thousand
18 (75,000) population, nine thousand (9,000) dollars.

19 7. Seventy-five thousand (75,000) and less than one hundred thou-
20 sand (100,000) population, ten thousand (10,000) dollars.

21 8. One hundred thousand (100,000) and less than one hundred fifty
22 thousand (150,000) population, eleven thousand (11,000) dollars.

23 9. One hundred fifty thousand (150,000) population, and less than
24 two hundred thousand (200,000) population, thirteen thousand (13,-
25 000) dollars.

26 10. Over two hundred thousand (200,000) population, fifteen thou-
27 sand (15,000) dollars.

28 The annual salaries as provided herein shall be the full and only
29 compensation for the duties performed in the office of the county at-
30 torney, and all fees and commissions which may be lawfully taxed in
31 favor of the county attorney shall if and when taxed and collected be
32 paid by the county attorney to the county for the benefit of the court
33 expense fund.

34 In counties where district court is held in two (2) places, the county
35 attorney shall receive an additional sum of five hundred (500) dollars.

36 The county attorney shall also receive his necessary and actual ex-

37 penses incurred in attending upon his official duties other than his
38 residence and the county seat, which shall be audited and allowed by
39 the board of supervisors of the county."

1 SEC. 3. Section three hundred forty point ten (340.10), Code 1962,
2 is hereby amended as follows:

3 1. By striking from line seven (7) of subsection one (1) of such
4 section the word "seventy-five" and inserting in lieu thereof the word
5 "eighty (80)".

6 2. By striking from line three (3) of subsection two (2) of such
7 section the word "seventy-five" and inserting in lieu thereof the word
8 "eighty (80)".

9 3. By striking from line three (3) of subsection three (3) of such
10 section the word "fifty" and inserting in lieu thereof the word "sixty
11 (60)".

12 4. By striking from line four (4) of subsection three (3) of such
13 section the word "sixty-five" and inserting in lieu thereof the word
14 "seventy-five (75)".

1 SEC. 4. The following is enacted as a substitute for section three
2 hundred forty point eight (340.8), Code 1962:

3 "340.8. Deputy sheriff. Each deputy sheriff shall receive as his
4 annual salary as follows:

5 "1. The first deputy sheriff, and the second such deputy if a second
6 deputy sheriff is required, shall receive an annual salary of not more
7 than eighty-five percent of the amount of the salary of the sheriff, as
8 fixed by the board of supervisors.

9 "2. All other deputy sheriffs shall receive an annual salary as fixed
10 by the board of supervisors, but not to exceed the salaries of the first
11 or second deputies.

12 "3. In any county where district court is held in two places, for any
13 deputy other than the chief deputy in charge of the office where such
14 court is held outside the county seat, seventy-five percent of the
15 amount of the salary of the sheriff but not to exceed three thousand
16 dollars.

17 "In counties over 250,000 population where more than two (2)
18 deputies are required, said deputies may be paid an amount not to
19 exceed seventy-five percent of the annual salary of his or her prin-
20 cipal. Upon certification to the board of supervisors by the elected
21 official concerned, the amount of the annual salary for each deputy as
22 above provided, the board of supervisors shall certify to the county
23 auditor of any such county the annual salary certified by the elected
24 officials, but in no event shall said board of supervisors be required to
25 certify to the auditor of any such county an amount in excess of the
26 amounts authorized above. The board of supervisors shall fix all com-
27 pensation for extra help and clerks."

1 SEC. 5. Section three hundred thirty-eight point one (338.1), Code
2 1962, is hereby amended by striking from line five (5) the words "one
3 hundred".

1 SEC. 6. Section three hundred thirty-seven point eleven (337.11),
2 subsection eleven (11), Code 1962, is hereby amended by striking all

3 after the word "sand" in line 9, all of lines 10 and 11 and the word
4 "thousand" in line 12.

Approved May 10, 1965.

CHAPTER 310

BOUNTIES ON WILD ANIMALS

H. F. 57

AN ACT to change the bounty on wild animals.

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

1 SECTION 1. Section three hundred fifty point one (350.1), Code
2 1962, as amended by chapter two hundred twenty-six (226), Acts of
3 the Sixtieth General Assembly, section three hundred fifty point two
4 (350.2), Code 1962, as amended by chapter two hundred twenty-six
5 (226), Acts of the Sixtieth General Assembly, and section three hun-
6 dred fifty point three (350.3), Code 1962, are hereby repealed.

1 SEC. 2. The board of supervisors of each county may by resolution
2 adopted and entered of record authorize the payment of bounties from
3 the county treasury for wild animals caught and killed within the
4 county.

Approved May 13, 1965.

CHAPTER 311

RABIES CONTROL

H. F. 566

AN ACT relating to the control and prevention of rabies.

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

1 SECTION 1. Chapter three hundred fifty-one (351), Code 1962, is
2 hereby amended by adding thereto the following new sections:
3 "1. Every owner of a dog shall obtain a rabies vaccination for such
4 animal. It shall be unlawful for any person to own or have a dog in
5 his possession, three (3) months of age or over, which has not been
6 vaccinated against rabies. Dogs kept in kennels and not allowed to
7 run at large shall not be subject to these vaccination requirements.
8 "2. Before a license is issued for any dog, the owner must present
9 evidence with the application required by section three hundred fifty-
10 one point three (351.3) that the dog has been vaccinated against
11 rabies, or if the dog license fee is paid to the assessor, as permitted in
12 section three hundred fifty-one point sixteen (351.16), such evidence
13 must be presented to the assessor. Such evidence shall be a certificate
14 of vaccination signed by a licensed veterinarian, and the certificate

15 shall show that the vaccination does not expire within six (6) months
16 from the effective date of the dog license.

17 "3. The rabies vaccination required by this Act shall be an injection
18 of anti-rabies vaccine approved by the state department of agriculture,
19 and the frequency of revaccination necessary for approved vaccina-
20 tions shall be as established by such department. The vaccine shall be
21 administered by a licensed veterinarian and shall be given as approved
22 by the state department of agriculture. The veterinarian shall issue a
23 tag with the certificate of vaccination, and such tag shall at all times
24 be attached to the collar of the dog.

25 "4. County and city and town health and law enforcement officials
26 shall enforce the provisions of this Act relating to vaccination and
27 impoundment of dogs. Such public officials shall not be responsible
28 for any accident or disease of a dog resulting from the enforcement
29 of the provisions of this Act.

30 "5. Beginning June 1, 1966, any dog found running at large and not
31 wearing a valid rabies vaccination tag and for which no rabies vacci-
32 nation certificate can be produced shall be apprehended and impounded.

33 When such dog has been apprehended and impounded, the official
34 shall give written notice in not less than two (2) days to the owner,
35 if known. If the owner does not redeem the dog within seven (7) days
36 of the date of the notice, the dog may be humanely destroyed or other-
37 wise disposed of in accordance with law. An owner may redeem a dog
38 by having it immediately vaccinated and by paying the cost of im-
39 poundment.

40 If the owner of a dog apprehended or impounded cannot be located
41 within seven (7) days, the animal may be humanely destroyed or
42 otherwise disposed of in accordance with law.

43 "6. It shall be the duty of the owner of any dog, cat or other animal
44 which has bitten or attacked a person or any person having knowledge
45 of such bite or attack to report this act to a county or city or town
46 health or law enforcement official. It shall be the duty of physicians
47 and veterinarians to report to the county or city or town board of
48 health the existence of any animal known or suspected to be suffering
49 from rabies.

50 "7. When a county or city or town board of health receives informa-
51 tion that any person has been bitten by an animal or that a dog or
52 animal is suspected of having rabies, it shall order the owner to con-
53 fine such animal in the manner it directs. If the owner fails to confine
54 such animal in the manner directed, the animal shall be apprehended
55 and impounded by such board, and after two (2) weeks the board may
56 humanely destroy the animal. If such animal is returned to its owner,
57 the owner shall pay the cost of impoundment.

58 "8. If a county or city or town board of health believes rabies to be
59 epidemic, or believes there is a threat of epidemic, in its jurisdiction,
60 it may declare a quarantine in all or part of the area under its juris-
61 diction and such declaration shall be reported to the state department
62 of health. During the period of quarantine, any person owning or
63 having a dog in his possession in the quarantined area shall keep such
64 animal securely enclosed or on a leash for the duration of the quaran-
65 tine period.

66 "9. Nothing in this Act shall be construed to limit the power of any

67 city or town to prohibit dogs from running at large, whether or not
68 they have been vaccinated for rabies, or to limit the power of any city
69 or town to provide additional measures for the restriction of dogs for
70 the control of rabies.

71 "10. Dogs that are under the control of the owner or handlers and
72 which are in transit, or are to be exhibited shall be exempt from the
73 vaccination provisions of this Act if they are within the state for less
74 than thirty (30) days. Dogs assigned to a research institution or a like
75 facility shall be exempt from the provisions of this Act.

76 "11. Any person refusing to comply with the provisions of this Act,
77 or violating any of its provisions, shall be deemed guilty of a misde-
78 meanor and upon conviction shall be fined not more than one hundred
79 (100) dollars or imprisoned not more than thirty (30) days, for each
80 offense."

1 SEC. 2. Subsection twenty-one (21) of section three hundred
2 thirty-two point three (332.3), Code 1962, is hereby amended by strik-
3 ing the remainder of the subsection after the word "disposition" in
4 line two (2) and by substituting the following:

5 "of dogs in accordance with chapter three hundred fifty-one (351)
6 of the Code."

1 SEC. 3. Section three hundred fifty-one point five (351.5), Code
2 1962, is amended by adding at the end of such section the following:

3 "Such application shall also state the date of the most recent rabies
4 vaccination, the type of vaccine administered, and the date the dog
5 shall be revaccinated."

1 SEC. 4. Section three hundred fifty-one point sixteen (351.16),
2 Code 1962, is hereby amended by adding in line thirteen (13) after
3 the word "him," the following:

4 "the evidence of rabies vaccination for each dog,".

1 SEC. 5. Section three hundred fifty-one point twenty-two (351.22)
2 is amended by adding at the end of subsection three (3) the following:

3 "The date of the most recent rabies vaccination, the type of vaccine
4 administered, and the date the dog shall be revaccinated."

Approved June 4, 1965.

CHAPTER 312

JAIL PRISONERS

H. F. 622

AN ACT relating to employment and other privileges for certain prisoners of county jails.

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

1 SECTION 1. The district court may grant by appropriate order to
2 any person sentenced to a county jail the privilege of leaving the jail
3 at necessary and reasonable hours for any of the following purposes:

- 4 1. Seeking employment.
- 5 2. Working at his employment.
- 6 3. Conducting his own business or other self-employed occupation,
- 7 including, in the case of a woman, housekeeping and attending the
- 8 needs of her family.
- 9 4. Attendance at an educational institution.
- 10 5. Medical treatment.

11 All released prisoners shall remain, while absent from the jail, in
12 the legal custody of the sheriff, and shall be subject, at any time, to
13 being taken into custody and returned to the jail.

1 SEC. 2. Unless such privilege is expressly granted by the court,
2 the prisoner is sentenced to ordinary confinement. Any prisoner may
3 petition the court for such privilege at the time of sentencing or there-
4 after, and the court in its discretion may review the petition and make
5 appropriate orders. The court may withdraw the privilege at any time
6 by order entered with or without notice or hearing.

1 SEC. 3. The sheriff or any suitable person or agency designated by
2 the court may endeavor to secure employment for unemployed prison-
3 ers granted privileges under this Act.

1 SEC. 4. If a prisoner is employed for wages or salary the sheriff
2 may collect the same or require the prisoner to turn over his wages or
3 salary in full when received, and the sheriff shall deposit the same in a
4 trust checking account and shall keep a ledger showing the status of
5 the account of each prisoner. Such wages or salary are not subject to
6 garnishment during the prisoner's term and shall be disbursed only as
7 provided in this Act.

1 SEC. 5. Every prisoner gainfully employed is liable for the cost of
2 his board in the jail as fixed by the county board of supervisors. The
3 sheriff shall charge his account for such board and any meals provided
4 in section six (6) of this Act. If the prisoner is gainfully self-employed
5 he shall pay the sheriff for such board, in default of which his privilege
6 under this Act is automatically forfeited. If necessarily absent from
7 jail at a meal time, he shall at his request be furnished with a lunch to
8 carry to work. If the jail food is furnished directly, by the county,
9 the sheriff shall account for and pay over such meal payments to the
10 county treasurer. The county board of supervisors may by resolution
11 provide that the county furnish or pay for the transportation of
12 prisoners employed under this Act to and from the place of employ-
13 ment.

1 SEC. 6. By order of the court, the wages, salaries, or other income
2 of employed prisoners shall be disbursed by the sheriff for the follow-
3 ing purposes and in the order stated.

- 4 1. The meals of the prisoner.
- 5 2. Necessary travel expense to and from work including reimburse-
- 6 ment for travel furnished by the county, and other incidental expenses
- 7 of the prisoner.
- 8 3. Support of the prisoner's dependents, if any.
- 9 4. Payment, either in full or ratably, of the prisoner's obligations if

10 acknowledged by him in writing or which have been reduced to judg-
11 ment.

12 5. The balance, if any, to the prisoner upon his release.

1 SEC. 7. The court may by order authorize the sheriff to whom the
2 prisoner is committed, to contract with a sheriff of another county,
3 for the employment of the prisoner in the other's county, and while so
4 employed to be in the other's custody, but in other respects to be and
5 continue subject to the commitment.

1 SEC. 8. If a prisoner was convicted in a justice of the peace court,
2 superior court or municipal court, the district court located in that
3 county has authority and jurisdiction to make all determinations and
4 orders under this Act as if it were the sentencing court after such
5 prisoner is received at the county jail, provided however municipal
6 courts upon their own motion may make such orders as they deem
7 necessary allowing the periodic release of prisoners by specifying the
8 times and days the sentence shall be served by prisoners sentenced by
9 their court to terms not exceeding fifteen (15) days in either the city
10 or county jail.

11 If the prisoner was convicted in a court in another county, the dis-
12 trict court in the county where the prisoner is jailed, at the request or
13 the concurrence of the committing court, may make all determinations
14 and orders under this section as might otherwise be made by the sen-
15 tencing court after the prisoner is received at the jail.

1 SEC. 9. The sheriff or any other suitable person or agency desig-
2 nated by the court shall, at the request of the court, investigate and
3 report to the court the amount necessary for the support of the pris-
4 oner's dependents.

1 SEC. 10. The sheriff may in his discretion suspend the privilege
2 provided he files with the court the next regular court day a statement
3 of his reasons therefor. Unless the court acts to rescind its order, such
4 suspension of the privileges may not exceed five (5) days.

1 SEC. 11. Any person who fails to return to said jail after the hours
2 of release authorized by the court order and who does not thereby fall
3 within the provisions of section seven hundred forty-five point eight
4 (745.8), of the Code, may be deemed guilty of contempt of court and
5 punished as provided in section six hundred sixty-five point four
6 (665.4), of the Code.

Approved May 14, 1965.

CHAPTER 313

COUNTY JAILS

S. F. 394

AN ACT to provide safe and suitable jails in the respective counties of the state.

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

1 SECTION 1. The county board of supervisors shall provide safe and
2 suitable jails for their respective counties, and shall cause the same to
3 be maintained in good sanitary condition at all times, properly venti-
4 lated, heated and lighted; structurally sound; fire resistant and kept
5 in good repair. They shall cause the jails in their respective counties
6 to be kept clean, provided with water of safe quality and ample quan-
7 tity and sewer disposal facilities in accordance with good sanitary
8 standards, and provided with clean, comfortable mattresses and blan-
9 kets, sufficient for the comfort of the prisoners, and that food be pre-
10 pared and served in a palatable and sanitary manner and according to
11 good dietary practices and of a quality to maintain good health.

1 SEC. 2. For the purpose of this Act, the term "safe and suitable
2 jails" is further defined to mean jails which provide adequate security
3 and safety facilities by having separate cells or compartments, dormi-
4 tories, and day rooms, of varying dimensions and capacities for pris-
5 oners confined therein, except that, when practicable, no such cell or
6 compartment shall be designed for confining two prisoners only. Cells
7 or compartments shall be designed to accommodate one or from three
8 to eight prisoners each, and furthermore, such dormitories and day
9 rooms shall be designed to accommodate not more than twenty-four
10 prisoners each. Dormitory space may be provided to accommodate not
11 more than forty percent of the total designated prisoner capacity of
12 the jail. All cells, compartments, and dormitories for sleeping pur-
13 poses, where each such cell, compartment or dormitory is designed to
14 accommodate three or more prisoners shall be accessible to a day room
15 to which prisoners may be given access during the day. Cells for one
16 prisoner only shall have a minimum floor area of forty square feet and
17 all other cells, compartments, dormitories and day rooms (including
18 safety vestibule area) shall have a minimum floor area equal to eigh-
19 teen square feet for each prisoner to be confined therein. The ceiling
20 height above finished floor shall be not less than eight feet for any cell,
21 compartment, dormitory or day room where prisoners are confined.

1 SEC. 3. The term "safe and suitable jails," as used in this Act, is
2 further defined to mean that, for reasons of safety to officers and
3 security, the entrance and exit to each group of enclosures forming a
4 cell block or group of cells and compartments used for the confinement
5 of three or more prisoners shall be through a safety vestibule having
6 one or more interior doors in addition to the main outside entrance
7 door to such cell block, all arranged to be locked, unlocked, opened or
8 closed by control means located outside of any such enclosure or cell
9 block. All such enclosures or cell blocks, for the confinement of pris-
10 oners, shall be separated from the building wall on at least one side,
11 by a corridor not less than three feet wide and so designed that no

12 prisoners in confinement areas shall have direct access to windows in
13 the walls of the building.

1 SEC. 4. Basement or semibasement facilities may be used for de-
2 tention of day parole prisoners only and in such facility, requirements
3 of the preceding paragraph may be excepted.

1 SEC. 5. The term "safe and suitable jails" is further defined to
2 mean jails which provide adequate facilities for maintaining proper
3 standards in sanitation and health. Each cell designed for one prisoner
4 only shall be provided with a water closet and a combination lavatory
5 and clean tap water, table and a seat. Each cell, compartment or dor-
6 mitory designed for three or more prisoners, shall be provided with
7 one water closet and one combination lavatory and clean tap water for
8 each twelve prisoners or fraction thereof to be confined therein. All
9 such cells, compartments and dormitories shall be provided with one
10 bunk, not less in size than two feet, three inches wide and six feet,
11 three inches long, for each prisoner to be confined therein. Each day
12 room for the confinement of three or more prisoners shall be provided
13 with one water closet, one combination lavatory and drinking fountain
14 and one shower bath for each twelve prisoners, or fraction thereof, to
15 be confined therein. Each day room shall be otherwise suitably fur-
16 nished.

1 SEC. 6. This Act shall apply to all jails and additions and exten-
2 sions to jails constructed after July 4, 1965, and all existing jails which
3 are substantially remodeled or reconstructed after July 4, 1965. This
4 Act shall apply to all other existing jails from and after July 1, 1966,
5 except that this Act shall not require improvements to such a jail if
6 the probable cost of such improvements will exceed the amount which
7 the board of supervisors may lawfully authorize without submitting
8 the proposition to the voters.

1 SEC. 7. Following inspection of any county jail, a report of the
2 same shall be filed with the state board of control, a copy with the
3 sheriff, the county board of supervisors, and one copy with the county
4 attorney, which shall be presented at the next session of the grand jury
5 of that county.

1 SEC. 8. Section three hundred fifty-six point five (356.5), Code
2 1962, is amended by adding as a new subsection as follows: "To have
3 a matron on the jail premises at all times during the incarceration of
4 any one or more female prisoners and to make nighttime inspections
5 while any prisoners are kept in confinement."

1 SEC. 9. The county sheriff shall formulate rules and regulations
2 for the conduct and behavior of county jail prisoners. These rules may
3 include provisions for county jail prisoners to do all necessary cleaning
4 and upkeep of cells, compartments, dormitories and day rooms. Extra
5 penalties may be provided for intentional damage of county jail prop-
6 erty. Such rules and regulations shall be approved by a district judge
7 from the district in which the county jail is located.

Approved May 26, 1965.

CHAPTER 314

LEAGUE OF IOWA MUNICIPALITIES

S. F. 107

AN ACT relating to the league of Iowa municipalities.

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

1 SECTION 1. Section three hundred sixty-three point forty-one
2 (363.41), Code 1962, is amended by striking the remainder of such
3 section after the word "exceed" in line six (6) and by inserting in lieu
4 thereof the following:

5 "Ninety (90) thousand dollars. In addition they may pay out of the
6 general fund the actual expenses of delegates to the annual conference
7 of the league."

1 SEC. 2. Section three hundred sixty-three point forty-two,
2 (363.42), Code 1962, is hereby repealed.

Approved May 28, 1965.

CHAPTER 315

COMMISSION FORM OF CITY GOVERNMENT

H. F. 626

AN ACT relating to salary restrictions for mayor and council in the commission form of municipal governments.

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

1 SECTION 1. Sections* three hundred sixty-three B point nine
2 (363B.9), Code 1962, is hereby amended by striking lines one (1)
3 through five (5) and inserting in lieu thereof the following:

4 "The mayor and councilmen shall have an office in the city hall, and
5 their total annual compensation, payable in equal monthly install-
6 ments, shall be as fixed by such council and stated in city ordinances,
7 but no council during its present term shall have power to increase the
8 salary of its own members. Such compensation increases shall be
9 published twice in the manner provided in section 618.14 of the Code
10 and not less than forty-five (45) days or more than one hundred (100)
11 days before the regular municipal election. Such compensation shall
12 not exceed amounts equal to twenty-five (25) percent more than each
13 of the following salary restrictions:"

Approved July 1, 1965.

*According to enrolled Act.

CHAPTER 316

PROBATION PERIOD FOR PATROLMEN

S. F. 89

AN ACT relating to the probation period for police patrolmen appointed under civil service in certain cities.

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

1 SECTION 1. Section three hundred sixty-five point eight (365.8),
 2 Code 1962, is amended by inserting in line twenty-four (24) following
 3 the word "months," the words "and in the case of police patrolmen in
 4 cities operating a police academy, a probation period not to exceed
 5 twelve (12) months,".

Approved April 30, 1965.

CHAPTER 317

MUNICIPAL CIVIL SERVICE

H. F. 330

AN ACT to clarify and strengthen the law for civil service.

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

1 SECTION 1. Section three hundred sixty-five point nine (365.9),
 2 Code 1962, is amended as follows:
 3 1. By striking from line sixteen (16) the word "department".
 4 2. By adding thereto the following: "If, however, no current em-
 5 ployee passes a promotional examination and otherwise qualifies for
 6 the position, an entrance examination for such position may be used to
 7 fill such vacancy within one year after such promotional examination."

1 SEC. 2. Section three hundred sixty-five point fifteen (365.15),
 2 Code 1962, is amended by adding thereto the following:
 3 "An appointing authority may transfer an employee, other than
 4 policemen and firemen, with his consent without coercion, from one
 5 department to the same civil service classification in another depart-
 6 ment, and such employee shall retain the same civil service status."

Approved June 3, 1965.

CHAPTER 318

BENEFITED FIRE DISTRICTS

S. F. 8

AN ACT relating to powers of cities and towns and benefited fire districts regarding the use of joint facilities.

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

1 SECTION 1. Section three hundred sixty-eight point twelve
2 (368.12), Code 1962, is hereby amended by inserting in line six (6)
3 after the word "township" the words "or benefited fire district as
4 provided in chapter three hundred fifty-seven A (357A) of the Code".

1 SEC. 2. Chapter three hundred fifty-seven A (357A), Code 1962,
2 is hereby amended by adding the following section:

3 "No benefited fire district shall join with any city or town for any
4 joint purpose permitted in section three hundred sixty-eight point
5 twelve (368.12) of the Code unless such joining is approved by the
6 electors of the joint benefited fire district as provided in this section.
7 The trustees of a benefited fire district shall have the power, when
8 authorized by a majority vote of the electors thereof at a special elec-
9 tion called for that purpose, upon notice given in the same manner
10 provided in section three hundred fifty-seven A point nine (357A.9)
11 of the Code, to own, use, or operate jointly with any city or town, fire
12 apparatus, equipment, or facilities and to provide for the purchase,
13 rental, or maintenance of such equipment, facilities, and services."

Approved March 19, 1965.

CHAPTER 319

OPTIONS ON REAL ESTATE BY CITIES AND TOWNS

S. F. 64

AN ACT to authorize cities and towns to take and pay consideration for options to buy real estate for public purposes.

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

1 SECTION 1. Section three hundred sixty-eight point eighteen
2 (368.18), Code 1962, is amended by adding thereto the following new
3 subsection:

4 "They shall have power to take and pay consideration for options
5 on real property, desired for a public purpose, and to pay for same
6 from the most logically related functional fund or from the proceeds
7 of the sale of any bonds subsequently issued for such public purpose."

Approved February 12, 1965.

CHAPTER 320

MUNICIPAL CONTRACTS FOR REFUSE AND GARBAGE DISPOSAL

H. F. 119

AN ACT to permit certain cities to enter into contracts and leases in connection with the collection and disposal of refuse and garbage and to impose fee schedules.

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

1 SECTION 1. Section three hundred sixty-eight point twenty-four
 2 (368.24), Code 1962, is amended by adding at the end thereof the fol-
 3 lowing:
 4 "In addition to the foregoing powers, cities of twenty thousand
 5 (20,000) or more population may impose a schedule of fees for the
 6 collection of refuse and garbage, may impose a schedule of fees for
 7 use of a city dump or other disposal facilities by private or commercial
 8 garbage or refuse collectors, may lease out the operation of its dump
 9 or disposal facilities to a private operator, or may contract with one
 10 (1) or more private collectors for the collection of garbage and refuse
 11 within the city in lieu of accomplishing the same by means of city
 12 trucks and personnel."

Approved June 3, 1965.

CHAPTER 321

SANITARY TOILET FACILITIES

H. F. 74

AN ACT to authorize the financing of sanitary toilet facilities installed under the provisions of section three hundred sixty-eight point twenty-six (368.26), Code 1962, by certificates.

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

1 SECTION 1. Section three hundred sixty-eight point twenty-six
 2 (368.26), Code 1962, is amended by inserting after the period in line
 3 twelve (12) of subsection two (2) the following:
 4 "The council may provide by resolution for the issuance of certifi-
 5 cates payable to bearer or to the contractor who has installed the facili-
 6 ties and may negotiate the same. The provisions of chapter three hun-
 7 dred ninety-six (396) of the Code shall be applicable."

Approved March 18, 1965.

CHAPTER 322

FLOOD CONTROL

H. F. 387

AN ACT relating to flood control in cities and towns.

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

1 SECTION 1. Section three hundred sixty-eight point forty-seven
2 (368.47), Code 1962, is hereby amended as follows:

3 1. By inserting in line twenty-five (25), immediately following the
4 word "including", the following: "the payment to the United States
5 of all or any part of the cost to the United States of the said under-
6 takings as such apportionment of said cost may be determined by such
7 agreements with the United States,"

8 2. By adding at the end of said section the following: "Payments
9 to the United States in furtherance of said agreements may be made
10 to the United States in whole or in part in advance of the letting of
11 contracts by the United States for such undertakings to secure the
12 United States in the letting of said contracts subject to the provision
13 that any such payments be made on condition that any excess of such
14 payments over and above the actual cost as so apportioned shall be
15 refunded."

1 SEC. 2. Section three hundred ninety-five point twenty-eight
2 (395.28), Code 1962, is hereby amended by inserting immediately
3 following the period in line nine (9) the following: "Cities and towns
4 may pay to the United States all or any part of the cost to the United
5 States of the improvements contemplated by this chapter as such ap-
6 portionment of said cost may be determined by agreement with the
7 United States. Payments to the United States in furtherance of said
8 agreement may be made to the United States in whole or in part in
9 advance of the letting of contracts by the United States for such im-
10 provements to secure the United States in the letting of said contracts
11 subject to the provision that any such payment be made on condition
12 that any excess of such payment over and above the actual cost as so
13 apportioned shall be refunded to the city or town. Funds for such
14 payments to the United States may be provided by contracting indebt-
15 edness and issuing bonds to the extent and in the manner authorized
16 by section 395.25, of the Code."

1 SEC. 3. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after publication in The West Des
3 Moines Express, a newspaper published at West Des Moines, Iowa,
4 and The North Cedar Press, a newspaper published at Mechanicsville,
5 Iowa.

Approved May 13, 1965.

I hereby certify that the foregoing Act, House File 387, was published in The West Des Moines Express, West Des Moines, Iowa, May 20, 1965, and in The North Cedar Press, Mechanicsville, Iowa, May 20, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 323

JOINT COUNTY-CITY OR TOWN BUILDINGS

S. F. 631

AN ACT relating to the use of joint county-city or town buildings.

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

1 SECTION 1. Section two (2) of chapter two hundred thirty-nine
 2 (239), Acts of the Sixtieth General Assembly, is hereby amended by
 3 inserting in line six (6) after the word "town" the words "or any
 4 school district which is within or is a part of any such county, city,
 5 or town".

Approved July 1, 1965.

CHAPTER 324

MUNICIPAL AMBULANCE SERVICE

S. F. 564

AN ACT to authorize cities and towns to provide ambulance service.

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

1 SECTION 1. Chapter three hundred sixty-eight (368), Code 1962,
 2 is hereby amended by adding the following new section:
 3 "Cities and towns may purchase, lease, equip, maintain and operate
 4 an ambulance or ambulances to provide necessary and sufficient ambu-
 5 lance service or to contract for such vehicles, equipment, maintenance
 6 or service."

Approved July 1, 1965.

CHAPTER 325

BIDS ON MUNICIPAL IMPROVEMENTS

S. F. 263

AN ACT relating to the taking of bids in connection with public improvements in cities and towns.

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

1 SECTION 1. Section three hundred sixty-eight A point one
 2 (368A.1), Code 1962, is amended by adding the following new sub-
 3 section:
 4 "In all cases where bids or proposals are required to be taken in con-
 5 nection with any public improvement, the council may delegate, by
 6 ordinance, to the city manager, clerk, engineer or other public officer
 7 designated by it, the duty of conducting and presiding over such public
 8 meeting or hearing as may be required in connection with receiving

9 and opening such bids and announcing the results. Such duly-author-
 10 ized officer shall thereupon report the results of the bidding together
 11 with his recommendations thereon to the council at its next meeting."

Approved June 30, 1965.

CHAPTER 326

CONFLICTS OF INTEREST OF MUNICIPAL EMPLOYEES

S. F. 105

AN ACT relating to conflicts of interest of municipal officials and employees.

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

1 SECTION 1. Section three hundred sixty-eight A point twenty-two
 2 (368A.22), Code 1962, as amended by chapter two hundred forty
 3 (240), Acts of the Sixtieth General Assembly, is hereby repealed and
 4 the following enacted in lieu thereof:

5 1. When used in this Act "contract" means any claim, account or
 6 demand against or agreement with a municipality, express or implied,
 7 and shall include the designation of a depository of public funds.

8 2. No municipal officer or employee shall have an interest, direct or
 9 indirect, in any contract or job of work or material or the profits
 10 thereof or services to be furnished or performed for his municipality.
 11 The provisions of this section shall not apply to:

12 a. The payment of lawful compensation to any municipal officer or
 13 employee holding more than one (1) municipal office or position, the
 14 holding of which is not incompatible with another public office or is
 15 not prohibited by law.

16 b. The designation of a bank or trust company as a depository,
 17 paying agent, or for investment of funds.

18 c. An employee of a bank or trust company, who serves as treasurer
 19 of any municipality.

20 d. Contracts made by municipalities of less than three thousand
 21 (3,000) population, upon competitive bid in writing, publicly invited
 22 and opened.

23 e. Contracts with a person, firm, corporation or association in which
 24 a municipal officer or employee has an interest solely by reason of
 25 employment, or a stock interest of the kind described in paragraph *i*
 26 or both, if such contracts are made by competitive bid, publicly invited
 27 and opened, and if the remuneration of such employment will not be
 28 directly affected as a result of such contract and the duties of such
 29 employment do not directly involve the procurement or preparation
 30 of any part of such contract. The competitive bid requirement of this
 31 paragraph shall not be required for any contract for professional serv-
 32 ices not customarily awarded by competitive bid.

33 f. The designation of an official newspaper.

34 g. A contract in which a municipal officer or employee has an inter-
 35 est if such contract was made before the time he was elected or ap-
 36 pointed, but such contract shall not be renewed.

- 37 *h.* Contracts with volunteer firemen or civil defense volunteers.
 38 *i.* A contract with a corporation in which a municipal officer or
 39 employee has an interest by reason of stockholdings when less than
 40 five (5) per cent of the outstanding stock of the corporation is owned
 41 or controlled directly or indirectly by such officer or employee.
 42 *j.* A contract made by competitive bid, publicly invited and open,
 43 in which a member of a city or town board of trustees or commission
 44 has an interest if he is not authorized by law to participate in the
 45 awarding of the contract. The competitive bid requirement of this
 46 paragraph shall not be required for any contract for professional serv-
 47 ices not customarily awarded by competitive bid.

Approved April 29, 1965.

CHAPTER 327
 PUBLIC LIBRARIES
 H. F. 21

AN ACT relating to public libraries.

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

1 SECTION 1. Section three hundred seventy-eight point three
 2 (378.3), Code 1962, is hereby amended by inserting after the period
 3 in line eight (8) the following: "Free municipal public libraries
 4 receiving funds for county-wide public library service on a contract
 5 basis may have one non-resident trustee board member appointed by
 6 the mayor with the approval of the county board of supervisors."

1 SEC. 2. Section three hundred seventy-eight point five (378.5),
 2 Code 1962, is hereby amended by inserting after the word and figures
 3 "section 378.2" in line three (3) the following: "and 378.3".

1 SEC. 3. Section three hundred seventy-eight point seven (378.7),
 2 Code 1962, is hereby amended by inserting after the word and figures
 3 "section 378.2" in line six (6) the following: "and 378.3".

Approved April 9, 1965.

CHAPTER 328
 MUNICIPAL HOSPITALS
 S. F. 366

AN ACT relating to the construction of municipal hospitals in certain cities owning their own electric distribution system.

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

1 SECTION 1. Chapter three hundred eighty (380), Code 1962, is
 2 amended by adding a new section as follows:
 3 "Any city having a population of less than five thousand (5,000)

4 owning and operating an electric light and power plant or an electric
 5 distribution system that is wholly paid for, and that is producing an
 6 annual income from the sale of electric current in excess of all ex-
 7 penses of operation and reasonable depreciation charge against said
 8 plant and distribution system, may, for the purpose of paying the costs
 9 of the construction of a municipal hospital, or additions thereto, or the
 10 costs of maintaining the same, borrow money, and may, for the repay-
 11 ment of said loan and interest thereon, pledge for a period not exceed-
 12 ing fifteen years, not to exceed eighty percent of the net earnings each
 13 year of said plant or distribution system.

14 "In exercising the powers herein conferred, the council or board of
 15 trustees governing said plant or distribution system may pledge said
 16 earnings for the payment of hospital bonds in the event hospital bonds
 17 are issued for the purpose of paying for said costs of construction of
 18 a municipal hospital, or addition thereto, in addition to levying a tax
 19 for the payment of said bonds as provided by law; and said city may
 20 bind itself to maintain said plant and distribution system and to
 21 charge and collect such rates for the products of said plant and dis-
 22 tribution system as will under said pledge, discharge said loan as it
 23 matures."

1 SECTION 2. Section three hundred eighty point ten (380.10), Code
 2 1962, is amended by inserting in line two (2) after the figures "380.9"
 3 the words and figures "and in section (1) of this Act".

4 Further amend said section by inserting in line two (2) after the
 5 word "certificates" the words "and bonds".

1 SECTION 3. This Act, being deemed of immediate importance shall
 2 take effect and be in full force from and after its passage and publica-
 3 tion in the Record-Democrat, a newspaper published in Pocahontas,
 4 Iowa, and The Laurens Sun, a newspaper published in Laurens, Iowa.

Approved May 14, 1965.

I hereby certify that the foregoing Act, Senate File 366, was published in the Record-Democrat, Pocahontas, Iowa, May 20, 1965, and in The Laurens Sun, Laurens, Iowa, May 20, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 329

PUBLIC PARKING FACILITIES

H. F. 132

AN ACT relating to public parking facilities in cities and towns and to authorize purchase or condemnation of sites therefor and improvement thereof from the proceeds of special assessments upon benefited private property within a benefited district and to anticipate the collection of such special assessments by issuance of certificates or bonds.

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

1 SECTION 1. **Grant of power.** Cities and towns shall have power to
 2 acquire sites by gift, purchase or condemnation, and to improve and

3 maintain same for the purpose of establishing public parking facilities
4 in or near commercial or industrial districts or near a college or uni-
5 versity in such cities and towns. This Act shall be construed as grant-
6 ing additional power without limiting the power already existing in
7 cities and towns.

1 **SEC. 2. Condemnation.** In acquiring such sites by condemnation
2 the provisions of chapter four hundred seventy-two (472) shall be
3 followed.

1 **SEC. 3. Benefited districts.** The cost of the acquisition of sites
2 and improvement and maintenance of same for public parking facili-
3 ties under the provisions of this Act may be assessed, in whole or in
4 part, against benefited privately owned property within such districts
5 as may be established by the council for such purpose. Benefited dis-
6 tricts shall be established by ordinance. A single benefited district
7 may be established for the acquisition and improvement of one or sev-
8 eral parking facilities. Prior to establishment of a benefited district
9 the council may cause to be conducted a survey and investigation for
10 the purpose of determining suitable locations for parking facilities,
11 the approximate cost of acquiring and improving the land therefor,
12 the area to be included in the benefited district or districts and the
13 percentage of the cost of acquiring such sites and improving the same
14 to be assessed against private property in such benefited districts.

1 **SEC. 4. Survey and investigation.** For the purpose of conducting
2 said survey and investigation, the council may cause the same to be
3 done by city or town employees or may contract with such appraisers,
4 engineers, or recognized experts and other persons as it may deem
5 necessary. The cost of such survey and investigation shall be included
6 as a part of the cost of acquiring and improving the land for such
7 parking facilities but if no land be acquired, the cost may be paid from
8 the street fund.

1 **SEC. 5. Division of cost.** In establishing a benefited district the
2 council may fix the percentage of acquiring and improving land for
3 parking facilities to be assessed against benefited privately owned
4 property within said benefited district and make provision for pay-
5 ment of the remainder of such cost by any of the methods authorized
6 in chapter three hundred ninety (390).

1 **SEC. 6. General procedure.** All necessary proceedings forms and
2 requirements not included in or contemplated or regulated by the pro-
3 visions hereof shall be in accordance with the provisions of chapter
4 three hundred ninety-one (391) including definitions and regulations
5 relating to valuations, benefited property, estimates, assessments,
6 plans, specifications, schedules, resolutions, protests, objections, re-
7 monstrances, bids, deposits and contracts.

1 **SEC. 7. Resolution of necessity—contents.** When the council shall
2 deem it necessary to acquire sites by gift purchase or condemnation
3 and improve and maintain the same as public parking facilities under
4 the provisions of this Act and has established a benefited district for
5 the purpose of assessing all or part of the cost thereof, it shall, in a
6 proposed resolution declare it a necessity, describing the location of

7 the proposed site or sites, the type of facility or construction to be
8 placed thereon, the percentage of the cost of acquisition and improve-
9 ment to be assessed against private property in such benefited district,
10 and that the plat and schedule are on file in the office of the city or
11 town clerk.

1 **SEC. 8. Additional contents—bonds.** The council may, in addition
2 to the requirements of section seven (7) incorporate in the resolution
3 of necessity notice of its intention to issue bonds as provided in section
4 three hundred ninety-six point six (396.6), as hereinafter made appli-
5 cable to parking facilities and sites therefor, and may also provide
6 that unless property owners at the time of consideration of said reso-
7 lution have on file with the clerk objections to the amount of the pro-
8 posed assessment they shall be deemed to have waived all objections
9 as provided in section three hundred ninety-one point fifty-six
10 (391.56) of the Code.

1 **SEC. 9. Plat and schedule.** Before the resolution of necessity is
2 introduced, the council shall prepare and file with the clerk a plat and
3 schedule showing:

- 4 1. The boundaries of the benefited district.
- 5 2. The location of each proposed parking facility in the district.
- 6 3. Each lot proposed to be assessed together with a valuation fixed
7 by the council.
- 8 4. An estimate of the cost of each parking facility proposed within
9 the district and the estimated total cost of the facilities proposed.
- 10 5. In each case the amount thereof which is estimated to be assessed
11 against each lot.

1 **SEC. 10. Cost of schedule.** The cost of making the plat and sched-
2 ule shall be paid from the general fund.

1 **SEC. 11. Time of hearing—objections permitted.** The council
2 shall fix the time for the consideration of the proposed resolution of
3 necessity, at which time the owners of property subject to assessment
4 for the proposed parking facilities may appear and make objection to
5 the cost, to the amount proposed to be assessed against any lot, and to
6 the passage of the proposed resolution.

1 **SEC. 12. Remonstrance—vote required—amendment.** No resolu-
2 tion providing for the acquisition, of parking facilities shall be passed
3 except by unanimous vote of the entire council, if, at the time set for
4 its consideration, a remonstrance shall have been filed with the council
5 signed by sixty percent of the property owners and by the owners of
6 property subject to pay seventy-five percent of the total assessable
7 cost. At the hearing the resolution may be amended and passed or
8 passed as proposed.

1 **SEC. 13. Notice.** The council shall cause notice of the time when
2 said resolution will be considered by it for passage to be given by two
3 publications in some newspaper of general circulation in the city or
4 town, the last of which shall be not less than two nor more than four
5 weeks prior to the day fixed for its consideration; but if there be no
6 such newspaper such notice shall be given by posting copies thereof in
7 three public places within the limits of the benefited district.

8 The clerk shall send by certified mail to each property owner, whose
9 property is subject to assessment for said parking facility, as shown
10 by the records in the office of county auditor, a copy of the above men-
11 tioned notice, said mailing to be made at least two weeks prior to the
12 date fixed for hearing on said resolution. Failure to receive such
13 mailed notice shall not constitute a defense to the special assessment.

1 **SEC. 14. Improvement ordered.** After the passage of the resolu-
2 tion of necessity, the council may by other resolutions order the ac-
3 quisition of the site or sites by condemnation or otherwise and the
4 improvement thereof by construction of the parking facility.

1 **SEC. 15. Contract—bids—bond.** The provisions of sections three
2 hundred ninety-one point twenty-eight (391.28) to three hundred
3 ninety-one point thirty-three (391.33), inclusive, shall be applicable to
4 the improvement of sites acquired for parking facilities under the pro-
5 visions of this Act.

1 **SEC. 16. Certification to county auditor—record book.** The provi-
2 sions of section three hundred ninety-one point thirty-four (391.34)
3 shall be applicable to the special assessment of the cost of parking
4 facilities under this Act.

1 **SEC. 17. Lien generally.** The provisions of section three hundred
2 ninety-one point thirty-five (391.35) shall apply to the cost of parking
3 facilities assessed against private property under the provisions of
4 this Act.

1 **SEC. 18. Cost of repairs.** The cost, or any part thereof, of the
2 repair of any parking facility may be assessed against benefited prop-
3 erty within such district or may be paid from the general fund.

1 **SEC. 19. Deficiencies—nonassessable property.** If the special as-
2 sessments which may be levied against any lot shall be insufficient to
3 pay its proportion of the cost of parking facilities the deficiency may
4 be paid out of the general fund.

1 **SEC. 20. Assessment.** The provisions of section three hundred
2 ninety-one point forty-five (391.45) shall be applicable to the assess-
3 ment of the cost of parking facilities under this Act.

1 **SEC. 21. "Privately owned property" defined.** The definition of
2 "privately owned property" contained in section three hundred ninety-
3 one point forty-six (391.46) shall be applicable for purposes of this
4 Act, except that property upon which is situated a one-family or two-
5 family dwelling and which is used primarily for residential purposes
6 shall be exempt from assessment.

1 **SEC. 22. State property.** When any state property other than
2 highways is located within a benefited district established under the
3 provisions of this Act it shall be subject to assessment for the cost of
4 parking facilities in the same manner and to the same extent as other
5 privately owned property as hereinabove defined. Notices mailed to
6 property owners required under the provisions of this Act shall be
7 mailed to the secretary of the executive council. Payment of assess-

8 ments shall be made by the executive council from any funds of the
9 state not otherwise appropriated.

1 **SEC. 23. Assessment rate—additional limitations.** The provisions
2 of sections three hundred ninety-one point forty-eight (391.48) and
3 three hundred ninety-one point forty-nine (391.49) shall be applicable
4 to assessments made under this Act.

1 **SEC. 24. Plat and schedule.** In assessing the cost of parking facil-
2 ities against private property, the council shall cause to be prepared a
3 plat of the benefited district, showing the location of the sites on which
4 the parking facilities have been constructed or repaired, showing the
5 separate lots or specified portion thereof, subject to assessment for
6 such parking facility, the names of the owners thereof so far as prac-
7 ticable, and the amount to be assessed against each lot, and shall file
8 said plat and schedule in the office of the clerk, which shall be subject
9 to public inspection.

1 **SEC. 25. Cost of oiling lots.** Upon the completion of oiling, oiling
2 and graveling, shaling or chloriding of a parking facility site, the
3 officer designated by the council to have charge thereof shall, within
4 thirty days, file with the clerk a statement of the amount due, if the
5 work was done by contract; or if done by the city or town, an item-
6 ized, verified statement of expenditures for materials and labor used
7 in making such improvement.

1 **SEC. 26. City engineer—duties.** The city engineer or other person
2 employed by the council shall, under its direction, make or assist in
3 making plans and specifications, see that the work conforms thereto,
4 and make or assist in making each required assessment, plat, and
5 schedule.

1 **SEC. 27. Notice of assessment.** After filing the plat and schedule
2 or the report of cost of oiling, oiling and graveling, or shaling sites,
3 the council shall give notice by two publications in a newspaper of
4 general circulation within the city or town, or if there be no such
5 newspaper by posting copies thereof in three public places within the
6 limits of the benefited district. Said notice shall state that said plat
7 and schedule or report are on file in the office of the clerk, and that
8 within twenty days (20) from the date of publication or posting all
9 objections thereto, or to the prior proceedings, on account of errors,
10 irregularities, or inequalities, must be made in writing and filed with
11 the clerk.

12 The clerk shall send by certified mail to each property owner, whose
13 property is subject to assessment for said parking facility, as shown
14 by the records in the office of county auditor, a copy of the above men-
15 tioned notice, said mailing to be made at least two weeks prior to the
16 date fixed for the hearing. Failure to receive such mailed notice shall
17 not constitute a defense to the special assessment.

1 **SEC. 28. Hearing and decision.** The council having heard such
2 objections and made the necessary corrections, shall then make the
3 special assessments as shown in said plat and schedule as corrected
4 and approved.

1 **SEC. 29. Objections waived.** All objections to errors, irregular-
2 ities, and inequalities in the making of said special assessments or in
3 any of the prior proceedings or notices, not made before the council at
4 the time and in the manner provided in section twenty-seven (27),
5 shall be waived except where fraud is shown.

1 **SEC. 30. Levy.** The special assessments in said plat and schedule,
2 as corrected and approved, shall be levied at one time, by resolution,
3 against the property affected thereby.

1 **SEC. 31. Maturity.** The provisions of sections three hundred
2 ninety-one point fifty-eight (391.58) and three hundred ninety-one
3 point fifty-nine (391.59) shall be applicable to special assessments
4 made under this Act.

1 **SEC. 32. Installments—payment—delinquency.** The provisions of
2 section three hundred ninety-one point sixty (391.60) shall be appli-
3 cable to special assessments made under this Act.

1 **SEC. 33. Certification of levy.** The provisions of section three
2 hundred ninety-one point sixty-one (391.61) shall be applicable to
3 special assessments made under this Act.

1 **SEC. 34. Right of payment.** The provisions of section three hun-
2 dred ninety-one point sixty-two (391.62) shall be applicable to special
3 assessments made under this Act.

1 **SEC. 35. Division of property.** The provisions of section three
2 hundred ninety-one point sixty-three (391.63) shall be applicable to
3 special assessments made under this Act.

1 **SEC. 36. Tax sales—city's or town's interest.** The provisions of
2 sections three hundred ninety-one point sixty-four (391.64) to three
3 hundred ninety-one point sixty-eight (391.68) inclusive shall be appli-
4 cable in the case of property against which a special assessment has
5 been imposed under this Act and, in the event of purchase of such
6 property by the city or town and subsequent sale thereof, proceeds
7 realized by the city or town shall be covered into the general fund.

1 **SEC. 37. Relevy, reassessment, corrections, time.** The provisions
2 of section* three hundred ninety-one point eighty-four (391.84) to
3 three hundred ninety-one point eighty-seven (391.87), inclusive, shall
4 be applicable to special assessments made under this Act.

1 **SEC. 38. Appeals, trial, payment after appeal or objection.** The
2 provisions of sections three hundred ninety-one point eighty-eight
3 (391.88) to three hundred ninety-one point ninety-one (391.91), in-
4 clusive, shall be applicable to special assessments made under this Act.

1 **SEC. 39. "Parking facility" defined.** For purposes of this Act
2 "parking facility" shall mean real estate acquired by gift, purchase or
3 condemnation for the purpose of providing space for parking motor
4 vehicles and all improvements thereon, including surfacing of such
5 lots by asphalt, macadam, portland cement, oil, gravel, oil and gravel,
6 shale, or chloride and shall further include the erection or improve-

*According to enrolled Act.

7 ment of buildings or other off-street parking areas thereon, including
8 areas above, at, or below street-level for the parking of vehicles.

1 SEC. 40. **Bonds and certificates.** The provisions of chapter three
2 hundred ninety-six (396) relating to bonds and certificates for street
3 improvements and sewers shall also be applicable to parking facilities
4 and sites therefor established under the provisions of this Act and
5 bonds, issued pursuant hereto, shall be denominated parking facility
6 bonds.

Approved May 6, 1965.

CHAPTER 330

MUNICIPAL PLAZAS AND MALLS

H. F. 409

AN ACT to amend chapter three hundred ninety-one A (391A), Code 1962, to more specifically define the powers of cities in the building of plazas and malls.

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

1 SECTION 1. Section three hundred ninety-one A point one
2 (391A.1), Code 1962, is hereby amended as follows:

3 1. By adding in subsection four (4) of said section the following:
4 "i. Plazas and malls."

5 2. By adding the words "plaza, mall," following the comma in line
6 three (3) of subsection seven (7) of said section.

Approved June 2, 1965.

CHAPTER 331

PURCHASE OF GAS OR WATER BY CITY OR TOWN

H. F. 146

AN ACT relating to purchase of gas or water by a city or town.

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

1 SECTION 1. Section three hundred ninety-seven point five (397.5),
2 Code 1962, is hereby amended by adding in line thirteen (13) after
3 the word "energy" the words "or gas, or water".

1 SEC. 2. Section three hundred ninety-seven point five (397.5),
2 Code 1962, is hereby amended by adding in line thirteen (13), after
3 the word "the" the word "purchase,".

1 SEC. 3. The provisions of this Act shall not be effective until
2 December 31, 1965 in a city or town where the majority of legal
3 electors voting thereon have previously rejected such contracts for

4 the purchase, exchange or interchange of gas on more than one pre-
5 vious occasion within five years prior to the effective date of this Act.

Approved May 19, 1965.

CHAPTER 332

RENT SUBSIDY FOR RELOCATED FAMILIES

H. F. 141

AN ACT relating to the power of municipalities to provide a rent supplement for certain families.

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

1 SECTION 1. Section four hundred three point six (403.6), Code
2 1962, is hereby amended by adding thereto the following new sub-
3 section:
4 "To supplement the rent required to be paid by any family residing
5 in the municipality forced to relocate by reason of any governmental
6 activity, provided it is necessary to do so in order to house such family
7 in decent, safe and sanitary housing and provided further that such
8 family does not have sufficient means, as determined by the munic-
9 ipality, to pay the required rent for such housing. Any such rent sup-
10 plement for any such family shall not continue for more than five (5)
11 years."

Approved April 12, 1965.

CHAPTER 333

URBAN RENEWAL RAILROAD RELOCATION

S. F. 438

AN ACT to amend section four hundred three point six (403.6), Code 1962, to enable cities to acquire land for the purpose of relocating railroad facilities and other public utility installations from an urban renewal project area to a different location.

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

1 SECTION 1. Section four hundred three point six (403.6), Code
2 1962, is hereby amended by adding after subsection thirteen (13) the
3 following new subsection:
4 "To acquire by purchase, gift or condemnation real property within
5 its area of operation for the relocation of railroad passenger and
6 freight depots, tracks, and yard and other railroad facilities and to
7 sell or exchange and convey such real property to railroads."

Approved May 27, 1965.

CHAPTER 334

LOW-RENT HOUSING AGENCY

S. F. 9

AN ACT relating to low-rent housing.

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

1 SECTION 1. Section four hundred three A point two (403A.2),
2 Code 1962, is hereby amended by adding thereto a new subsection as
3 follows:

4 "Agency" or "Low-Rent Housing Agency" shall mean a public
5 agency created under the provisions of section two (2) of this Act."

1 SEC. 2. Section four hundred three A point five (403A.5), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "Any municipality may create, in such municipality, a public body
4 corporate and politic to be known as the "Low-Rent Housing Agency"
5 of such municipality except that such agency shall not transact any
6 business or exercise its powers hereunder until or unless the local gov-
7 erning body has elected to exercise its municipal housing powers
8 through such an agency as prescribed in this section; and, except
9 further, that any such agency shall not undertake any low-rent hous-
10 ing project until such project has been approved by a referendum as
11 provided in section four hundred three A point twenty-five (403A.25).

12 Nothing herein shall prevent such an agency, if one is established
13 by the local governing body, from making investigations, studies,
14 reports and recommendations with respect to the necessity for, the
15 location and the size of any proposed low-rent housing project prior
16 to the referendum on same as provided in section four hundred three
17 A point twenty-five (403A.25).

18 If the low-rent housing agency is authorized to transact business
19 and exercise powers hereunder, the mayor, by and with the advice and
20 consent of the local governing body, shall appoint a board of commis-
21 sioners of the low-rent housing agency which board shall consist of
22 five (5) commissioners. The term of office for three (3) of said com-
23 missioners originally appointed shall be two (2) years and the term
24 of office for two (2) of said commissioners originally appointed shall
25 be one (1) year. Thereafter the term of office for each commissioner
26 shall be two (2) years.

27 A commissioner shall receive no compensation for his services, but
28 he shall be entitled to the necessary expenses, including traveling
29 expenses, incurred in the discharge of his duties. Each commissioner
30 shall hold office until his successor has been appointed and has quali-
31 fied. A certificate of the appointment or reappointment of any com-
32 missioner shall be filed with the clerk of the municipality, and such
33 certificate shall be conclusive evidence of the due and proper appoint-
34 ment of such commissioner.

35 The powers of a low-rent housing agency shall be exercised by the
36 commissioners thereof. A majority of the commissioners shall consti-
37 tute a quorum for the purpose of conducting business and exercising
38 the powers of the agency, and for all other purposes. Action may be
39 taken by the agency upon a vote of a majority of the commissioners

40 present, unless in any case the by-laws shall require a larger number.
41 Any persons may be appointed as commissioners if they reside within
42 the area of operation of the agency, which area shall be conterminous
43 with the area of operation of the municipality, and if they are other-
44 wise eligible for such appointments under this chapter.

45 The mayor shall designate a chairman and vice-chairman from
46 among the commissioners. An agency may employ an executive direc-
47 tor, technical experts and such other agents and employees, permanent
48 and temporary, as it may require, and the agency may determine their
49 qualifications, duties and compensation. For such legal service as it
50 may require, an agency may employ or retain its own counsel and legal
51 staff. An agency authorized to transact business and exercise powers
52 under this chapter shall file, with the local governing body, on or
53 before March 31 of each year, a report of its activities for the pre-
54 ceding calendar year, which report shall include a complete financial
55 statement setting forth its assets, liabilities, income and operating
56 expense as of the end of such calendar year. At the time of filing the
57 report, the agency shall publish in a newspaper of general circulation
58 in the community a notice to the effect that such report has been filed
59 with the municipality, and that the report is available for inspection
60 during business hours in the office of the city clerk and in the office of
61 the agency.

62 For inefficiency, or neglect of duty, or misconduct in office, a com-
63 missioner may be removed by a majority vote of the governing body
64 of the municipality only after a hearing before said body, and after he
65 shall have been given a copy of the charges at least ten (10) days
66 prior to such hearing, and after he shall have had an opportunity to
67 be heard in person or by counsel.

68 A municipality may itself exercise the powers in connection with
69 municipal housing as defined in this chapter, or may, if the local gov-
70 erning body by resolution determines such action to be in the public
71 interest, elect to have such powers exercised by the Low-Rent Housing
72 Agency, if one exists or is subsequently established in the community.
73 In the event the local governing body makes such determination, the
74 Low-Rent Housing Agency shall be vested with all of the low-rent
75 housing project powers in the same manner as though all such powers
76 were conferred on such agency instead of the municipality. If the local
77 governing body does not elect to make such determination, the munici-
78 pality in its discretion may exercise its low-rent housing project
79 powers through a board or commissioner, or through such officers of
80 the municipality as the local governing body may by resolution deter-
81 mine."

1 SEC. 3. Section four hundred three A point twenty-two (403A.22),
2 Code 1962, is hereby amended by inserting after the word "thereof"
3 appearing in line three (3), the following:

4 "and no commissioner or employee of a low-rent housing agency
5 which has been vested with low-rent housing project powers under
6 section two (2) of this Act".

1 SEC. 4. Section four hundred three A point twenty-five (403A.25),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:

4 "No municipality nor any low-rent housing agency shall proceed
5 with the acquisition of any property for, or with the erection or oper-
6 ation of any low-rent housing project unless authorized by a vote of
7 at least fifty (50) percent of the electors of such municipality voting
8 on the proposition at any regular, primary or general election or by
9 special election called by the governing body of the municipality.

10 Notice of the time and place of such election shall be given by pub-
11 lication once each week for three (3) consecutive weeks prior thereto
12 in some newspaper having a general circulation in such municipality.
13 Such election may be called by the governing body of the municipality,
14 and shall be called when a petition asking for such election, signed by
15 at least two (2) percent of the electors of the municipality voting for
16 governor at the last preceding general election, has been filed with the
17 clerk of the municipality.

18 The form of the question to be presented for a vote of the electors
19 shall include the name of the proposed project, describe its location
20 with reasonable certainty, specify the maximum number of housing
21 units in said project, state whether new construction or rehabilitation
22 of existing structures is contemplated, or a combination of same, state
23 the maximum amount of funds to be expended for the contemplated
24 construction or rehabilitation or both, and state the type of occupancy
25 contemplated whether it be without limitation as to age or designed
26 for the elderly."

Approved April 19, 1965.

CHAPTER 335

MUNICIPAL MILLAGE LIMITATIONS

S. F. 104

AN ACT relating to millage limitations upon the several functional funds of cities and towns.

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

1 SECTION 1. Section four hundred four point two (404.2), Code
2 1962, as amended by chapter two hundred forty-eight (248), Acts of
3 the Sixtieth General Assembly, is amended by striking from lines
4 seven (7), eight (8), and nine (9) the words "not to exceed the maxi-
5 mum millage rate designated in said sections for any function,".

1 SEC. 2. Section four hundred four point six (404.6), Code 1962,
2 as amended by chapter two hundred forty-eight (248), Acts of the
3 Sixtieth General Assembly, is amended by striking from lines four (4)
4 and five (5) the words "not to exceed seven mills on the dollar".

1 SEC. 3. Section four hundred four point seven (404.7), Code 1962,
2 is amended by striking from line four (4) the words "not to exceed
3 seven mills on the dollar".

1 SEC. 4. Section four hundred four point eight (404.8), Code 1962,
2 is amended by striking from lines four (4) and five (5) the words "not
3 to exceed twelve mills on the dollar".

1 SEC. 5. Section four hundred four point nine (404.9), Code 1962,
2 is amended by striking from lines four (4) and five (5) the words "not
3 to exceed seven mills on the dollar".

1 SEC. 6. Section four hundred four point ten (404.10), Code 1962,
2 is amended by striking from lines four (4) and five (5) the words "not
3 to exceed ten mills on the dollar".

1 SEC. 7. Section four hundred four point eleven (404.11), Code
2 1962, is amended by striking from line four (4) the words "not to
3 exceed five mills on the dollar".

1 SEC. 8. Section four hundred four point twelve (404.12), Code
2 1962, is amended by striking from line four (4) the words "not to
3 exceed five mills on the dollar".

1 SEC. 9. Section four hundred four point twenty-six (404.26), Code
2 1962, as amended by chapter two hundred forty-eight (248), Acts of
3 the Sixtieth General Assembly, is amended in subsection four (4) by
4 striking lines seven (7) through ten (10) and inserting in lieu thereof
5 the following:

6 "exceed the limits prescribed by law."

1 SEC. 10. Section four hundred four point twenty-six (404.26),
2 Code 1962, as amended by chapter two hundred forty-eight (248),
3 Acts of the Sixtieth General Assembly, is amended in subsection five
4 (5) by striking from lines five (5) and six (6) of said subsection the
5 words and figures "and sections 404.6 through 404.12,".

1 SEC. 11. Section one (1) of chapter two hundred forty-eight
2 (248), Acts of the Sixtieth General Assembly, is amended by striking
3 from line three (3) the words "maximum and aggregate millage
4 rates" and by inserting in lieu thereof the words "aggregate millage
5 rate".

Approved May 14, 1965.

CHAPTER 336

SPECIAL FEDERAL CENSUS

S. F. 111

AN ACT relating to the taking of a special federal census in cities and towns.

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

1 SECTION 1. Section four hundred four point six (404.6), Code
2 1962, as amended by chapter two hundred forty-eight (248), Acts of
3 the Sixtieth General Assembly, is amended by adding the following
4 new subsection:

5 "To defray the cost of taking a special federal census."

1 SEC. 2. Section three hundred twelve point three (312.3), Code
2 1962, is amended by adding at the end of subsection two (2) the fol-
3 lowing:

4 "A city or town may have one (1) special federal census taken each
5 decade, and the population figure thus obtained shall be used in ap-
6 portioning amounts under this subsection beginning the calendar year
7 following the year in which the special census is certified by the sec-
8 retary of state."

1 SEC. 3. Section one hundred twenty-three point fifty (123.50),
2 Code 1962, is amended by adding in line eleven (11) of subsection
3 three (3) after the word "census." the following:

4 "A city or town may have one (1) special federal census taken each
5 decade, and the population figure thus obtained shall be used in ap-
6 portioning amounts under this subsection beginning the calendar year
7 following the year in which the special census is certified by the sec-
8 retary of state."

1 SEC. 4. Section twenty-six point six (26.6), Code 1962, is amended
2 by adding after the period "." in line 6 the following: "However the
3 population figure disclosed for any city or town as the result of a
4 special federal census shall be considered for no other purposes than
5 the application of sections one hundred twenty-three point fifty
6 (123.50) and three hundred twelve point three (312.3), Code 1962."

1 SEC. 5. Section four point one (4.1), Code 1962, is amended by
2 adding thereto the following: "However the population figure dis-
3 closed for any city or town as the result of a special federal census
4 shall be considered for no other purposes than the application of sec-
5 tions one hundred twenty-three point fifty (123.50) and three hun-
6 dred twelve point three (312.3), Code 1962."

Approved May 25, 1965.

CHAPTER 337

MUNICIPAL ENTERPRISES FUND

S. F. 38

AN ACT relating to the municipal enterprises fund, and to amend section four hundred four point ten (404.10), Code 1962.

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

1 SECTION 1. Section four hundred four point ten (404.10), Code
2 1962, is amended as follows:

3 1. Strike subsection fourteen (14) thereof, and substitute therefor
4 the following:

5 "To contract for a period not in excess of five (5) years with any
6 privately owned and operated intercity transit company or urban
7 transit system for the purpose of obtaining regularly scheduled inter-
8 city bus service for inhabitants of the municipal corporation or the
9 continuation or establishment of intracity routes of an urban transit
10 system or to operate and maintain an urban transit system and to
11 create a reserve fund therefor."

1 * This Act being deemed of immediate importance shall be in full
 2 force and effect from and after its passage and publication in the
 3 Evansdale Enterprise, a newspaper published at Evansdale, Iowa, and
 4 in the Hudson Herald, a newspaper published at Hudson, Iowa.

Approved March 26, 1965.

*According to enrolled Act.

I hereby certify that the foregoing Act, Senate File 38, was published in the Evansdale Enterprise, Evansdale, Iowa, April 1, 1965, and in the Hudson Herald, Hudson, Iowa, April 1, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 338

AREA TELEVISION TRANSLATORS

H. F. 288

AN ACT relating to municipal participation in area television translator systems.

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

1 SECTION 1. Section four hundred four point eleven (404.11), Code
 2 1962, is hereby amended by adding thereto the following new subsection:
 3

4 "For the construction, acquisition, operation, and maintenance of
 5 an area television translator system. All or any part of the apparatus
 6 and mechanical devices of any such translator system may be located
 7 outside of the corporate limits of a city or town. Municipal corporations
 8 which have granted a franchise to a privately owned business or
 9 company for cable transmission or translator service shall be prohibited
 10 from allocating any money from the recreation fund for the
 11 purpose of this subsection."

1 SEC. 2. This Act, being deemed of immediate importance, shall be
 2 in full force and effect from and after its passage and publication in
 3 The Guthrie Center Times, a newspaper published at Guthrie Center,
 4 Iowa, and in the Audubon County Journal, a newspaper published at
 5 Exira, Iowa.

Approved April 19, 1965.

I hereby certify that the foregoing Act, House File 288, was published in The Guthrie Center Times, Guthrie Center, Iowa, April 28, 1965, and in the Audubon County Journal, Exira, Iowa, April 22, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 339

TAXATION OF PLATTED LOTS

S. F. 151

AN ACT relating to assessment and taxation of platted lots.

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

- 1 SECTION 1. Section four hundred nine point forty-eight (409.48),
 2 Code 1962, is hereby repealed and the following enacted in lieu there-
 3 of:
 4 "When any plat is made, filed and recorded by the proprietor or
 5 owners under the provisions of this chapter, the individual lots con-
 6 tained therein shall not be assessed in excess of the total assessment
 7 of the land as acreage or unimproved property for a period of three
 8 (3) years after the recording of said plat, or until such time as the
 9 lots are actually improved with permanent construction upon and
 10 within the boundaries of the individual lot or lots whichever period is
 11 shorter. When an individual lot has been improved with permanent
 12 construction, it shall then be assessed for taxation as provided in
 13 chapters four hundred twenty-eight (428) and four hundred forty-
 14 one (441) of the Code.
 15 "The provisions of this section shall have no effect upon special
 16 assessment tax levies."

Approved May 20, 1965.

CHAPTER 340

PENSION BENEFITS OF FIREMEN AND POLICEMEN

H. F. 39

AN ACT relating to disabled and retired firemen and policemen.

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

- 1 SECTION 1. Section four hundred ten point six (410.6), Code 1962,
 2 is amended by adding thereto the following:
 3 "Upon the adoption of any increase in pension benefits effective sub-
 4 sequent to the date of a member's retirement, the amount payable to
 5 each member as his regular pension shall be increased by an amount
 6 equal to twenty-five percent of any increase in the pension benefits for
 7 the rank at which the member retired."
 1 SEC. 2. Section four hundred ten point six (410.6), Code 1962, is
 2 further amended by adding thereto the following:
 3 "Pensions payable under this chapter shall be adjusted as follows:
 4 1. As of the first of July each year, the monthly pension authorized
 5 in this chapter payable to each retired member and to each beneficiary,
 6 except children, of a deceased member shall be recomputed. The appli-
 7 cable formulas authorized in this chapter which were used to compute
 8 the retired member's or beneficiary's pension at the time of retirement
 9 or death shall be used in the recomputation except the earnable com-

10 pension payable on each July 1 to an active member having the same
 11 or equivalent rank or position as was held by such retired or deceased
 12 member at the time of retirement or death, shall be used in lieu of the
 13 final compensation which the retired or deceased member was receiv-
 14 ing at the time of retirement or death. At no time shall the monthly
 15 pension or payment to the beneficiary be less than the amount which
 16 was paid at the time of such member's retirement or death.

17 2. All monthly pensions adjusted as provided in this section shall be
 18 payable beginning on July 1 of the year which the adjustment is made
 19 and shall continue in effect until the next following July 1 at which
 20 time the monthly pension shall again be recomputed and all monthly
 21 pensions adjusted in accordance with the computations.

22 3. The adjustment of pensions required by this section shall recog-
 23 nize the retired or deceased member's position on the salary scale
 24 within his rank at the time of his retirement or death. In the event
 25 that the rank or position held by the retired or deceased member at
 26 the time of his retirement or death is subsequently abolished, adjust-
 27 ments in the pensions of the member or of the member's spouse or
 28 children shall be computed by the board of trustees as though such
 29 rank or position had not been abolished and salary increases had been
 30 granted to such rank or position on the same basis as that granted to
 31 other ranks and positions in the department.

32 At no time shall the monthly pension or payment to the member be
 33 less than one hundred fifty dollars (\$150.00)."

1 SEC. 3. Section four hundred ten point ten (410.10), subsection
 2 one (1), Code 1962, is amended as follows:

3 1. By striking from line three (3), the word "one-fourth" and in-
 4 serting in lieu thereof the word "one-half".

5 2. By striking from lines four (4) and five (5) the words "final
 6 active duty compensation" and inserting in lieu thereof the words
 7 "total adjusted pension as provided for in section four hundred ten
 8 point six (410.6), of the Code".

Approved May 3, 1965.

CHAPTER 341

RETIREMENT SYSTEMS FOR POLICEMEN AND FIREMEN

H. F. 7

AN ACT relating to retirement systems for policemen and firemen.

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

1 SECTION 1. Section four hundred eleven point one (411.1), Code
 2 1962, is hereby amended by adding the following new subsection:

3 " 'Pension compensation' shall mean the member's average final
 4 compensation adjusted in the ratio of the earnable compensation pay-
 5 able on each July 1 to an active member having the same or equivalent
 6 rank or position as was held by the retired or deceased member at the

7 time of retirement or death to the earnable compensation of such
8 member at his retirement or death.”

1 SEC. 2. Section four hundred eleven point six (411.6), Code 1962,
2 is further amended by adding thereto the following subsection:

3 “Pensions payable under this section shall be adjusted as follows:

4 “a. As of the first of July of each year, the monthly pensions au-
5 thorized in this section payable to each retired member and to each
6 beneficiary, except children, of a deceased member shall be recom-
7 puted. The formula authorized in this section which was used to
8 compute the retired member’s or beneficiary’s pension at the time of
9 retirement or death, including all amendments to the formula which
10 may be adopted subsequent to the member’s retirement or death, shall
11 be used in the recomputation except the pension compensation shall
12 be used in lieu of the average final compensation which the retired or
13 deceased member was receiving at the time of retirement or death.
14 The adjusted monthly pension shall be the amount payable at the
15 member’s retirement or death adjusted by one-half of the difference
16 between the recomputed pension and the amount payable at the mem-
17 ber’s retirement or death. At no time shall the monthly pension or
18 payment to the beneficiary be less than the amount which was paid at
19 the time of the member’s retirement or death.

20 “b. As of the first of July of each year, the monthly pension pay-
21 able to each surviving child in accordance with subsections eight (8),
22 nine (9), and thirteen (13) of this section shall be adjusted to equal
23 six percent of the monthly salary payable on such July first to an
24 active member having the rank of first-class fireman, in the case of a
25 child of a deceased member of the fire department, or of a first-class
26 patrolman, in the case of a child of a deceased member of the police
27 department. If the monthly pension so computed is less than the
28 amounts provided in subsections eight (8), nine (9) and thirteen
29 (13) of this section, the amounts provided for in said subsections
30 shall be payable.

31 “c. All monthly pensions adjusted as provided in this subsection
32 shall be payable beginning on July 1 of the year in which the adjust-
33 ment is made and shall continue in effect until the next following July
34 1 at which time the monthly pensions shall again be recomputed and
35 all monthly pensions shall be adjusted in accordance with the recom-
36 putations.

37 “d. The adjustment of pensions required by this subsection shall
38 recognize the retired or deceased member’s position on the salary
39 scale within his rank at the time of his retirement or death. In the
40 event that the rank or position held by the retired or deceased mem-
41 ber at the time of retirement or death is subsequently abolished, ad-
42 justments in the pensions of the member or of the member’s spouse
43 or children shall be computed by the board of trustees as though such
44 rank or position had not been abolished and salary increases had been
45 granted to such rank or position on the same basis as increases granted
46 to other ranks and positions in the department.”

1 SEC. 3. Section four hundred eleven point eight (411.8), Code
2 1962, is amended by striking from subsection one (1), paragraph “a”,
3 all of lines eleven (11) through thirty-one (31), and inserting in lieu
4 thereof the following:

5	20	4.91%
6	21	4.97%
7	22	5.04%
8	23	5.11%
9	24	5.18%
10	25	5.26%
11	26	5.33%
12	27	5.41%
13	28	5.48%
14	29	5.56%
15	30	5.64%
16	31	5.72%
17	32	5.80%
18	33	5.88%
19	34	5.97%
20	35	6.05%
21	36	6.14%
22	37	6.22%
23	38	6.31%
24	39	6.40%
25	40	6.50%

Approved March 9, 1965.

CHAPTER 342

RETIREMENT AGE OF FIREMEN AND POLICEMEN

S. F. 62

AN ACT relating to retirement age for firemen and policemen.

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

1 SECTION 1. Section four hundred eleven point six (411.6), Code
2 1962, is amended by striking from subsection one (1), paragraph b.,
3 line two (2), the word "seventy" and inserting in lieu thereof the
4 word "sixty-five (65)".

1 SEC. 2. Section four hundred ten point six (410.6), Code 1962, is
2 amended by adding the following new paragraph: "Any member of
3 said departments who has attained the age of sixty-five (65), shall be
4 retired forthwith, provided that upon the request of the administrative
5 head of either department, the respective boards of trustees may per-
6 mit such member to remain in service for periods not to exceed one
7 year from the date of such request."

1 SEC. 3. Section four hundred eleven point six (411.6), Code 1962,
2 is hereby amended by inserting after the period in line eight (8) of
3 paragraph "b," subsection one (1), the following:
4 "Provided further that no member of said departments employed
5 on the effective date of this Act shall be so retired until he has com-
6 pleted twenty-two (22) years service for service retirement and will
7 receive his pension benefits."

1 SEC. 4. Section four hundred ten point six (410.6), Code 1962, is
 2 hereby amended by adding the following at the end of said section:
 3 "Provided further that no member of said departments employed
 4 on the effective date of this Act shall be so retired until he has com-
 5 pleted twenty-two (22) years service for service retirement and will
 6 receive his pension benefits."

Approved March 12, 1965.

CHAPTER 343

FIREMEN AND POLICEMEN RETIREMENT SYSTEMS INVESTMENTS

S. F. 204

AN ACT relating to investment of the several funds created by chapter four hundred eleven (411), Code 1962, relating to retirement systems for firemen and policemen.

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

1 SECTION 1. Section four hundred eleven point seven (411.7), Code
 2 1962, is amended by striking all of subsection two (2) and inserting in
 3 lieu thereof the following:
 4 "The city treasurer may invest at the direction of the respective
 5 boards of trustees such portion of the several funds created by this
 6 chapter as in the judgment of the respective boards are not needed for
 7 current payment of benefits under this chapter in interest bearing
 8 securities issued by the United States, or interest bearing bonds issued
 9 by the state of Iowa, or bonds issued by counties, school districts, or
 10 general obligation or limited levy bonds issued by municipal corpora-
 11 tions in this state as authorized for investment by insurance companies
 12 under Section 511.8, 1962 Code of Iowa as amended and subject to all
 13 limitations contained in said section. In the event of loss on the re-
 14 demption or sale of securities, where invested as prescribed by law,
 15 neither the treasurer nor the trustees shall be personally liable, but
 16 such loss shall be charged against the retirement funds. The city
 17 treasurer may sell any securities in such funds and reinvest the pro-
 18 ceeds in accordance with the direction of the respective boards of
 19 trustees when such action may be deemed advisable by the trustees for
 20 the protection of said funds or the preservation of the value of the
 21 investment."

Approved April 29, 1965.

CHAPTER 344

SPECIAL ASSESSMENTS IN CERTAIN CITIES

S. F. 320

AN ACT relating to the special assessment of public improvements in cities having a population of one hundred twenty-five thousand or more and to amend chapter four hundred seventeen (417), Code 1962, relating thereto.

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

1 SECTION 1. Chapter four hundred seventeen (417), Code 1962, is
2 amended by adding thereto the following new section:

3 "The provisions of this chapter shall be construed as conferring
4 additional power upon cities to which applicable but the procedure
5 prescribed herein shall not be exclusive of any other method prescribed
6 by law for the special assessment of public improvements in cities."

1 SEC. 2. Section four hundred seventeen point eight (417.8), Code
2 1962, is amended by striking the period (.) at the end of said section
3 and inserting in lieu thereof the following:

4 "and shall include but not be limited to the principal structures,
5 works, component parts and accessories of any of the following:

6 "1. Sanitary, storm and combined sewers.

7 "2. Drainage conduits, channels, and levees.

8 "3. Street grading, paving, graveling, macadamizing, curbing, gut-
9 tering and surfacing with oil, oil and gravel, and chloride.

10 "4. Street lighting fixtures, connections, and facilities.

11 "5. Sewage pumping stations and disposal and treatment plants.

12 "6. Underground gas, water, heating, sewer and electrical connec-
13 tions located in streets for private property.

14 "7. Sidewalks and pedestrian underpasses and overpasses.

15 "8. Waterworks, water mains, and extensions."

Approved July 1, 1965.

CHAPTER 345

MUNICIPAL DEVELOPMENT OF INDUSTRIAL PROJECTS

S. F. 552

AN ACT relating to the acquisition and development of industrial projects by municipal-
ities and the issuance of revenue bonds by cities and towns to finance the same.

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

1 SECTION 1. Subsection two (2) of section one (1) of chapter two
2 hundred forty-seven (247), Laws of the Sixtieth General Assembly, is
3 hereby amended to read as follows:

4 " 'Project' means any land, buildings or improvements, whether or
5 not in existence at the time of issuance of the bonds issued under
6 authority of this Act, which shall be suitable for the use of any indus-
7 try or industries for the manufacturing, processing or assembling of
8 any agricultural or manufactured products, even though such proc-
9 essed products may require further treatment before delivery to the

10 ultimate consumer. 'Improve', 'improving' and 'improvements' shall
 11 embrace any real property, personal property or mixed property of
 12 any and every kind that can be used or that will be useful in an indus-
 13 trial enterprise including, without limiting the generality of the fore-
 14 going, rights of way, roads, streets, sidings, foundations, tanks, struc-
 15 tures, pipes, pipelines, reservoirs, utilities, materials, equipment,
 16 fixtures, machinery, furniture, furnishings, improvements, instru-
 17 mentalities and other real, personal or mixed property of every kind,
 18 whether above or below ground level."

1 SEC. 2. Section one (1) of chapter two hundred forty-seven (247),
 2 Laws of the Sixtieth General Assembly, is hereby amended by adding
 3 thereto the following new paragraphs:

4 " 'Equip' means to install or place on or in any building or improve-
 5 ments or the site thereof equipment of any and every kind, including,
 6 without limiting the generality of the foregoing, machinery, utility
 7 service connections, building service equipment, fixtures, heating
 8 equipment, and air conditioning equipment.

9 " 'Lessee' includes a single person, firm or corporation or any two
 10 or more persons, firms or corporations which shall lease the project
 11 as tenants-in-common of the entire project and each of which such
 12 tenants-in-common shall severally undertake rental payment and other
 13 monetary obligations under the lease of the project sufficient, together
 14 with the like undertakings of the other such tenant-in-common, to
 15 satisfy the rental and other monetary obligations required by this Act
 16 to be undertaken by the lessee of a project."

1 SEC. 3. Subsection one (1) of section two (2) of chapter two
 2 hundred forty-seven (247), Laws of the Sixtieth General Assembly,
 3 is hereby amended to read as follows:

4 "To acquire, whether by construction, purchase, gift or lease, and
 5 to improve and equip, one or more projects. Such projects shall be
 6 located within this state, may be located within or near the municipi-
 7 tality, but shall not be located more than eight miles outside the cor-
 8 porate limits of the municipality, provided that ancillary improve-
 9 ments necessary or useful in connection with the main project may be
 10 located more than eight miles outside the corporate limits of the
 11 municipality."

1 SEC. 4. Subsection three (3) of section two (2) of chapter two
 2 hundred forty-seven (247), Laws of the Sixtieth General Assembly,
 3 is hereby amended to read as follows:

4 "To issue revenue bonds for the purpose of defraying the cost of
 5 acquiring, improving and equipping any project and to secure pay-
 6 ment of such bonds as provided in this Act."

1 SEC. 5. Subsection two (2) of section three (3) of chapter two
 2 hundred forty-seven (247), Laws of the Sixtieth General Assembly,
 3 is hereby amended to read as follows:

4 "The bonds referred to in subsection one (1) of this section may be
 5 executed and delivered at any time and from time to time; be in such
 6 form and denominations; without limitation as to the denomination
 7 of any bond, any other law to the contrary notwithstanding; be of
 8 such tenor; be fully registered, registrable as to principal or in bearer

9 form; be transferable; be payable in such installments and at such
 10 time or times, not exceeding thirty years from their date; be payable
 11 at such place or places in or out of the state of Iowa; bear interest at
 12 such rate or rates, payable at such place or places in or out of the state
 13 of Iowa; be evidenced in such manner and may contain other provi-
 14 sions not inconsistent herewith; all as shall be provided in respect of
 15 the foregoing or other matters in the proceedings of the governing
 16 body whereunder the bonds are authorized to be issued. The govern-
 17 ing body may provide for the exchange of coupon bonds for fully
 18 registered bonds and of fully registered bonds for coupon bonds and
 19 for the exchange of any such bonds after issuance for bonds of larger
 20 or smaller denominations, all in such manner as may be provided in
 21 the proceedings authorizing their issuance, provided the bonds in
 22 changed form or denominations shall be exchanged for the surrendered
 23 bonds in the same aggregate principal amounts and in such manner
 24 that no overlapping interest is paid, and such bonds in changed form
 25 or denominations shall bear interest at the same rate or rates and
 26 shall mature on the same date or dates as the bonds for which they
 27 are exchanged. Where any exchange is made under this section, the
 28 bonds surrendered by the holders at the time of the exchange shall be
 29 cancelled. The exchange shall be made only at the request of the
 30 holders of the bonds to be surrendered, and the governing body may
 31 require all expenses incurred in connection with the exchange to be
 32 paid by the holders. In case any of the officers whose signatures
 33 appear on the bonds or coupons shall cease to be officers before the
 34 delivery of such bonds, such signatures shall, nevertheless, be valid
 35 and sufficient for all purposes, the same as if they had remained in
 36 office until delivery."

1 SEC. 6. Subsection three (3) of section three (3) of chapter two
 2 hundred forty-seven (247), Laws of the Sixtieth General Assembly,
 3 is hereby amended to read as follows:

4 "Unless otherwise provided in the proceedings of the governing
 5 body whereunder the bonds are authorized to be issued, bonds issued
 6 under the provisions of this Act shall be subject to the general pro-
 7 visions of law, presently existing or that may hereafter be enacted,
 8 respecting the execution and delivery of the bonds of a municipality
 9 and respecting the retaining of options of redemption in proceedings
 10 authorizing the issuance of municipal securities."

1 SEC. 7. Subsection two (2) of section four (4) of chapter two
 2 hundred forty-seven (247), Laws of the Sixtieth General Assembly,
 3 is hereby amended to read as follows:

4 "The proceedings under which the bonds are authorized to be issued
 5 under the provisions of this Act, and any mortgage given to secure the
 6 same, may contain any agreements and provisions customarily con-
 7 tained in instruments securing bonds, including, but not limited to:

8 a. Provisions respecting custody of the proceeds from the sale of
 9 the bonds including their investment and reinvestment until used to
 10 defray the cost of the project.

11 b. Provisions respecting the fixing and collection of rents for any
 12 project covered by such proceedings or mortgage.

13 c. The terms to be incorporated in the lease of such project.

14 d. The maintenance and insurance of such project.

15 e. The creation, maintenance, custody, investment and reinvestment
16 and use of special funds from the revenues of such project, and

17 f. The rights and remedies available in case of a default to the bond
18 holders or to any trustee under the lease or a mortgage.

19 A municipality shall have the power to provide that proceeds from
20 the sale of bonds and special funds from the revenues of the project
21 shall be invested and reinvested in such securities and other invest-
22 ments as shall be provided in the proceedings under which the bonds
23 are authorized to be issued including:

24 (1) obligations issued or guaranteed by the United States;

25 (2) obligations issued or guaranteed by any person controlled or
26 supervised by and acting as an instrumentality of the United States
27 pursuant to authority granted by the congress of the United States;

28 (3) obligations issued or guaranteed by any state of the United
29 States, or the District of Columbia, or any political subdivision of any
30 such state or District;

31 (4) prime commercial paper;

32 (5) prime finance company paper;

33 (6) bankers acceptances drawn on and accepted by commercial
34 banks;

35 (7) repurchase agreements fully secured by obligations issued or
36 guaranteed by the United States or by any person controlled or super-
37 vised by and acting as an instrumentality of the United States pur-
38 suant to authority granted by the congress of the United States; and

39 (8) certificates of deposit issued by commercial banks; whether or
40 not such investment or reinvestment is authorized under any other
41 law of this state. The municipality shall also have the power to pro-
42 vide that such proceeds or funds or investments and the rents payable
43 under the lease shall be received, held and disbursed by one or more
44 banks or trust companies located in or out of the state of Iowa. A
45 municipality shall also have the power to provide that the project and
46 improvements shall be constructed by the municipality, lessee, or the
47 lessee's designee, or anyone or more of them on real estate owned by
48 the municipality, the lessee, or the lessee's designee, as the case may
49 be, that the bond proceeds shall be disbursed by the trustee bank or
50 banks, trust company or trust companies, during construction upon
51 the estimate, order or certificate of the lessee or the lessee's designee,
52 and that the project, if and to the extent constructed on real estate not
53 owned by the municipality, shall be conveyed to the municipality not
54 later than its completion.

55 In making such agreements or provisions, a municipality shall not
56 have the power to obligate itself, except with respect to the project
57 and the application of the revenues therefrom, and shall not have the
58 power to incur a pecuniary liability or a charge upon its general credit
59 or against its taxing powers."

1 SEC. 8. Subsection two (2) of section five (5) of chapter two
2 hundred forty-seven (247), Laws of the Sixtieth General Assembly is
3 hereby amended by striking the period (.) in line fourteen (14)
4 thereof and inserting in lieu thereof the following:

5 " ; provided, however, that the foregoing amounts need not be ex-
6 pressed in dollars and cents in the lease and proceedings under which

7 the bonds are authorized to be issued, but may be set forth in the form
8 of a formula or formulas."

1 SEC. 9. Section eleven (11) of chapter two hundred forty-seven
2 (247) of the Laws of the Sixtieth General Assembly is hereby amended
3 by adding at the end thereof the following two sentences:

4 "If and to the extent the proceedings under which the bonds author-
5 ized to be issued under the provisions of this Act so provide, the munic-
6 ipality may agree to cooperate with the lessee of a project in connec-
7 tion with any administrative or judicial proceedings for determining
8 the validity or amount of any such payments and may agree to ap-
9 point or designate and reserve the right in and for such lessee to take
10 all action which the municipality may lawfully take in respect of such
11 payments and all matters relating thereto, provided, however, that
12 such lessee shall bear and pay all costs and expenses of the municipal-
13 ity thereby incurred at the request of such lessee or by reason of any
14 such action taken by such lessee in behalf of the municipality. Any
15 lessee of a project which has paid, as rentals additional to those re-
16 quired to be paid pursuant to section five (5) of this Act, the amounts
17 required by the first sentence of this section eleven (11) to be paid by
18 the municipality shall not be required to pay any such taxes to the
19 state or to any such county, city, town, school district or other political
20 subdivision, any other statute to the contrary notwithstanding."

1 SEC. 10. Section fifteen (15) of chapter two hundred forty-seven
2 (247), Laws of the Sixtieth General Assembly, is hereby amended by
3 renumbering Sec. 15 thereof as Sec. 16 and adding a new Sec. 15
4 thereof reading as follows:

5 "15. No action shall be brought questioning the legality of any con-
6 tract, lease, mortgage, proceedings or bonds executed in connection
7 with any project or improvements authorized by this chapter from
8 and after three (3) months from the time the bonds are ordered is-
9 sued by the proper authority."

1 SEC. 11. This Act being deemed of immediate importance shall
2 take effect and be in force from and after its passage and publication
3 in The Telegraph-Herald, a newspaper published in Dubuque, Iowa,
4 and in the New Hampton Tribune, a newspaper published in New
5 Hampton, Iowa.

Approved May 27, 1965.

I hereby certify that the foregoing Act, Senate File 552, was published in The Tele-
graph-Herald, Dubuque, Iowa, June 3, 1965, and in the New Hampton Tribune, New
Hampton, Iowa, June 3, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 346

POLITICAL PARTIES IN SPECIAL CHARTER CITIES

H. F. 492

AN ACT relating to political parties in special charter cities.

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

1 SECTION 1. Political parties in special charter cities having a pop-
 2 ulation of fifty thousand (50,000) or more shall hold a city convention
 3 within the city on the second (2nd) Friday following the primary
 4 election. The city central committee shall set the time and place of the
 5 convention and shall file the same in the office of the city clerk at least
 6 ten (10) days prior to the convention.

1 SEC. 2. Delegates to city conventions of their respective political
 2 parties shall be elected at precinct caucuses held at eight (8) p.m. on
 3 the third (3rd) Monday in August of the same year in which the city
 4 general election is conducted. The precinct caucuses shall be convened
 5 within the boundaries of each precinct at places designated by the city
 6 central committee. The chairman of the city central committee shall
 7 file with the city clerk a certified list of places where the precinct
 8 caucuses will be held not later than ten (10) days prior to the date of
 9 the caucus and shall cause the time and place of said caucus to be pub-
 10 lished in two (2) newspapers within the city not later than ten (10)
 11 days prior to the convening of the precinct caucus.

1 SEC. 3. The precinct caucus shall elect, by a majority vote of those
 2 present, a chairman and secretary who shall certify to the city central
 3 committee and city clerk the names and addresses of those elected as
 4 delegates to the city convention. The number of delegates from each
 5 voting precinct shall be determined by a ratio adopted by the respec-
 6 tive political party's city central committee, and the chairman of the
 7 city central committee shall file with the city clerk a statement desig-
 8 nating the number of delegates for each voting precinct in the city not
 9 less than twenty-five (25) days before the date of the precinct cau-
 10 cuses. If the chairman of the city central committee fails to so act,
 11 the county chairman shall designate the number of delegates to be
 12 elected from each voting precinct and shall cause such information to
 13 be published in two (2) newspapers within the city at least ten (10)
 14 days prior to holding the precinct caucuses.

1 SEC. 4. The delegates shall hold office from the day following the
 2 election for a period of two (2) years.

1 SEC. 5. Candidates for city precinct committeemen and committee-
 2 women, or candidates for ward alderman or ward councilman, shall
 3 cause their names to be printed on the primary ballot by filing an
 4 affidavit as provided for in section forty-three point eighteen (43.18)
 5 of the Code in the office of the city clerk at least thirty (30) days prior
 6 to the day fixed for conducting the primary election.

1 SEC. 6. A male member and a female member for each political
 2 party shall be elected from each precinct to the city central committee
 3 at the primary election. They shall hold office for a period of two (2)

4 years immediately following the adjournment of the city convention,
5 or until his or her successor is duly elected and qualified, unless sooner
6 removed by the city central committee for failing to perform the
7 duties of committeemen, incompetency, or failing to support the ticket
8 nominated by their respective party.

1 SEC. 7. The city central committee shall commence performing
2 their duties on the day of the city convention and vacancies occurring
3 therein may be filled by the city chairman subject to confirmation of
4 the central committee. Committee members from the same precinct
5 shall not be of the same sex.

1 SEC. 8. Election judges shall make returns of the election of mem-
2 bers of the city central committee in the same manner as returns are
3 conducted for other officers except that the election judges shall can-
4 vass the returns as to members of the city central committee, and cer-
5 tify the results thereof to the city clerk with the returns.

1 SEC. 9. After the canvass of votes and returns by the city council
2 the city clerk shall notify the members of the central committee who
3 have been elected of the time and place of holding the city convention,
4 and shall deliver a certified list of those elected to the chairman of
5 their respective political party's central committee in the city on or
6 before the first (1st) Thursday following the primary election.

1 SEC. 10. The city convention shall be composed of the delegates
2 elected at the last preceding city precinct caucus, and the city clerk
3 shall forward a certified list of said elected delegates at least ten (10)
4 days prior to the city convention to the chairman of the city central
5 committee.

1 SEC. 11. The city clerk and city council shall, in municipal elec-
2 tions, perform those duties imposed upon the county auditor and
3 county board of supervisors in county elections. The city clerk shall
4 keep a certified list of delegates to the city convention elected at the
5 precinct caucuses and a record of the precinct committeeman and
6 committeewoman elected at the primary election. The city clerk shall
7 maintain a current list of all members of the city central committee.
8 The certified list and records shall be maintained by the city clerk for
9 at least two (2) years subsequent to the election of the delegates and
10 precinct committeeman and shall be available for public inspection.

1 SEC. 12. All laws or other provisions of the Code governing polit-
2 ical parties and the nomination of candidates in elections shall, as far
3 as applicable, govern the political parties and nomination and election
4 of candidates in cities acting under a special charter which has a pop-
5 ulation of fifty thousand (50,000) or more.

1 SEC. 13. This Act shall also apply in and to any special charter
2 city having a population of twenty thousand (20,000) or more and less
3 than fifty thousand (50,000), except when such city is operating under
4 a plan of municipal government which specifically provides for a non-
5 partisan primary election. However, wherever this Act requires pub-
6 lication in two (2) newspapers within the city, publication in one (1)

7 newspaper within the city shall be sufficient in such special charter
 8 cities having a poulation of twenty thousand (20,000) or more but less
 9 than fifty thousand (50,000).

Approved May 28, 1965.

CHAPTER 347

INTERNAL REVENUE CODE AMENDMENTS

H. F. 198

AN ACT to amend section* four hundred twenty-two (422), Code 1962, as amended by chapter two hundred fifty-eight (258), Acts of the Sixtieth General Assembly, relative to state personal net income tax and state business tax on corporations.

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

1 SECTION 1. Section four hundred twenty-two point four (422.4),
 2 Code 1962, as amended by section one (1) of chapter two hundred
 3 fifty-eight (258), Acts of the Sixtieth General Assembly, is hereby
 4 further amended by striking the figures "1962" in line four (4) of sub-
 5 section fourteen (14) and inserting in lieu thereof the figures "1964".

1 SEC. 2. Section four hundred twenty-two point seven (422.7),
 2 Code 1962, as amended by section two (2) of chapter two hundred
 3 fifty-eight (258), Acts of the Sixtieth General Assembly, is hereby
 4 further amended as follows:

- 5 1. By striking subsections five (5), six (6) and seven (7).
- 6 2. By inserting after the word "as" in line three (3) the word
 7 "properly".
- 8 3. By inserting at the end thereof the following subsection:
 9 "5. Add the amount by which the basis of qualified depreciable
 10 property is required to be increased for depreciation purposes under
 11 the Internal Revenue Code Amendments Act of 1964 to the extent
 12 that such amount equals the net amount of the special deduction
 13 allowed on the basis of the amount by which the depreciable basis of
 14 such qualified property was required to be reduced for depreciation
 15 purposes under the Internal Revenue Code Amendments Act of 1962.
 16 The 'net amount of the special deduction' shall be computed by taking
 17 the sum of the amounts by which the basis of qualified property was
 18 required to be decreased for depreciation purposes for the years 1962
 19 and 1963 and subtracting from it the sum of the amounts by which
 20 the basis of such property was required to be increased, prior to 1964,
 21 for depreciation or disposition purposes under the Internal Revenue
 22 Code Amendments Act of 1962.'"

1 SEC. 3. Section four hundred twenty-two point thirty-two
 2 (422.32), Code 1962, as amended by section three (3) of chapter two
 3 hundred fifty-eight (258), Acts of the Sixtieth General Assembly, is
 4 hereby further amended by striking the figures "1962" in line three
 5 (3) of subsection four (4) and inserting in lieu thereof the figures
 6 "1964".

*According to enrolled Act.

1 SEC. 4. Section four hundred twenty-two point thirty-five
 2 (422.35), Code 1962, as amended by section four (4) of chapter two
 3 hundred fifty-eight (258), Acts of the Sixtieth General Assembly, is
 4 hereby further amended as follows:

5 1. By inserting after the word "as" in line three (3) the word
 6 "properly".

7 2. By striking subsections five (5), six (6) and seven (7) and in-
 8 serting in lieu thereof the following:

9 "5. Add the amount by which the basis of qualified depreciable
 10 property is required to be increased for depreciation purposes under
 11 the Internal Revenue Code Amendments Act of 1964 to the extent
 12 that such amount equals the net amount of the special deduction
 13 allowed on the basis of the amount by which the depreciable basis of
 14 such qualified property was required to be reduced for depreciation
 15 purposes under the Internal Revenue Code Amendments Act of 1962.
 16 The 'net amount of the special deduction' shall be computed by taking
 17 the sum of the amounts by which the basis of qualified property was
 18 required to be decreased for depreciation purposes for the years 1962
 19 and 1963 and subtracting from it the sum of the amounts by which
 20 the basis of such property was required to be increased, prior to 1964,
 21 for depreciation or disposition purposes under the Internal Revenue
 22 Code Amendments Act of 1962."

1 SEC. 5. This Act being deemed of immediate importance shall be
 2 in full force and effect from and after its passage and publication in
 3 the Manly Signal, a newspaper published at Manly, Iowa, and in the
 4 Lake Mills Graphic, a newspaper published at Lake Mills, Iowa.

Approved February 26, 1965.

I hereby certify that the foregoing Act, House File 198, was published in the Manly Signal, Manly, Iowa, March 11, 1965, and in the Lake Mills Graphic, Lake Mills, Iowa, March 3, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 348

WITHHOLDING STATE INCOME TAX

S. F. 600

AN ACT to amend section four hundred twenty-two point four (422.4), section four hundred twenty-two point seventeen (422.17), section four hundred twenty-two point sixteen (422.16) and section four hundred twenty-two point twenty-four (422.24), Code 1962, to provide for withholding of state income taxes on income earned in Iowa; to provide for payment of estimated income tax by self-employed individuals having self-employment income derived from sources within the state of Iowa.

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

1 SECTION 1. Section four hundred twenty-two point four (422.4),
 2 Code 1962, is hereby amended by repealing subsection thirteen (13)
 3 thereof, inserting in lieu thereof the following subsections, and re-
 4 numbering any succeeding subsection (s) :

5 "13. The term 'withholding agent' means any individual, fiduciary,
6 estate, trust, corporation, partnership or association in whatever
7 capacity acting and including all officers and employees of the state
8 of Iowa, or any municipal corporation of the state of Iowa and of any
9 school district or school board of the state, or of any political sub-
10 division of the state of Iowa, or any tax-supported unit of govern-
11 ment that is obligated to pay or has control of paying or does pay to
12 any resident or nonresident of the state of Iowa or his agent any
13 wages that are subject to the Iowa income tax in the hands of such
14 resident or nonresident, or any of the above designated entities
15 making payment or having control of making such payment of any
16 taxable Iowa income to any nonresident."

17 "14. The term 'wages' shall have the same meaning as provided by
18 the Internal Revenue Code of 1954."

19 "15. The term 'employer' shall mean and include those who have a
20 right to exercise control as to how, when, and where services are to
21 be performed."

22 "16. The term 'other person' shall mean that person or entity
23 properly empowered to act in behalf of an individual payee and shall
24 include authorized agents of such payees whether they be individuals
25 or married couples."

1 SEC. 2. Strike all of section four hundred twenty-two point six-
2 teen (422.16), Code 1962, and substitute in lieu thereof the following:

3 "1. Every withholding agent as defined herein and every employer
4 as defined herein and further defined in the Internal Revenue Code of
5 1954, as amended, with respect to income tax collected at source,
6 making payment of wages as defined herein to either a resident
7 employee or employees, or a nonresident employee or employees,
8 working in Iowa, shall deduct and withhold from such wages an
9 amount which will approximate the employee's annual tax liability
10 on a calendar year basis, calculated on the basis of tables to be pre-
11 pared by the state tax commission and schedules or percentage rates,
12 based on such wages, to be prescribed by the state tax commission.
13 Every employee or other person shall declare to such employer or
14 withholding agent the number of his personal exemptions and de-
15 pendency exemptions or credits to be used in applying such tables
16 and schedules or percentage rates, provided that no more such per-
17 sonal or dependency exemptions or credits may be declared by such
18 employee or other person than the number to which he is entitled.
19 Such claiming of such exemptions or credits in excess of entitlement
20 shall constitute a misdemeanor."

21 "2. Every withholding agent required to deduct and withhold tax
22 under subsections one (1) and twelve (12) of this section shall, for
23 the quarterly period beginning January 1, 1966, and for each calendar
24 quarterly period thereafter, on or before the last day of the month
25 following the close of each calendar quarterly period make a return
26 on forms prescribed by the state tax commission and pay over to the
27 state tax commission, in the form of remittances made payable to
28 'Treasurer, State of Iowa', the tax required to be withheld, or the
29 tax actually withheld, whichever is greater, under the provisions of
30 subsections one (1) and twelve (12) hereof; provided, however,
31 commencing with the period beginning January 1, 1966, every with-

32 holding agent who withholds more than fifty (50) dollars in any one
33 month commencing with January 1, 1966, shall deposit with the state
34 tax commission said sum, made out on a deposit form for the month
35 in such form and manner as may be prescribed by the state tax com-
36 mission. The said deposit form being due on or before the fifteenth
37 (15th) day of the month next succeeding the month of withholding,
38 except that no deposit shall be required for the amount withheld in
39 the third (3rd) month of the quarter but the total amount of with-
40 holding for the quarter shall be computed and that amount by which
41 the aforementioned deposit fails to equal the total quarterly liability
42 shall be due upon the filing of the quarterly report which shall be due
43 within the month next succeeding the end of the quarter. If the state
44 tax commission in any case has reason to believe that the collection
45 of the tax provided for in subsections one (1) and twelve (12) hereof
46 is in jeopardy, it may require the employer or withholding agent to
47 make such return and pay such tax at any time, in accordance with
48 section four hundred twenty-two point thirty (422.30), Code 1962.
49 The state tax commission may authorize incorporated banks and trust
50 companies which are depositories or financial agents of the United
51 States, or of this state, to receive any tax imposed under this Act, in
52 such manner, at such times and under such conditions as it may pre-
53 scribe; and it shall prescribe the manner, times, and conditions under
54 which the receipt of such tax by such banks and trust companies is
55 to be treated as payment of such tax to the commission."

56 "3. Every withholding agent employing not more than two persons
57 who expects to employ either or both of such persons for the full
58 calendar year may, with respect to such persons, pay with the with-
59 holding tax return due for the first calendar quarter of the year the
60 full amount of income taxes required to be withheld from the wages
61 of such persons for the full calendar year. The amount to be paid shall
62 be computed as if the employee were employed for the full calendar
63 year for the same wages and with the same pay periods as prevailed
64 during the first quarter of the year with respect to such employee. No
65 such lump sum payment of withheld income tax shall be made without
66 the written consent of all employees involved. The withholding agent
67 shall be entitled to recover from the employee any part of such lump
68 sum payment that represents an advance to the employee. If a with-
69 holding agent pays a lump sum with the first quarterly return he shall
70 be excused from filing further quarterly returns for the calendar year
71 involved unless he hires other or additional employees."

72 "4. Every withholding agent who fails to withhold or pay to the
73 commission any sums required by this Act to be withheld and paid,
74 shall be personally, individually, and corporately liable therefor to
75 the state of Iowa, and any sum or sums withheld in accordance with
76 the provisions of subsections one (1) and twelve (12) hereof, shall
77 be deemed to be held in trust for the state of Iowa."

78 "5. In the event a withholding agent fails to withhold and pay over
79 to the commission any amount required to be withheld under subsec-
80 tions one (1) and twelve (12) of this section, such amount may be
81 assessed against such employer or withholding agent in the same
82 manner as prescribed for the assessment of income tax under the

83 provisions of Divisions II and V, Chapter four hundred twenty-two
84 (422), Code 1962.”

85 “6. Whenever the state tax commission determines that any em-
86 ployer or withholding agent has failed to withhold and/or pay over
87 to the state tax commission sums required to be withheld under sub-
88 sections one (1) and twelve (12) of this section the unpaid amount
89 thereof shall be a lien as defined in section four hundred twenty-two
90 point twenty-six (422.26), Code 1962, shall attach to the property of
91 said employer or withholding agent as therein provided, and in all
92 other respects the procedure with respect to such lien shall apply as
93 set forth in said section four hundred twenty-two point twenty-six
94 (422.26), Code 1962.”

95 “7. Every withholding agent required to deduct and withhold a tax
96 under subsections one (1) and twelve (12) of this section shall fur-
97 nish to such employee, nonresident, or other person in respect of the
98 remuneration paid by such employer or withholding agent to such
99 employee, nonresident, or other person during the calendar year, on
100 or before January 31 of the succeeding year, or, in the case of em-
101 ployees, if the employee’s employment is terminated before the close
102 of such calendar year, within thirty (30) days from the day on which
103 the last payment of wages is made, if requested by such employee,
104 but not later than January 31 of the following year, a written state-
105 ment showing the following:

106 ‘a. The name and address of such employer or withholding agent,
107 and the identification number of such employer or withholding agent.

108 ‘b. The name of the employee, nonresident, or other person and his
109 federal social security account number, together with the last known
110 address of such employee, nonresident, or other person to whom
111 wages have been paid during such period.

112 ‘c. The gross amount of wages, or other taxable income, paid to the
113 employee, nonresident, or other person.

114 ‘d. The total amount deducted and withheld as tax under the pro-
115 visions of subsections one (1) and twelve (12) of this section.

116 ‘e. The total amount of federal income tax withheld.

117 “The statements required to be furnished by this subsection in
118 respect of any wages or other taxable Iowa income shall be in such
119 form or forms as the state tax commission may, by regulation, pre-
120 scribe.”

121 “8. An employer or withholding agent shall be liable for the pay-
122 ment of the tax required to be deducted and withheld or the amount
123 actually deducted, whichever is greater, under subsections one (1)
124 and twelve (12) of this section; and any amount deducted and with-
125 held as tax under subsections one (1) and twelve (12) of this section
126 during any calendar year upon the wages of any employee, nonresi-
127 dent, or other person shall be allowed as a credit to the employee,
128 nonresident, or other person against the tax imposed by section four
129 hundred twenty-two point five (422.5), Code 1962, irrespective of
130 whether or not such tax has been, or will be, paid over by the em-
131 ployer or withholding agent to the state tax commission as provided
132 by this Act.”

133 “9. The amount of any overpayment of the individual income tax
134 liability of the employee taxpayer, nonresident, or other person which
135 may result from the withholding and payment of withheld tax by the

136 employer or withholding agent to the state tax commission under
137 subsections one (1) and twelve (12) hereof, as compared to the indi-
138 vidual income tax liability of the employee taxpayer, nonresident, or
139 other person properly and correctly determined under the provisions
140 of section four hundred twenty-two point four (422.4), Code 1962,
141 to and including section four hundred twenty-two point twenty-five
142 (422.25), Code 1962, may be credited against any income tax or
143 installment thereof then due the state of Iowa and any balance of
144 one (1) dollar or more shall be refunded to the employee taxpayer,
145 nonresident or other person with interest at six (6) percent per
146 annum, such interest to begin to accrue forty-five (45) days after the
147 date the return was due to be filed or was filed, whichever is the later
148 date. Amounts less than one (1) dollar shall be refunded to the
149 taxpayer, nonresident, or other person only upon written application,
150 in accordance with section four hundred twenty-two point sixty-seven
151 (422.67), Code 1962, only if such application is filed within twelve
152 (12) months after the due date of the return. Refunds in the amount
153 of one (1) dollar or more provided for by this subsection shall be paid
154 by the state treasurer by means of warrants drawn by the comp-
155 troller at the direction of the state tax commission, or an authorized
156 employee of the state tax commission, and the taxpayer's return of
157 income shall constitute a claim for refund for this purpose, except in
158 respect to amounts of less than one (1) dollar. There is hereby
159 appropriated, out of any funds in the state treasury not otherwise
160 appropriated, a sum sufficient to carry out the provisions of this sub-
161 section."

162 "10. 'a. Any employer or withholding agent required under the
163 provisions of this Act to furnish a statement required by this Act
164 who willfully furnishes a false or fraudulent statement, or who will-
165 fully fails to furnish such statement shall, for each such failure, be
166 subject to a civil penalty of one hundred (100) dollars, such penalty
167 to be in addition to any criminal penalty otherwise provided by the
168 Code of 1962.

169 'b. Any employer or withholding agent required under the provi-
170 sions of this Act to withhold taxes on wages or other taxable Iowa
171 income subject to this Act who fails to withhold such taxes, or to
172 make the required returns or who fails to timely remit to the tax
173 commission the amounts withheld, shall be liable for the amount of
174 such taxes which should have been withheld and paid, and in addition
175 shall be subject to a civil penalty, equal to five (5) percent of the
176 amount which should have been withheld and paid over to the com-
177 mission, for each month or fraction thereof during which such failure
178 continues, not to exceed twenty-five (25) percent in the aggregate;
179 interest at the rate of six (6) percent per annum shall be added to the
180 tax required to be transmitted beginning with the first day of the
181 second month following the end of the calendar quarter for which the
182 tax was not transmitted, and such interest and such penalty shall
183 become a part of the tax due from the withholding agent.

184 'c. If any withholding agent, being a domestic or foreign corpora-
185 tion, required under the provisions of this section to withhold on
186 wages or other taxable Iowa income subject to this Act, fails to with-
187 hold the amounts required to be withheld, make the required returns
188 or remit to the state tax commission the amounts withheld, the com-

189 mission may, in its discretion, having exhausted all other means of
190 enforcement of the provisions of this Act, certify such fact or facts
191 to the secretary of state, who shall thereupon cancel the articles of
192 incorporation or certificate of authority (as the case may be) of such
193 corporation, and the rights of such corporation to carry on business
194 in the state of Iowa shall thereupon cease. The secretary of state
195 shall immediately notify by registered mail such domestic or foreign
196 corporation of the action taken by him. The provisions of subsection
197 three (3) of section four hundred twenty-two point forty (422.40)
198 of the Code shall be applicable.

199 'd. The tax commission, shall upon request of any fiduciary furnish
200 said fiduciary with a certificate of acquittance showing that no li-
201 ability as a withholding agent exists with respect to the estate or trust
202 for which said fiduciary acts, provided the tax commission has deter-
203 mined that there is no such liability.' "

204 "11. 'a. Every person or married couple filing a joint return shall
205 make a declaration of estimated tax if his or their Iowa income tax
206 attributable to income other than wages subject to withholding can
207 reasonably be expected to amount to fifty (50) dollars or more for the
208 taxable year, except that, in the cases of farmers and fishermen, the
209 exceptions provided in the Internal Revenue Code of 1954 with re-
210 spect to such declarations shall apply. The declaration provided for
211 herein shall be filed on or before the last day of the fourth (4th)
212 month of the taxpayer's tax year for which such declaration is filed,
213 in such form as the state tax commission may require by regulations.
214 The estimated tax shall be paid in quarterly installments. The first
215 installment shall be paid at the time of filing the declaration. The
216 other installments shall be paid on or before June 30, September 30,
217 and January 31. However, at the election of the person or married
218 couple filing jointly, any installment of the estimated tax may be paid
219 prior to the date prescribed for its payment. Whenever a person or
220 married couple filing a joint return have reason to believe that his or
221 their Iowa income tax may increase or decrease, either for purposes
222 of meeting the requirement to file a declaration of estimated tax or
223 for the purpose of increasing or decreasing such declaration, an
224 amended estimate shall be filed by him or them to reflect such in-
225 crease or decrease in estimated Iowa income tax.

226 'b. In the case of persons or married couples filing jointly, the total
227 balance of the tax payable after credits for taxes paid through with-
228 holding, as provided in subsection one (1) of this section, or through
229 declaration and payment of estimated tax, or a combination of such
230 withholding and declaration of estimated tax payments, as provided
231 herein, shall be due and payable on or before April 30, next following
232 the close of the calendar year, or if the return should be made on the
233 basis of a fiscal year, then on or before the last day of the fourth
234 (4th) month next following the close of such fiscal year.

235 'c. The declaration provided for in this section may be filed or
236 amended during the taxable year under regulations prescribed by the
237 state tax commission.

238 'd. If a taxpayer is unable to make his own declaration, the decla-
239 ration may be made by a duly authorized agent, or by the guardian
240 or other person charged with the care of the person or property of
241 such taxpayer.

242 'e. Any amount of tax paid on a declaration of estimated tax shall
243 be a credit against the amount of tax found payable on a final, com-
244 pleted return, as provided in subsection nine (9) hereof, relating to
245 the credit for the tax withheld against the tax found payable on a
246 return properly and correctly prepared under the provisions of sec-
247 tion four hundred twenty-two point five (422.5), to and including
248 section four hundred twenty-two point twenty-five (422.25), Code
249 1962; and any overpayment of one (1) dollar or more shall be
250 refunded to the taxpayer and such return shall constitute a claim for
251 refund for this purpose. Amounts less than one (1) dollar shall be
252 refunded to the taxpayer only upon written application in accordance
253 with section four hundred twenty-two point sixty-seven (422.67),
254 Code 1962, but only if such application is filed within twelve (12)
255 months after the due date for the return. The civil penalties provided
256 by the Internal Revenue Code of 1954 for failure to file a declaration
257 or for underpayment of the tax payable shall apply to persons re-
258 quired to file declarations and make payments of estimated tax under
259 the provisions of this section. Underpayment of estimated tax shall
260 be determined in the same manner as provided under the provisions
261 of the Internal Revenue Code of 1954 and the exceptions therein pro-
262 vided shall also apply.

263 'f. In lieu of claiming a refund, the taxpayer may elect to have the
264 overpayment shown on his final, completed return for the taxable year
265 credited to his tax liability for the following taxable year.'"

266 "12. In the case of nonresidents having income subject to taxation
267 by Iowa, but not subject to withholding of such tax under subsection
268 one (1) hereof, withholding agents shall withhold from such income
269 at the same rate as provided in subsection one (1) hereof, and such
270 withholding agents and such nonresidents shall be subject to the
271 provisions of this section, according to the context, except that such
272 withholding agents may be absolved of such requirement to withhold
273 taxes from such nonresident's income upon receipt of a certificate
274 from the state tax commission issued in accordance with the provi-
275 sions of section four hundred twenty-two point seventeen (422.17),
276 Code 1962, as hereby amended. In the case of nonresidents having
277 income from a trade or business carried on by them in whole or in
278 part within the state of Iowa, such nonresident shall be considered
279 to be subject to the provisions of subsection twelve (12) hereof unless
280 such trade or business is of such nature that the business entity
281 itself, as a withholding agent, is required to and does withhold Iowa
282 income tax from the distributions made to such nonresident from
283 such trade or business."

1 SEC. 3. Section four hundred twenty-two point seventeen
2 (422.17), Code 1962, is hereby repealed and the following enacted in
3 lieu thereof:

4 "Any nonresident whose Iowa income is not subject to subsection
5 one (1) of section two (2) of this Act, in whole or in part, and who
6 elects to be governed by subsection twelve (12) of section two of this
7 Act to the extent that he makes such declaration and pays the entire
8 amount of tax properly estimated thereunder on or before the last
9 day of the fourth (4th) month of his tax year, for such year begin-
10 ning after December 31, 1965, may for each such year of each such

11 election and such payment, be granted a certificate from the state
12 tax commission authorizing each withholding agent, the income from
13 whom the nonresident has included in his declaration of estimate and
14 to the extent such income is included in such declaration of estimate,
15 to make payments to such nonresident without withholding such tax
16 from such payments. Withholding agents, whenever such payments
17 exceed the amount estimated by such nonresident upon his declara-
18 tion of estimate, as indicated upon such certificate, shall proceed to
19 withhold tax in accordance with subsection twelve (12) of section
20 two (2) of this Act."

1 SEC. 4. Section four hundred twenty-two point twenty-four
2 (422.24), Code 1962, subsection one (1) is hereby repealed, and the
3 following inserted in lieu thereof:

4 "For all taxpayers with tax years beginning on or after January 1,
5 1966, the total tax due shall be paid in full at the time of filing the
6 return."

1 SEC. 5. The tax commission may, in its discretion, waive or remit
2 any penalty herein provided for when in its judgment the error, omis-
3 sion or failure requiring imposition of the penalty is unintentional or
4 due to inadvertence, mistake, misunderstanding, error, casualty or
5 misfortune, or when the assessment or imposition of the penalty
6 would require disproportionate cost or effort.

1 SEC. 6. Section four hundred twenty-two point twenty-four
2 (422.24), Code 1962, subsection two (2), is amended by striking the
3 words "one-half of the total tax," from lines three (3) and four (4),
4 and inserting in lieu thereof the words "the total tax due,". This
5 section and section four (4) of this Act shall apply only with respect
6 to tax years beginning on and after January 1, 1966.

1 SEC. 7. If any provisions of this Act or the application of such
2 provision to any person or circumstance shall be held invalid, the
3 remainder of this Act or the application of such provision to persons
4 or circumstances other than those to which it is held invalid shall not
5 be affected thereby.

1 SEC. 8. Wherever in this Act any section of the Code of Iowa is
2 referred to as "Code 1962", such reference shall mean and include the
3 Code 1962 as amended by the Acts of the Sixtieth (60th) General
4 Assembly, the Acts of the Sixtieth (60th) General Assembly in Ex-
5 traordinary Session, and the Acts of the Sixty-first (61st) General
6 Assembly.

1 SEC. 9. The tax commission is hereby authorized and directed to
2 enter into an agreement with the secretary of the treasury of the
3 United States with respect to withholding of income tax as provided
4 by this Act, pursuant to an Act of Congress, 66 Stat. 765, Chap. 940;
5 Pub. Law 587; 5 USCA, Section 84b, 84c, July 17, 1952, and Execu-
6 tive Order No. 10407, 17 F. R. 10132, November 7, 1952, Laws 1961,
7 Page 527, Par. 19.

Approved June 30, 1965.

CHAPTER 349

SCHOOL DISTRICT ON INCOME TAX RETURN

H. F. 271

AN ACT to require a statement of the taxpayer's resident school district on his state income tax return.

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

1 SECTION 1. Section four hundred twenty-two point twenty-one
2 (422.21), Code 1962, is amended by adding at the end thereof the
3 following paragraph:

4 "A space shall be provided by the tax commission, on the prescribed
5 income tax form, wherein the taxpayer shall enter the name of the
6 school district of his residence. Such place shall be indicated by promi-
7 nent type. A nonresident taxpayer shall so indicate. If such informa-
8 tion is not supplied on the tax return it shall not be deemed as an
9 incompleated return."

Approved June 2, 1965.

CHAPTER 350

CORPORATION TAX

S. F. 605

AN ACT to increase the rates of state corporation income tax.

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

1 SECTION 1. Section four hundred twenty-two point thirty-three
2 (422.33), Code 1962, is hereby amended by striking the word "three"
3 (3) in line six (6), and substituting in lieu thereof the word "four"
4 (4).

1 SEC. 2. The provisions of this Act shall become effective as to
2 returns made upon income earned during the calendar year 1965, or
3 as to any returns made for a fiscal year beginning after January 1,
4 1965.

Approved June 3, 1965.

CHAPTER 351

SALES TAX ON HOTELS AND MOTELS

H. F. 668

AN ACT relating to sales tax.

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

1 SECTION 1. Section four hundred twenty-two point forty-three
2 (422.43), Code 1962, is hereby amended by inserting the following
3 new paragraph after the third (3rd) paragraph thereof:

4 "There is hereby imposed a like rate of tax upon the gross receipts
 5 from the renting of any and all rooms, apartments, or sleeping quar-
 6 ters in any hotel, motel, inn, public lodging house, rooming house, or
 7 tourist court, or in any place where sleeping accommodations are
 8 furnished to transient guests for rent, whether with or without meals.
 9 'Renting' and 'rent' include any kind of direct or indirect charge for
 10 such rooms, apartments, sleeping quarters, or the use thereof. For the
 11 purposes of this division, such renting is regarded as a sale of tangible
 12 personal property at retail. However, such tax shall not apply to the
 13 gross receipts from the renting of a room, apartment, or sleeping
 14 quarters while rented by the same person for a period of more than
 15 thirty-one (31) consecutive days."

Approved June 30, 1965.

CHAPTER 352

SALES AND USE TAX EXEMPTIONS

H. F. 552

AN ACT to allow more time for governmental units to file for exemptions on sales and use tax refunds.

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

1 SECTION 1. Section four hundred twenty-two point forty-five
 2 (422.45), subsection six (6), paragraph *b*, Code 1962, is amended by
 3 striking the words "sixty days" in line two (2), and inserting in lieu
 4 thereof the words "six (6) months".

Approved May 17, 1965.

CHAPTER 353

SALES TAX RECEIPTS

S. F. 604

AN ACT to provide for the depositing of sales tax receipts by retailers if the total amount collected in preceding month exceeds five hundred dollars (\$500.00).

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

1 SECTION 1. Subsection one (1) of section four hundred twenty-
 2 two point fifty-two (422.52), Code 1962, is hereby amended by striking
 3 the period (.) in line seven (7) and substituting in lieu thereof a semi-
 4 colon (;), and adding the following: "provided, however, commencing
 5 with the period beginning January 1, 1966, every retailer who collects
 6 more than five hundred dollars (\$500.00) in retail sales taxes in any
 7 one month commencing with January 1, 1966, shall deposit with the
 8 state tax commission or in a depository bank designated by the tax
 9 commission, said sum, made out on a deposit form for the month in
 10 such form and manner as may be prescribed by the commission, said
 11 deposit form being due on or before the twentieth (20th) day of the

12 month next succeeding the month of collection, except no deposit will
 13 be required for the third month of the calendar quarter and the total
 14 quarterly amount, less the amounts deposited for the first two months
 15 of the quarter, will be due with the quarterly report on the last day of
 16 the month next succeeding the month of collection. Said monthly
 17 remittance procedure shall be optional for any sales tax permit holder
 18 whose average monthly collection of tax amounts to more than twenty-
 19 five dollars (\$25.00) and less than five hundred dollars (\$500.00). If
 20 the exact amounts of the taxes due on the monthly deposit form are
 21 not ascertainable by the retailer, or would work undue hardship in the
 22 computation of the taxes due by the retailer, the commission may
 23 provide through its rules and regulations alternative procedures for
 24 estimating the amounts (but not the dates) so due by the retailers.
 25 The form so prescribed by the commission shall be referred to as
 26 "retailers monthly tax deposit". Deposit forms shall be signed by the
 27 retailer or his duly authorized agent, and must be duly certified by him
 28 to be correct. The state tax commission may authorize incorporated
 29 banks and trust companies which are depositories or financial agents
 30 of the United States, or of this state, to receive any tax imposed under
 31 this Act, in such manner, at such times and under such conditions as
 32 it may prescribe; and it shall prescribe the manner, times, and con-
 33 ditions under which the receipt of such tax by such banks and trust
 34 companies is to be treated as payment of such tax to the commission."

1 SEC. 2. Subsection one (1) of section four hundred twenty-two
 2 point fifty-eight (422.58), Code 1962, is hereby amended by inserting
 3 in line one (1) after the word "file", the following: "a retailers
 4 monthly tax deposit,".

1 SEC. 3. Subsection one (1) of section four hundred twenty-two
 2 point fifty-one (422.51), Code 1962, is hereby amended by adding the
 3 following after the comma (,) in line eleven (11): "the amount of
 4 any deposit or deposits made during the period covered by the return
 5 on a retailers monthly tax deposit form, the balance of tax due for the
 6 period covered by the return,".

1 SEC. 4. Subsection one (1) of section four hundred twenty-two
 2 point fifty-one (422.51), Code 1962, is hereby amended by striking
 3 from lines twenty (20), twenty-one (21), and twenty-two (22), there-
 4 of, the following: "the time in which he is required to make payment
 5 as provided in section four hundred twenty-two point fifty-two
 6 (422.52), shall be extended for the same period", and inserting in lieu
 7 thereof "the retailer must make payment or payments equaling ninety
 8 percent (90%) of the tax due by the twentieth (20th) day of the
 9 month next succeeding the quarter of collection".

1 SEC. 5. Subsection six (6) of section four hundred twenty-two
 2 point forty-two (422.42), Code 1962, as amended by chapter two hun-
 3 dred sixty-one (261), Acts of the Sixtieth General Assembly, is hereby
 4 amended by inserting in line twenty (20) after the word "period" the
 5 words "or during such period for which the retailer is required to file
 6 a retailer's monthly tax deposit, whichever is applicable,".

Approved June 30, 1965.

CHAPTER 354

SALES TAX PERMIT FEE

H. F. 688

AN ACT to change the amount of the sales tax permit fee.

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

1 SECTION 1. Section four hundred twenty-two point fifty-three
2 (422.53), subsection two (2), Code 1962, is amended by striking the
3 words "fifty cents" from line three (3) and inserting in lieu thereof
4 the words "one dollar" (\$1.00).

Approved June 4, 1965.

CHAPTER 355

MOTOR VEHICLE NUMBER PLATES

H. F. 661

AN ACT relating to fully reflective vehicle number plates.

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

1 SECTION 1. Section four hundred twenty-two point sixty-two
2 (422.62), Code 1962, as amended by chapter two hundred sixty-six
3 (266) and section one (1) of chapter two hundred sixty-seven (267),
4 Acts of the Sixtieth General Assembly, and section nine (9) of Senate
5 File one hundred ninety-two (192), Acts of the Sixty-first General
6 Assembly, is hereby further amended by striking lines fourteen (14)
7 through seventeen (17) and inserting in lieu thereof the following:

8 "industries. All motor vehicle registration plates shall be treated
9 with a reflective material according to specifications prescribed by the
10 commissioner of public safety. The plates so treated shall be of such
11 a nature as to increase legibility and visibility and to provide effective
12 and dependable brightness during the service period of the plates. For
13 the purpose of procuring the reflective plates, an additional fee of
14 twenty-five (25) cents per year for each registration of a motor ve-
15 hicle, collected at the time of the registration, shall be added to the
16 registration fee. The additional fee collected shall be credited to the
17 road use tax fund. Any amount unexpended."

1 SEC. 2. Section one (1) of chapter two hundred sixty-six (266),
2 Acts of the Sixtieth General Assembly, as amended by section ten (10)
3 of Senate File one hundred ninety-two (192), Acts of the Sixty-first
4 General Assembly, is hereby amended as follows:

5 1. By striking from line five (5) the words and figure "four hundred
6 fifty thousand (450,000)" and inserting in lieu thereof the words and
7 figure "nine hundred thousand (900,000)".

8 2. By striking from line eight (8) the words and figure "three hun-
9 dred thousand (300,000)" and inserting in lieu thereof the words and
10 figure "six hundred thousand (600,000)".

Approved June 3, 1965.

CHAPTER 356

AGRICULTURAL LAND TAX CREDIT

S. F. 637

AN ACT relating to the agricultural land tax credit.

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

1 SECTION 1. Section four hundred twenty-six point one (426.1),
2 Code 1962, is amended by striking from lines nine (9) and ten (10)
3 the words "eleven million two hundred fifty thousand dollars" and
4 inserting in lieu thereof the words "fifteen million dollars".

1 SEC. 2. Section four hundred twenty-six point three (426.3), Code
2 1962, is hereby amended by inserting in line twenty-three (23) after
3 the figure "425." the following:

4 "Agricultural land tax credit computed after January 1, 1966, pay-
5 able in 1967, will not be paid to any owner who is not a bona fide resi-
6 dent of the state of Iowa, or to any corporation which does not have a
7 situs in the state for the purpose of paying the tax imposed upon cor-
8 porations under division III, chapter four hundred twenty-two (422)
9 of the Code, if such corporation is the owner of property which would
10 otherwise be eligible for the agricultural land tax credit."

1 SEC. 3. 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 portions of this Act. The
5 General Assembly hereby declares that it would have passed this Act
6 and each section, subsection, paragraph, sentence, clause or phrase
7 hereof irrespective of whether any one or more of the sections, sub-
8 sections, paragraphs, sentences, clauses or phrases be declared uncon-
9 stitutional.

Approved June 30, 1965.

CHAPTER 357

TAXATION OF EDUCATIONAL, CHARITABLE AND RELIGIOUS
REAL PROPERTY

H. F. 331

AN ACT relating to the taxation of real property of educational institutions and liter-
ary, charitable, and religious societies.

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

1 SECTION 1. Section four hundred twenty-seven point one (427.1),
2 subsection nine (9), Code 1962, is hereby amended as follows:

3 1. By inserting in line one (1) after the word "used" the words "or
4 under construction".

5 2. By inserting in line six (6) after the word "used" the words "or
6 under construction".

7 3. By adding after the word "assessment." in line ten (10) thereof

8 the following: "All such property shall be listed upon the tax rolls of
 9 the district or districts in which it is located and shall have ascribed
 10 to it an actual fair market value and an assessed or taxable value, as
 11 contemplated by section four hundred forty-one point twenty-one
 12 (441.21) of the Code, whether such property be subject to a levy or be
 13 exempted as herein provided and such information shall be open to
 14 public inspection."

1 SEC. 2. Section four hundred twenty-seven point one (427.1), sub-
 2 section eleven (11), Code 1962, is hereby amended by inserting in line
 3 five (5) after the word "township" the following: "except any real
 4 property acquired after January 1, 1965, by any educational institu-
 5 tion as a part of its endowment fund or upon which any income is
 6 derived or used, directly or indirectly, for full or partial payment for
 7 services rendered, shall be taxed beginning with the levies applied for
 8 taxes payable in the year 1967, at the same rate as all other property
 9 of the same class in the taxing district or districts in which such real
 10 property is located. Such property acquired prior to January 1, 1965,
 11 and held or owned as part of the endowment fund of an educational
 12 institution shall be subject to assessment and levy in the assessment
 13 year 1974 for taxes payable in 1975. All such property shall be listed
 14 on the assessment rolls in the district or districts in which such prop-
 15 erty is located and an actual fair market value and an assessed or
 16 taxable value be ascribed to it, as contemplated by section four hun-
 17 dred forty-one point twenty-one (441.21) of the Code, irrespective of
 18 whether an exemption under this subsection may be or is affirmed,
 19 and such information shall be open to public inspection; it being the
 20 intent of this Act that such property be valued whether or not it be
 21 subject to a levy."

Approved June 4, 1965.

CHAPTER 358

TAX ON REAL ESTATE TRANSFERS

H. F. 716

AN ACT to tax real estate transfers.

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

1 SECTION 1. There is hereby imposed on each deed, instrument, or
 2 writing by which any lands, tenements, or other realty in this state
 3 shall be granted, assigned, transferred, or otherwise conveyed, a tax
 4 determined in the following manner. When there is no consideration
 5 or when the consideration, exclusive of the value of any lien or en-
 6 cumbrance remaining thereon at the time of sale, is one thousand
 7 (1,000) dollars or less, there shall be no tax. When the consideration,
 8 exclusive of the value of any lien or encumbrance remaining thereon
 9 at the time of sale, exceeds one thousand (1,000) dollars, the tax shall
 10 be one dollar ten cents (\$1.10) plus fifty-five (55) cents for each five

11 hundred (500) dollars or fractional part of five hundred (500) dollars
 12 in excess of one thousand (1,000) dollars.

1 SEC. 2. The tax imposed by this Act shall not apply to:

2 1. Any executory contract for the sale of land under which the ven-
 3 dee is entitled to or does take possession thereof, or any assignment or
 4 cancellation thereof.

5 2. Any mortgage or any assignment, extension, partial release, or
 6 satisfaction thereof.

7 3. Any will.

8 4. Any plat.

9 5. Any lease.

10 6. Any deed, instrument, or writing in which the United States or
 11 any agency or instrumentality thereof or the state of Iowa or any
 12 agency, instrumentality, or governmental or political subdivision
 13 thereof is the grantor, assignor, transferor, or conveyor; and any deed,
 14 instrument or writing in which any of such unit of government is the
 15 grantee or assignee where there is no consideration or where the con-
 16 sideration does not exceed one thousand (1,000) dollars.

17 7. Deeds for cemetery lots.

1 SEC. 3. Any person who grants, assigns, transfers, or conveys any
 2 land, tenement, or realty by a deed, writing, or instrument subject to
 3 the tax imposed by this Act shall be liable for such tax but no public
 4 official shall be liable for a tax with respect to any instrument executed
 5 by him in connection with his official duties.

1 SEC. 4. The county recorder shall refuse to record any deed, instru-
 2 ment, or writing, taxable under the provisions of section one (1) of
 3 this Act on which documentary stamps in the amount stated thereon
 4 have not been affixed or without a statement on said deed, instrument,
 5 or writing that the same is exempt. The validity of effectiveness of
 6 an instrument as between the parties thereto, and as to any person
 7 who would otherwise be bound thereby, shall not be affected by the
 8 failure to comply herewith; nor if an instrument is accepted for re-
 9 cording or filing contrary to the provision hereof, shall the failure to
 10 comply herewith destroy or impair the record thereof as notice.

1 SEC. 5. The tax imposed by this Act shall be paid by the affixing of
 2 a documentary stamp or stamps in the amount of the tax to the docu-
 3 ment or instrument with respect to which the tax is paid and stamps
 4 in excess of the amount of the tax shall not be affixed to the document
 5 or instrument.

1 SEC. 6. A person using or affixing a stamp shall cancel it and so
 2 deface it as to render it unfit for reuse by marking it in ink with his
 3 initials and the date on which such affixing occurs.

1 SEC. 7. The state tax commission shall cause documentary stamps
 2 to be printed and shall furnish such stamps as may be necessary to the
 3 county treasurers of the state without charge. Documentary stamps
 4 may be purchased from any county treasurer and may be used in pay-
 5 ment of the tax imposed by this Act or may be resold by the owner at
 6 any time.

1 SEC. 8. On or before the tenth (10th) day of each month the
2 county treasurer shall determine and pay to the state treasurer the
3 receipts from the sale of documentary stamps during the preceding
4 month and the state treasurer shall deposit such receipts in the state
5 treasury to the credit of the general fund.

6 The county treasurer shall keep such records and make such reports
7 with respect to the documentary stamps entrusted to his custody and
8 with respect to the sale of such stamps as the state tax commission
9 shall prescribe.

1 SEC. 9. The care of documentary stamps entrusted to county treas-
2 urers and the duties imposed upon county treasurers by this Act shall
3 be within the duties of such office.

1 SEC. 10. Any person liable for the tax imposed by this Act who
2 knowingly fails to comply with the provisions of section five (5) of
3 this Act relating to the attachment or cancellation of documentary
4 stamps unless such failure is shown to be due to reasonable cause shall
5 be liable to a civil penalty of twenty-five (25) dollars for each such
6 failure.

7 Any person who wilfully attempts in any manner to evade or defeat
8 any such tax or the payment thereof, shall, in addition to other penal-
9 ties provided by law, be liable to a penalty of fifty (50) percent of the
10 total amount of the underpayment of the tax.

1 SEC. 11. The commission shall enforce the provisions of this Act
2 and may prescribe rules and regulations for their detailed and efficient
3 administration.

1 SEC. 12. The term "documentary stamps" means all stamps issued
2 by the state tax commission for use in payment of the taxes imposed
3 by this Act.

1 SEC. 13. This Act shall not apply with respect to any deed, instru-
2 ment, or writing where such deed, instrument, or writing may not
3 under the constitution of this state or under the constitution or laws
4 of the United States be made the subject of taxation by this state.

1 SEC. 14. There shall be allowed as a credit against the amount of
2 the tax hereby imposed an amount equal to the amount of tax actually
3 paid to the United States of America under provisions of section 4361
4 of subchapter C of chapter 34 of the Federal Internal Revenue Code
5 of 1954.

Approved June 7, 1965.

CHAPTER 359

MONEYS AND CREDITS TAX

S. F. 642

AN ACT relating to assessment of property for the moneys and credits tax.

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

1 SECTION 1. Senate File 583, Acts 61st General Assembly is
2 amended by inserting in line eight (8) of section one (1) after the
3 word "assessed" the words "for the purpose of collecting the said tax
4 of five (5) mills".

Approved July 1, 1965.

CHAPTER 360

MONEYS AND CREDITS TAX AND INCOME TAX

S. F. 583

AN ACT to repeal the five (5) mills moneys and credits tax provided in section four hundred twenty-nine point two (429.2), Code 1962, as to individuals, estates and trusts and to increase the income tax rate on upper bracket incomes as a replacement and to provide for the return of the amount collected by such tax for allocation among the taxing districts as provided in section four hundred twenty-nine point three (429.3), Code 1962.

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

1 SECTION 1. Section four hundred twenty-nine point two (429.2),
2 Code 1962, is hereby amended by adding thereto the following:
3 "For the year 1966 and subsequent years, the property of an indi-
4 vidual, administrator, executor, guardian, conservator, and trustee,
5 including property held by an agent or nominee thereof, described in
6 and subjected to taxation at the rate of five (5) mills by this section
7 shall not be assessed and no tax shall be levied or collected thereon
8 from any individual or any such fiduciary by reason of this section or
9 section four hundred twenty-nine point three (429.3) or subsections
10 four (4), five (5), seven (7) and eight (8) of section four hundred
11 twenty-seven point thirteen (427.13) of the Code.

1 SEC. 2. Section four hundred twenty-eight point twenty-three
2 (428.23), Code 1962, is hereby amended by striking the period (.) in
3 line seven (7) thereof and adding thereto the following:
4 "except that the tax imposed by section four hundred twenty-nine
5 point two (429.2), of the Code shall be applicable thereto."

1 SEC. 3. Section four hundred thirty-one point one (431.1), Code
2 1962, is hereby amended by adding the following new paragraph at the
3 end thereof:
4 "For the year 1966 and subsequent years, this section shall apply
5 only to the shares of stock of any corporation which is organized under
6 the laws of this state, is exempt from taxation under the provisions of
7 subsection one (1) of section four hundred twenty-two point thirty-

8 four (422.34) of the Code, and is not otherwise provided for in chap-
 9 ters four hundred twenty-seven (427) to four hundred thirty-nine
 10 (439), inclusive, and section four hundred thirty-seven point fourteen
 11 (437.14) of the Code. However, for the purposes of the tax imposed
 12 by section thirty-five B point eleven (35B.11) of the Code, this para-
 13 graph shall not be applicable and the preceding paragraph of this
 14 section shall be applicable.”

1 SEC. 4. Section four hundred twenty-two point five (422.5), Code
 2 1962, is hereby amended by inserting immediately following subpara-
 3 graph five (5) thereof, the following:

4 “6. In addition to the tax imposed in subparagraph five (5) hereof,
 5 on all taxable income in excess of nine thousand dollars (\$9,000.00),
 6 three-fourths per cent ($\frac{3}{4}\%$). This additional tax shall be effective
 7 for all taxable years ending after January 1, 1965, except that for
 8 taxable years beginning before January 1, 1965, and ending thereafter,
 9 shall be collected on the basis of the proportion which the number of
 10 months in any such fiscal year, commencing with the month of Janu-
 11 ary, 1965, bears to the total year. This additional tax shall be in lieu
 12 of all taxes imposed by section four hundred twenty-nine point two
 13 (429.2) of the Code on the property therein described of individuals,
 14 administrators, executors, guardians, conservators, trustees or an
 15 agent or nominee thereof.”

1 SEC. 5. Section four hundred twenty-two point twenty-one
 2 (422.21), Code 1962, is hereby amended by adding to the first para-
 3 graph thereof the following:

4 “Each return by a taxpayer upon whom a tax is imposed by sub-
 5 paragraph six (6) of section four hundred twenty-two point five
 6 (422.5) of the Code shall show the county of the residence of the
 7 taxpayer.”

1 SEC. 6. Section four hundred twenty-two point sixty-two (422.62),
 2 Code 1962, is hereby amended by inserting after the period (.) in line
 3 six (6) thereof, the following:

4 “The amount of the proceeds of the additional tax imposed by sub-
 5 paragraph six (6) of section four hundred twenty-two point five
 6 (422.5) of the Code shall be certified by the commission to the treas-
 7 urer of the state and the amount thereof withdrawn and credited to
 8 a permanent fund hereby created in the office of the treasurer to be
 9 known as the Moneys and Credits Tax Replacement Fund.”

1 SEC. 7. Section four hundred forty-four point three (444.3), Code
 2 1962, is hereby amended by inserting after the figures “429.2” in line
 3 fifteen (15) thereof, the following:

4 “and for years commencing with the year 1966 from the Moneys
 5 and Credits Tax Replacement Fund”.

1 SEC. 8. Section four hundred forty-four point three (444.3), Code
 2 1962, is further hereby amended by adding thereto the following:

3 “For years commencing with the year 1966, in computing the
 4 amount to be derived from the Moneys and Credit* Tax Replacement
 5 Fund the county auditor shall use the amount of the tax to be derived

*According to enrolled Act.

6 from the property described in and subject to taxation under section
7 four hundred twenty-nine point two (429.2) of the Code owned or held
8 by individuals, administrators, executors, guardians, conservators,
9 trustees or an agent or nominee thereof which was used in computing
10 the tax rate in such district for the year 1965; and shall also use the
11 amount of the tax to be derived from the property described in and
12 subject to taxation under section four hundred thirty-one point one
13 (431.1) of the Code for the year 1965 but not subject to taxation under
14 said section for the year 1966, which was used in computing the tax
15 rate in such district for the year 1965.

16 If any taxing district or part thereof shall have been merged or
17 consolidated with another district or shall cease to exist, the tax to be
18 derived from the Moneys and Credit* Tax Replacement Fund for such
19 taxing district shall be allocated to or among the surviving or successor
20 districts by the county auditor.

21 The county auditor at the time of the delivery of the tax list to the
22 county treasurer shall furnish the county treasurer with the amount
23 of tax to be derived from the Moneys and Credits Tax Replacement
24 Fund used by the county auditor in determining the tax rate in each
25 taxing district in the county."

1 SEC. 9. Section four hundred forty-one point forty-five (441.45),
2 Code 1962, is hereby amended by inserting after line twenty-two (22)
3 thereof the following new subsection:

4 "5. The aggregate taxable value of the property described in and
5 subject to taxation under section four hundred twenty-nine point two
6 (429.2) of the Code owned or held by individuals, administrators,
7 executors, guardians, conservators, trustees or an agent or nominee
8 thereof which was assessed by any such assessor for the year 1965."

1 SEC. 10. Chapter four hundred twenty-two (422), Code 1962, is
2 hereby amended by adding thereto the following new section:

3 "The commission shall determine the percentage which the aggregate taxable value for the year 1965 of the property described in and subject to taxation under section four hundred twenty-nine point two (429.2) of the Code owned or held by individuals, administrators, executors, guardians, conservators, trustees or an agent or nominee thereof, and the aggregate taxable value for the year 1965 of the property described in and subject to taxation under section four hundred thirty-one point one (431.1) of the Code for the year 1965 but not subject to taxation under said section for the year 1966, in each county bears to the total aggregate taxable value of such property reported from all of the counties in the state and shall certify the percentage for each county to the state comptroller prior to January 1, 1967. In January of 1967 and in January of each succeeding year thereafter, the state comptroller shall apply said percentage to the money which shall have accumulated in the Moneys and Credits Tax Replacement Fund prior to such January and thereby determine the amount thereof due to each county. The state comptroller shall draw warrants on the Moneys and Credits Tax Replacement Fund in such amounts payable to the county treasurer of each county and transmit them. The county treasurer shall apportion these amounts in the man-

*According to enrolled Act.

23 ner provided in section four hundred twenty-nine point three (429.3)
 24 of the Code in the proportions the Moneys and Credits Tax Replace-
 25 ment Fund has been allocated to each taxing district as shown by the
 26 information furnished to the county treasurer by the county auditor.”

1 SEC. 11. Section four hundred twenty point two hundred four
 2 (420.204), Code 1962, is hereby amended by inserting after the comma
 3 (,) in line twenty-two (22) thereof, the following:
 4 “and such city’s share of the Moneys and Credits Tax Replacement
 5 Fund,”

1 SEC. 12. This Act, being deemed of immediate importance shall be
 2 in full force and effect from and after its passage and publication as
 3 provided by law, in The Holstein Advance, a newspaper published at
 4 Holstein, Iowa, and in the Record-Herald and Indianola Tribune, a
 5 newspaper published at Indianola, Iowa.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 583, was published in The Holstein Advance, Holstein, Iowa, June 24, 1965, and in the Record-Herald and Indianola Tribune, Indianola, Iowa, June 21, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 361

URBAN TRANSIT TAXES

S. F. 435

AN ACT relating to assessment for taxation of urban transit systems.

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

1 SECTION 1. Amend section four hundred thirty-four point fifteen
 2 (434.15), Code 1962, by striking the last paragraph thereof.

Approved May 20, 1965.

CHAPTER 362

ASSESSMENT AND VALUATION OF PROPERTY

H. F. 385

AN ACT to amend section four hundred forty-one point five (441.5), Code 1962, relating to assessments and valuation of property.

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

1 SECTION 1. Section four hundred forty-one point five (441.5),
 2 Code 1962, is hereby amended by striking from line thirty-nine (39)
 3 the word “county” and inserting in lieu thereof the word “state”.

Approved April 23, 1965.

CHAPTER 363

TAXABLE VALUE OF BUILDINGS

S. F. 257

AN ACT relating to the taxable value of buildings.

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

1 SECTION 1. Section four hundred forty-one point twenty-one
 2 (441.21), Code 1962, is hereby amended by adding the following new
 3 paragraph:

4 "Any normal and necessary repairs to any building, not amounting
 5 to structural replacements or modification, shall not increase the tax-
 6 able value of such building. The provisions of this paragraph shall
 7 apply only to repairs of five hundred (500) dollars or less per building
 8 per year."

Approved July 1, 1965.

CHAPTER 364

Chapter 364 is omitted due to a vetoed Act.

CHAPTER 365

ASSESSMENT PROTESTS TO REVIEW BOARD

S. F. 603

AN ACT relating to the filing of assessment protests with the board of review.

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

1 SECTION 1. Section four hundred forty-one point thirty-three
 2 (441.33), Code 1962, is hereby amended as follows:

3 1. By inserting in line three (3) after the word "year" the follow-
 4 ing:

5 "and for such additional period as may be required under section
 6 four hundred forty-one point thirty-seven (441.37) of the Code".

7 2. By inserting in line five (5) after the number "1" the following:

8 "in any year in which a session has not been extended as required
 9 under section four hundred forty-one point thirty-seven (441.37) of
 10 the Code,".

11 3. By inserting in line nine (9) after the number "1" the following:

12 "in those years in which the session has not been extended under sec-
 13 tion four hundred forty-one point thirty-seven (441.37) of the Code".

14 4. By inserting in line fifteen (15) after the word "session" the
 15 words "required under section four hundred forty-one point thirty-
 16 seven (441.37) of the Code or".

1 SEC. 2. Section four hundred forty-one point thirty-seven
 2 (441.37), Code 1962, is hereby amended by inserting in line six (6)
 3 after the word "assessment." the following:

4 "In any county which has been declared to be a disaster area by
5 proper federal authorities after March 1 and prior to May 20 of said
6 year of assessment, the time for filing a protest shall be extended to
7 and include the period from June 10 to June 20 of such year."

1 SEC. 3. Section four hundred forty-one point forty-five (441.45),
2 Code 1962, is hereby amended by striking line twenty-five (25) and
3 inserting in lieu thereof the following:

4 "under provisions of sections four hundred forty-one point thirty-
5 three (441.33) and four hundred forty-one point thirty-seven (441.37)
6 of the Code the abstract".

1 SEC. 4. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its publication in the Bur-
3 lington Hawk-Eye, a newspaper published in Burlington, Iowa, and in
4 The Muscatine Journal, a newspaper published in Muscatine, Iowa.
5 Without limiting the generality of the foregoing, the extension of time
6 for filing a protest as provided in this Act shall apply to the year 1965.

Approved June 3, 1965.

I hereby certify that the foregoing Act, Senate File 603, was published in the Burling-
the Hawk-Eye, Burlington, Iowa, June 9, 1965, and in The Muscatine Journal, Muscatine,
Iowa, June 9, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 366

INHERITANCE TAX

H. F. 679

AN ACT relating to the Iowa inheritance tax.

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

1 SECTION 1. Section four hundred fifty point three (450.3), Code
2 1962, is hereby amended as follows:

3 1. By inserting after the period in line three (3) of subsection
4 four (4) the following: "Any transfer involving creation of a general
5 power of appointment shall be treated as a transfer of a fee or equiva-
6 lent interest in the property subject thereto to the donee of the power.
7 Any transfer involving creation of any other power of appointment
8 shall be treated as the transfer of a life estate or term of years in the
9 property subject thereto to the donee of the power and as the transfer
10 of the remainder interests therein to those who would take if the power
11 is not exercised.

12 2. By striking from line four (4) of subsection two (2) of such
13 section the word "two" and inserting in lieu thereof the word "three
14 (3)".

1 SEC. 2. Subsection one (1) of section four hundred fifty point ten
2 (450.10), Code 1962, is hereby amended by striking all of said sub-
3 section after the word "follows:" in line eleven (11) and inserting in
4 lieu thereof the following:

5 "One (1) percent of the first five thousand (5,000) dollars.
 6 Two (2) percent of any amount in excess of five thousand (5,000)
 7 dollars and up to twelve thousand five hundred (12,500) dollars.
 8 Three (3) percent on any amount in excess of twelve thousand five
 9 hundred (12,500) dollars and up to twenty-five thousand (25,000)
 10 dollars.
 11 Four (4) percent on any amount in excess of twenty-five thousand
 12 (25,000) dollars and up to fifty thousand (50,000) dollars.
 13 Five (5) percent on any amount in excess of fifty thousand (50,000)
 14 dollars and up to seventy-five thousand (75,000) dollars.
 15 Six (6) percent on any amount in excess of seventy-five thousand
 16 (75,000) dollars and up to one hundred thousand (100,000) dollars.
 17 Seven (7) percent on any amount in excess of one hundred thousand
 18 (100,000) dollars and up to one hundred fifty thousand (150,000)
 19 dollars.
 20 Eight (8) percent on all sums in excess of one hundred fifty thou-
 21 sand (150,000) dollars."

1 SEC. 3. Subsection two (2) of section four hundred fifty point ten
 2 (450.10), Code 1962, is hereby amended by striking all of said sub-
 3 section after the word "follows:" in line six (6) and inserting in lieu
 4 thereof the following:

5 "Five (5) percent on any amount up to twelve thousand five hundred
 6 (12,500) dollars.
 7 Six (6) percent on any amount in excess of twelve thousand five
 8 hundred (12,500) dollars and up to twenty-five thousand (25,000)
 9 dollars.
 10 Seven (7) percent on any amount in excess of twenty-five thousand
 11 (25,000) dollars and up to seventy-five thousand (75,000) dollars.
 12 Eight (8) percent on any amount in excess of seventy-five thousand
 13 (75,000) dollars and up to one hundred thousand (100,000) dollars.
 14 Nine (9) percent on any amount in excess of one hundred thousand
 15 (100,000) dollars and up to one hundred fifty thousand (150,000)
 16 dollars.
 17 Ten (10) percent on all sums in excess of one hundred fifty thousand
 18 (150,000) dollars."

1 SEC. 4. Subsection three (3) of section four hundred fifty point ten
 2 (450.10), Code 1962, is hereby amended by striking all of said sub-
 3 section after the word "follows:" in line six (6) and inserting in lieu
 4 thereof the following:

5 "Ten (10) percent on any amount up to fifty thousand (50,000)
 6 dollars.
 7 Twelve (12) percent on any amount in excess of fifty thousand
 8 (50,000) dollars and up to one hundred thousand (100,000) dollars.
 9 Fifteen (15) percent on all sums in excess of one hundred thousand
 10 (100,000) dollars."

1 SEC. 5. Chapter four hundred fifty (450), Code 1962, is hereby
 2 amended by adding thereto the following new section:

3 "1. No person, bank, credit union, or savings and loan association
 4 shall permit the withdrawal of funds from a joint account by a sur-
 5 viving joint owner without first notifying the tax commission of the
 6 balance in such account at the date of decedent's death and the name

7 and address of the surviving joint owner. Such notification may be
 8 accomplished by mailing the required information to the tax commis-
 9 sion and withdrawal or payment of such funds may be made im-
 10 mediately thereafter as long as such mailing is accomplished by ordi-
 11 nary mail no later than the date of withdrawal or earlier if knowledge
 12 of the decedent's death is known by the depository. A person, bank,
 13 credit union, or savings and loan association shall only be liable for
 14 any inheritance tax due by the surviving joint owner for willful failure
 15 to report to the tax commission as herein provided."

1 SEC. 6. Section four hundred fifty point eleven (450.11), Code
 2 1962, is here* repealed.

1 SEC. 7. Section four hundred fifty point fifty-one (450.51), Code
 2 1962, is hereby repealed and the following is enacted in lieu thereof:
 3 "The value of any annuity, deferred estate, or interest, or any estate
 4 for life or term of years, subject to inheritance tax shall be determined
 5 for the purpose of computing said tax by the use of current, commonly
 6 used tables of mortality and actuarial principles pursuant to regula-
 7 tions prescribed by the state tax commission. The taxable value of
 8 annuities, life or term, deferred, or future estates, shall be computed
 9 at the rate of four percent per annum of the appraised value of the
 10 property in which such estate or interest exists or is founded."

1 SEC. 8. Section four hundred fifty point twenty-two (450.22),
 2 Code 1962, is hereby amended by striking from lines six (6), seven
 3 (7), and eight (8) the following: ", before the expiration of eighteen
 4 months from the death of the decedent".

1 SEC. 9. The provisions of this Act shall be effective on the estates
 2 of decedents dying on or after July 4, 1965.

Approved June 30, 1965.

*According to enrolled Act.

CHAPTER 367

IOWA ESTATE TAX

H. F. 709

AN ACT to amend section four hundred fifty-one point two (451.2) Code of 1962, relating to Iowa estate tax.

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

1 SECTION 1. Section four hundred fifty-one point two (451.2),
 2 Code 1962, is hereby repealed and the following is enacted in lieu
 3 thereof:

4 "451.2 Additional tax: An amount equal to the federal estate tax
 5 credit for state death taxes as allowed in the Internal Revenue Code of
 6 1954 is hereby imposed upon every transfer of the net estate of every
 7 decedent, being a resident of, or owning property in this state, as
 8 herein provided.

9 "1. Where decedent is a resident of Iowa and all property is located
 10 in Iowa, or is subject to the jurisdiction of the courts, of Iowa, an
 11 amount equal to the total credit as allowed under federal statute shall

12 be paid to the state of Iowa. Where decedent is a nonresident or where
 13 property is located outside the state of Iowa and not subject to juris-
 14 diction of Iowa courts, the tax shall be pro-rated on the basis that the
 15 Iowa property bears to the total gross estate for federal tax purposes.
 16 "2. The total tax or the Iowa share of said tax shall be credited with
 17 the amount of any inheritance tax due the state of Iowa as provided in
 18 chapter 450 of the Iowa Code."

1 SEC. 2. Section four hundred fifty-one point three (451.3), Code
 2 1962, is hereby repealed and the following is enacted in lieu thereof:
 3 "451.3 Gross and net estate. The gross estate shall be the same as
 4 finally determined for federal estate tax and the net estate shall be the
 5 gross estate less deductions as permitted by federal law, in arriving at
 6 the net taxable federal estate, all determined as provided in the Inter-
 7 nal Revenue Code of 1954."

1 SEC. 3. Section four hundred fifty-one point one (451.1), Code
 2 1962, is hereby amended by adding thereto the following subsection:
 3 "8. The term 'Internal Revenue Code of 1954' shall have the same
 4 meaning as ascribed to it in section four hundred twenty-two point
 5 four (422.4)."

Approved June 30, 1965.

CHAPTER 368

INTEREST RATES ON PUBLIC DEPOSITS

H. F. 663

AN ACT to provide for procedure and type of investment of public funds by the treasurer of the state of Iowa, and to amend the interest rates of the deposit of public funds.

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

1 SECTION 1. Section four hundred fifty-two point ten (452.10),
 2 Code 1962, is hereby amended as follows:
 3 1. By striking in lines nine (9), ten (10), and eleven (11) the words
 4 "United States government bonds and certificates, providing suitable
 5 issues are available" and inserting in lieu thereof the following:
 6 "bonds or other evidences of indebtedness which are obligations of or
 7 guaranteed by the United States of America".
 8 2. By striking all of said section after the word "therefor." in line
 9 fourteen (14) and inserting in lieu thereof the following: "With
 10 respect to any time deposits that the state treasurer may place with
 11 any depository, the state treasurer shall require from such depository
 12 a pledge consisting of bonds or other evidences of indebtedness of
 13 the state of Iowa, or of any county, city, town, school, road, drainage,
 14 or other district located within the state of Iowa, or of any govern-
 15 mental authority or instrumentality of the state of Iowa, or bonds or
 16 other evidences of indebtedness which are obligations of or guaran-
 17 teed by the United States of America, said pledge to be one hundred
 18 (100) percent of the amount of said deposit, less \$10,000 insurance as

19 provided by the Federal Deposit Insurance Corporation, and said
20 pledge to be evidenced by a safe-keeping receipt of the securities de-
21 posited issued by a federal reserve bank or a branch thereof or a cor-
22 respondent bank, and said safe-keeping receipts to be furnished to
23 the state treasurer."

1 SEC. 2. Section four hundred fifty-three point six (453.6), Code
2 1962, as amended by the Acts of the Sixtieth General Assembly, chap-
3 ter two hundred seventy-eight (278), section three (3), is hereby
4 amended by striking from line fourteen (14) thereof the word "three"
5 and substituting therefor the word "four".

1 SEC. 3. Section four hundred fifty-three point nine (453.9), Code
2 1962, is hereby amended by inserting after the comma (,) in line nine
3 (9) thereof the following: "or make time deposits of such funds as
4 provided in this chapter and receive time certificates of deposit there-
5 for,".

1 SEC. 4. Chapter four hundred fifty-three (453), Code 1962, is
2 hereby amended by adding the following new section:

3 "A bank may make reasonable service charges with respect to the
4 handling of any public funds, but such service charges shall not be
5 greater than said bank customarily requires from other patrons for
6 similar services."

Approved June 30, 1965.

CHAPTER 369

INVESTMENT OF PUBLIC FUNDS

S. F. 180

AN ACT relating to the investment of public funds.

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

1 SECTION 1. Amend section two (2), chapter two hundred seventy-
2 eight (278), Acts of the 60th General Assembly by adding after the
3 words "United States" in line twelve (12) the following:
4 " , but these provisions shall not affect the investment of funds as
5 provided in sections four hundred fifty-three point nine (453.9) and
6 four hundred fifty-three point ten (453.10) of the Code".

Approved May 25, 1965.

CHAPTER 370

DRAINAGE DISTRICTS

H. F. 253

AN ACT relating to drainage districts, and to amend various sections of the Code relating thereto.

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

1 SECTION 1. Section four hundred fifty-five point two (455.2), Code
2 1962, is amended by inserting in line two (2) after the word "lands"
3 the words "and all other lands".

1 SEC. 2. Section four hundred fifty-five point eighteen (455.18),
2 subsection two (2), Code 1962, is amended by adding the following
3 sentence at the end thereof:

4 "Said plat shall describe the width of the right of way to be taken
5 from each forty-acre tract or fraction thereof."

1 SEC. 3. Section four hundred fifty-five point twenty (455.20),
2 Code 1962, is amended by striking from lines fifteen (15), sixteen
3 (16), seventeen (17) and eighteen (18) the words "and to each lien-
4 holder or encumbrancer of any land within the proposed district as
5 shown by the county records," and inserting in lieu thereof the words
6 "and to all lienholders or encumbrancers of any land within the pro-
7 posed district without naming them,".

1 SEC. 4. Section four hundred fifty-five point twenty-one (455.21),
2 Code 1962, is amended by striking from lines three (3) and four (4)
3 the words "each week for two consecutive weeks".

4 Said section is further amended by striking from line six (6) the
5 words "the last of which publications" and inserting in lieu thereof
6 the words "which publication".

1 SEC. 5. Section four hundred fifty-five point forty (455.40), Code
2 1962, is amended by adding the following sentence:

3 "Except, however, when the estimated cost of the improvement is
4 less than twenty-five hundred dollars, the board may let the contract
5 for such construction without taking bids therefor and without pub-
6 lishing any notice as above provided."

1 SEC. 6. Section four hundred fifty-five point forty-eight (455.48),
2 Code 1962, is amended by adding the following paragraph:

3 "When there has been a repair or improvement to a lateral ditch or
4 drain as provided in section four hundred fifty-five point one hundred
5 thirty-five (455.135) of the Code and the lands benefited by the lateral
6 have not been classified as provided in this section, then the board may
7 order a classification of said lands and the commission shall ascertain
8 and fix the percentage of benefits and apportionment of costs to the
9 lands benefited by such lateral ditches or drains on the same basis and
10 in the same manner as if said lateral was with its sublaterals being
11 constructed as a subdistrict as provided in this chapter. Once this
12 procedure has been followed for the classification of any lateral ditch
13 or drain in a given district, the board shall follow the same procedure

14 for all other lateral ditches or drains in the same district when a repair
15 or improvement is made on any such lateral."

1 SEC. 7. Section four hundred fifty-five point fifty-seven (455.57),
2 Code 1962, is amended by striking from line seven (7) the word "four"
3 and inserting in lieu thereof the words "not to exceed five".

1 SEC. 8. Section four hundred fifty-five point sixty-four (455.64),
2 subsection one (1), Code 1962, is amended by striking from line twelve
3 (12) the words* "four" and inserting in lieu thereof the words "not
4 to exceed five".

5 Said section is further amended by striking from subsection two
6 (2), line five (5) the word "four" and inserting in lieu thereof the
7 word "five".

1 SEC. 9. Section four hundred fifty-five point seventy-two (455.72),
2 Code 1962, is hereby amended by adding the following subsection:

3 "If after a district has been reclassified, the board in its judgment
4 concludes there were errors in the reclassification or there is an in-
5 equitable assessment of benefits, the board may on its own motion,
6 after notice to the landowners involved as provided in sections four
7 hundred fifty-five point twenty (455.20) to four hundred fifty-five
8 point twenty-four (455.24), inclusive, of the Code, and by resolution,
9 order the district or any portion of the district to again be reclassified
10 as prescribed in this section and in section four hundred fifty-five point
11 seventy-four (455.74) of the Code."

1 SEC. 10. Section four hundred fifty-five point seventy-three
2 (455.73), Code 1962, is amended by inserting in line two (2) after the
3 word "changes" the words "as defined in section four hundred fifty-five
4 point sixty-nine (455.69) of the Code".

1 SEC. 11. Section four hundred fifty-five point seventy-nine
2 (455.79), Code 1962, is amended by striking from line three (3) the
3 word "four" and inserting in lieu thereof the word "five".

1 SEC. 12. Section four hundred fifty-five point one hundred ten
2 (455.110), Code 1962, is amended by striking from line thirteen (13)
3 the word "eighty" and inserting in lieu thereof the word "ninety".

1 SEC. 13. Section four hundred fifty-five point one hundred twelve
2 (455.112), Code 1962, is amended by adding the following sentence:

3 "Any interested party having a claim for damages arising out of the
4 construction of the improvement or repair shall file said claim with the
5 board at or before the time fixed for hearing on the completion of the
6 contract, which claim shall not include any claim for land taken for
7 right of way or for severance of land."

1 SEC. 14. Section four hundred fifty-five point one hundred thirteen
2 (455.113), Code 1962, is amended by adding the following:

3 "If any claims for damages have been filed as provided in section
4 four hundred fifty-five point one hundred twelve (455.112) of the
5 Code, the board shall review said claims and determine said claims.
6 If the determination by the board on any claim for damages results in

*According to enrolled Act.

7 a finding by the board that the damages resulting to the claimant were
8 due to the negligence of the contractor, then the board shall provide
9 for payment of said claim out of the remaining funds owing to the
10 contractor. If the determination by the board results in a finding that
11 the damages resulting to the claimant were not due to the negligence
12 of the contractor but resulted from unavoidable necessity in the per-
13 formance of the contract, then the board shall allow for payment of
14 said claim in the amount fixed by the board out of the funds in said
15 drainage district.”

1 SEC. 15. Section four hundred fifty-five point one hundred thirty-
2 five (455.135), Code 1962, is amended by adding thereto the following
3 new subsection:

4 “If land for additional right of way, beyond the land for right of
5 way originally acquired by the district, is required for any repair or
6 improvement under section four hundred fifty-five point one hundred
7 thirty-five (455.135) of the Code, said additional land for right of way
8 shall be appraised and determined in the same manner as provided for
9 the appraisalment for land taken for right of way in the original estab-
10 lishment of the district, and the current landowner shall be compen-
11 sated therefor accordingly. This subsection shall not apply to drain-
12 age or levee districts with a pumping station.”

13 Said section is further amended by adding thereto the following new
14 subsection:

15 “If the drainage records on file in the auditor’s office for a particular
16 district do not define specifically the land taken for right of way for
17 drainage purposes, the board may at any time upon its own motion
18 employ an engineer to make a survey and report of said district and
19 to actually define the right of way taken for drainage purposes. After
20 the engineer has filed his survey and report with the board, the board
21 shall fix a date for hearing on said report and shall serve notice of said
22 hearing upon all landowners and lienholders of lands included in said
23 right of way report in the manner and for the time required for serv-
24 ice of original notices in the district court. In the event that there is
25 a repair or improvement constructed under section four hundred fifty-
26 five point one hundred thirty-five (455.135) of the Code in an existing
27 district where the land taken for right of way was not specifically
28 defined, this procedure shall be followed by the board in determining
29 the land taken for right of way purposes. This subsection shall not
30 apply to drainage or levee districts with a pumping station.”

1 SEC. 16. Section four hundred fifty-five point one hundred forty-
2 two (455.142). Code 1962, is amended as follows:

3 1. By inserting in line nineteen (19) after the word “work” the
4 following:

5 “In those instances where two (2) or more districts involved are
6 under the supervision of the same board, or joint board if the district
7 is intercounty, the notice shall be given to all landowners affected as
8 prescribed for in sections four hundred fifty-five point twenty (455.20)
9 to four hundred fifty-five point twenty-four (455.24), inclusive, of the
10 Code.”

11 2. By adding thereto the following:

12 “Common outlet for the purpose of this section shall mean an outlet

13 where two (2) adjacent districts have an outlet common to both of
 14 said districts and which districts are also contiguous, one (1) to the
 15 other."

1 SEC. 17. Section four hundred fifty-five point forty (455.40), Code
 2 1962, is amended by striking from line twenty-two (22) the word
 3 "shall" and inserting in lieu thereof the word "may".

1 SEC. 18. Section four hundred fifty-five point sixty-one (455.61),
 2 Code 1962, is amended by adding at the end thereof the words "All
 3 drainage districts may invest funds not immediately needed for cur-
 4 rent operating expenses as provided in chapter four hundred fifty-
 5 three (453) of the Code.*

1 SEC. 19. Section four hundred fifty-five point one hundred forty-
 2 four (455.144), Code 1962, is hereby amended by adding thereto the
 3 following:

4 "In those instances where two (2) or more districts are under the
 5 supervision of the same board, or joint board if the district is inter-
 6 county, the notice shall be given to all landowners affected as pre-
 7 scribed in sections four hundred fifty-five point twenty (455.20) to
 8 four hundred fifty-five point twenty-four (455.24), inclusive, of the
 9 Code."

1 SEC. 20. Section four hundred sixty-two point fifteen (462.15),
 2 Code 1962, is hereby repealed and the following enacted in lieu there-
 3 of:

4 "Candidates for drainage district trustee shall have their names
 5 placed on printed ballots provided a petition therefor is signed by ten
 6 qualified electors of the district and filed with the clerk of the board
 7 at least fourteen days before the election. Space shall also be provided
 8 on the ballot for write-in votes."

1 SEC. 21. Section four hundred sixty-five point twenty-two
 2 (465.22), Code 1962, is amended by inserting after the word "con-
 3 structing" in lines two (2) and three (3) the words "or reconstruct-
 4 ing".

5 Further amend said section by adding in line nine (9) after the
 6 word "therefor" the words "nor shall any such owner in constructing
 7 a replacement drain, wholly on his own land, and in the exercise of due
 8 care be liable in damages to another in case a previously constructed
 9 drain on his own land is rendered inoperative or less efficient by such
 10 new drain, unless in violation of the terms of a written contract".

1 SEC. 22. The provisions of this Act shall not affect any proceed-
 2 ings or litigation commenced before the effective date of this Act.

Approved May 27, 1965.

*According to enrolled Act

CHAPTER 371
DRAINAGE DISTRICTS

H. F. 458

AN ACT relative to levee and drainage districts and the investment of levee and drainage district funds.

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

1 SECTION 1. Section four hundred fifty-five point fifty (455.50),
2 Code 1962, is hereby amended as follows:

3 1. By inserting in line one (1) after the word "highway" the words
4 "or other public land".

5 2. By inserting in line six (6) after the word "highway" the words
6 "or other public land".

7 3. By inserting in line eight (8) after the word "highway" the
8 words "and land".

9 4. By inserting in line nine (9) after the word "highways" the
10 words "and other state owned lands under the jurisdiction of the state
11 highway commission".

12 5. By inserting in line fourteen (14) after the word "roads" the
13 words "and other county owned lands under the jurisdiction of the
14 board of supervisors".

1 SEC. 2. Section four hundred fifty-five point sixty-one (455.61),
2 Code 1962, is hereby amended by inserting in line eight (8) after the
3 word "board." the following new sentence:

4 "The treasurer, on order of the board, shall invest all such funds
5 not immediately needed for current operating expenses in United
6 States government bonds, in time certificates of deposit, or savings
7 accounts in such banks as the board shall approve."

1 SEC. 3. Section four hundred fifty-five point eighty-four (455.84),
2 Code 1962, is hereby amended by inserting in line six (6) after the
3 word "highways" the words "and other public lands".

Approved May 28, 1965.

CHAPTER 372

IOWA NATURAL RESOURCES COUNCIL

S. F. 518

AN ACT to amend chapter four hundred fifty-five A (455A), Code 1962, relating to the Iowa natural resources council.

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

1 SECTION 1. Section four hundred fifty-five A point one (455A.1),
2 Code 1962, is hereby amended by striking from lines twenty-five (25)
3 through twenty-eight (28) the words "of not less than thirty days by
4 one publication in an official newspaper published in each county in
5 which the property affected is located" and inserting in lieu thereof
6 the words "published once each week for two consecutive weeks in a

7 newspaper of general circulation in each county in which the property
8 affected is located with the date of last publication not less than ten
9 nor more than thirty days prior to the date of hearing”.

1 SEC. 2. Section four hundred fifty-five A point nineteen (455A.19),
2 Code 1962, is hereby amended as follows:

3 a. By inserting the word “due” in line one (1) of subsection three
4 (3) immediately following the word “cause”.

5 b. By striking from lines two (2) through nine (9) of subsection
6 three (3) the words “in a newspaper of general circulation in the
7 county in which the permit is sought. Said notice shall be published
8 once each week for two consecutive weeks, with the date of last pub-
9 lication not less than ten nor more than thirty days prior to the date
10 of hearing and said notice shall be on a form provided by the council
11 which” and inserting in lieu thereof the words “. Said notice”.

1 SEC. 3. Section four hundred fifty-five A point twenty (455A.20),
2 Code 1962, is hereby amended by striking all of said section after the
3 word “commissioner” in line twenty (20) and inserting in lieu thereof
4 the following:

5 “for a period of not more than ninety days during the pendency of
6 an application for renewal. Any permit granted shall remain as an
7 appurtenance of the land described therein through the date specified
8 in such permit and any extension thereof or such earlier date as the
9 permit or any extension thereof is revoked or canceled under the pro-
10 visions of section four hundred fifty-five A point twenty-eight
11 (455A.28).

12 “Upon application therefor prior to the termination date specified
13 therein, permits may be renewed by the water commissioner for any
14 period of time not to exceed ten years. Permits may be renewed with-
15 out hearing or fee if no objection is filed and no change in the condi-
16 tions of the permit is sought. The water commissioner shall cause
17 notice of receipt of an application for renewal to be sent by ordinary
18 mail to any person who appeared at the next previous proceeding on
19 the permit and to any person who has filed a written request for noti-
20 fication of any hearings affecting a designated area. If written objec-
21 tion is filed not more than thirty days after the date of the notice by
22 any person shown to have an interest, a hearing shall be held thereon
23 with notice thereof to be sent not less than ten nor more than thirty
24 days prior thereto by ordinary mail to such objector, to any person
25 who appeared at the next previous proceeding on the permit, and to
26 any person who has filed a written request for notification of any hear-
27 ings affecting a designated area.

28 “If a change in the terms of a permit is requested which involves a
29 change in the designated beneficial purposes for which the diversion is
30 sought, a change in the place of such diversion, or an increase in the
31 quantity, time, or rate of diversion, storage or withdrawal of waters,
32 the applicant therefor shall pay a fee as required by section four hun-
33 dred fifty-five A point nineteen (455A.19), subsection 5, and a hearing
34 shall be held thereon with notice thereof as required by section four
35 hundred fifty-five A point nineteen (455A.19), subsection 3.”

1 SEC. 4. Section four hundred fifty-five A point eight (455A.8),
2 Code 1962, is hereby amended by striking the period after the word

3 "determination" in line fourteen (14) and inserting in lieu thereof the
 4 words ", provided that the public hearing on any matter within council
 5 duties may be conducted by less than a majority of the council or
 6 by an employee so designated by the council."

1 SEC. 5. Section four hundred fifty-five A point nineteen (455A.19),
 2 Code 1962, is hereby amended by inserting after the word, "council",
 3 in line one (1) of subsection ten (10) of said section the words "or
 4 other employee so authorized by the council".

1 SEC. 6. Section four hundred fifty-five A point thirty-nine
 2 (455A.39), Code 1962, is hereby amended by striking the period at
 3 the end thereof and inserting in lieu thereof the words "and each day
 4 that such violation continues after conviction shall be considered a
 5 separate offense."

Approved May 26, 1965.

CHAPTER 373

WATER RESOURCES PLANNING

S. F. 543

AN ACT relating to comprehensive planning of water resources of the state and matters associated therewith.

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

1 SECTION 1. Section four hundred fifty-five A point seventeen
 2 (455A.17), Code 1962, is hereby amended by striking all of such section
 3 after the word "establish" in line two (2) thereof and inserting
 4 in lieu thereof the following:

5 "and enforce a comprehensive state-wide plan for the control, utilization
 6 and protection of the water resources of the state, which plan
 7 shall include all uses and developments of water resources and shall
 8 provide for the optimum control, protection, development, allocation
 9 and utilization thereof. All uses and developments of water resources
 10 regulated under provisions of this chapter must be found to be compatible
 11 with the state comprehensive plan prior to the granting of a
 12 permit by the water commissioner or an approval order by the council.
 13 In making and formulating such state comprehensive plan for the
 14 further control, development, protection, allocation, and utilization of
 15 the water resources of the state, the council shall make surveys and
 16 investigations of the water resources of the state and shall give consideration
 17 to the needs of agriculture, industry, health, fish and wildlife,
 18 recreation, pollution and allied matters as they relate to flood
 19 control and water resources.

20 "The council shall be the official representative of the state of Iowa
 21 on all comprehensive water resources planning groups for which state
 22 participation is provided. The council shall coordinate state planning
 23 with local and national planning and, in safeguarding the interests of
 24 the state and its people, shall undertake the resolution of any conflicts
 25 that may arise between the water resources policies, plans, and proj-

26 ects of the federal government and the water resources policies, plans,
27 and projects of the state, its agencies, and its people. Nothing in this
28 section assigning the overall responsibility for comprehensive plan-
29 ning of water resources to the council shall be construed as limiting or
30 supplanting the functions, duties and responsibilities of the several
31 state or local agencies or institutions with regard to planning of water
32 associated projects within the particular area of responsibility of such
33 state or local agency or institution.

34 "The council shall enter into negotiations and agreements with the
35 federal government relative to the operation of, or the release of water
36 from, any project that has been authorized or constructed by the fed-
37 eral government when the council shall deem such negotiations and
38 agreements to be necessary for the achievement of the policies of the
39 state of Iowa relative to its water resources.

40 "The council, on behalf of the state, shall enter into negotiations
41 with the federal government relative to the inclusion of conservation
42 storage features for water supply in any project that has been author-
43 ized by the federal government when the council shall deem such nego-
44 tiations to be necessary for the achievement of the policies of the state
45 of Iowa and the state comprehensive plan for water resources; pro-
46 vided, however, that any agreements reached pursuant to such nego-
47 tiations shall not bind the state until enacted into law by the legis-
48 lature.

49 "Water users who will benefit from the development by the federal
50 government of conservation storage for water supply shall be encour-
51 aged to assume the responsibility for repaying to the federal govern-
52 ment any reimbursable costs incurred in such development and such
53 users who will accept benefits from such developments financed in
54 whole or in part by the state shall assume by contract the responsibil-
55 ity of repaying to the state their reasonable share of the state's obli-
56 gations in accordance with such basis as will assure payment within
57 the life of the development. No appropriations, diversion, or use shall
58 be made by any person of any of the waters of the state that have been
59 stored or released from storage either under the authority of the state
60 or pursuant to an agreement between the state and the federal govern-
61 ment until such time as he shall have assumed by contract his repay-
62 ment responsibility; provided, however, that the application of this
63 provision shall in no way infringe upon any vested property interests.

64 "In its contracts with water users for the payment of state obliga-
65 tions incurred in the development of conservation storage for water
66 supply, the council shall include (1) such terms as it shall find reason-
67 able and necessary for the protection of the health, safety, and general
68 welfare of the people of the state, (2) such terms as it shall find rea-
69 sonable and necessary for the achievement of the purposes of this
70 chapter and acts amendatory thereof or supplemental thereto, and,
71 (3) such terms as shall make clear that the state of Iowa shall not be
72 responsible to any person in the event the waters involved are insuffi-
73 cient for performance. The council may designate and describe any
74 such contract, and describe the relationships to which it relates, as a
75 sale of storage capacity, a sale of water release services, a contract for
76 the storage or sale of water, or any similar terms suggestive of the
77 creation of a property interest. The term of such contracts shall be

78 commensurate with the investment and use concerned but in no event
79 shall the council enter into any such contract for a term in excess of
80 the maximum period provided for water use permits.

81 "The council shall procure and obtain flood control works and water
82 resources projects from and through or by co-operation with the
83 United States, or any agency of the United States, by co-operation
84 with and action of the cities, towns and other subdivisions of the state,
85 under the laws of the state relating to flood control and use of water
86 resources, and by co-operation with the action of landowners in areas
87 affected thereby when the council shall deem such projects to be neces-
88 sary for the achievement of the policies of the state of Iowa and the
89 state comprehensive plan for water resources."

1 SEC. 2. Section four hundred fifty-five A point thirty-three
2 (455A.33), Code 1962, is hereby amended as follows:

3 a. By inserting in line four (4) after the word "floodway" the
4 words "or flood plains".

5 b. By inserting in line six (6) immediately after the word "flood-
6 way," the words "adversely affect the control, development, protection,
7 allocation, or utilization of the water resources of the state, or ad-
8 versely affect or interfere with the state comprehensive plan for water
9 resources, or an approved local water resources plan,".

10 c. By inserting in line twenty-two (22) after the word "floodway"
11 the words "or flood plains".

1 SEC. 3. Section four hundred fifty-five A point eighteen (455A.18),
2 Code 1962, is hereby amended as follows:

3 a. By striking all of lines five (5) through eighteen (18) and insert-
4 ing in lieu thereof the words "chapter. The council may construct flood
5 control works or any part thereof. In the construction of such works
6 or in making surveys and investigations or in formulating plans and
7 programs relating to the water resources of the state, the council may
8 cooperate with other states or any agency thereof".

9 b. By striking all of lines twenty-two (22) to forty (40), inclusive.

10 c. By striking from line forty-nine (49) the words "and also" and
11 inserting in lieu thereof a comma.

12 d. By inserting in line fifty-one (51) after the word "use" the words
13 " , and the effect of any such use upon the state comprehensive plan for
14 water resources,".

15 e. By adding thereto the following:

16 "Upon application by any person for approval of the construction or
17 maintenance of any structure, dam, obstruction, deposit or excavation
18 to be erected, used, or maintained in or on the flood plains of any river
19 or stream, the council shall cause an investigation to be made of the
20 effect thereof on the efficiency and capacity of the floodway and on the
21 state comprehensive plan for water resources. In determining the
22 effect of any such proposal the council shall consider fully its effect
23 on flooding or flood control both to any proposed works and to adjacent
24 lands and property, on the wise use and protection of water resources,
25 on the quality of water, on fish, wildlife and recreational facilities or
26 uses, and on all other public rights and requirements."

1 SEC. 4. Section four hundred fifty-five A point thirty-six
2 (455A.36), Code 1962, is hereby amended as follows:

- 3 a. By inserting in line sixteen (16) after the word "control" the
4 words "and water resources".
- 5 b. By inserting in line twenty-one (21) after the word "state," the
6 words "adversely affect the control, development, protection, allocation
7 or utilization of the water resources of the state, or adversely affect or
8 interfere with the state comprehensive plan for water resources or an
9 approved local water resources plan,".

Approved July 1, 1965.

CHAPTER 374

FLOOD PLAINS

S. F. 523

AN ACT relating to regulation of use of the flood plains of rivers and streams in the state.

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

- 1 SECTION 1. Section four hundred fifty-five A point thirty-five
2 (455A.35), Code 1962, is hereby repealed and the following enacted
3 in lieu thereof:
- 4 "The council may establish and enforce regulations for the orderly
5 development and wise use of the flood plains of any river or stream
6 within the state and alter, change, or revoke and terminate the same.
7 The council shall determine the characteristics of floods which reason-
8 ably may be expected to occur and may by order establish encroach-
9 ment limits, protection methods and minimum protection levels appro-
10 priate to the flooding characteristics of the stream and to reasonable
11 use of the flood plains. The order shall fix the length of flood plains to
12 be regulated at any practical distance; shall fix the width of the zone
13 between the encroachment limits so as to include portions of the flood
14 plains adjoining the channel, which with the channel, are required to
15 carry and discharge the flood waters or flood flow of such river or
16 stream; and shall fix the design discharge and water surface eleva-
17 tions for which protection shall be provided for projects outside the
18 encroachment limits but within the limits of inundation. Plans for the
19 protection of projects proposed for areas subject to inundation shall
20 be reviewed as plans for flood control works within the purview of
21 section 455A.36. No order establishing encroachment limits and flood
22 plain regulations shall be issued until due notice of the proposed estab-
23 lishment thereof shall have been given and public hearings held and
24 opportunity given for the presentation of all protests against the
25 establishment thereof. In establishing any such limits or regulations,
26 the council shall avoid to the greatest possible degree the evacuation
27 of persons residing in the area of any floodway, the removal of any
28 residential structures occupied by such persons in the area of any
29 floodway, and the removal of any structures erected or made prior to
30 the effective date of this Act which are located on the flood plains of
31 any river or stream but not within the area of any floodway.
- 32 "The council may cooperate with and assist local units of govern-
33 ment in the establishment of encroachment limits, flood plain regula-

34 tions and zoning ordinances relating to flood plain areas within their
 35 jurisdiction. Encroachment limits, flood plain regulations, or flood
 36 plain zoning ordinances proposed by local units of government shall
 37 be submitted to the council for review and approval prior to adoption
 38 by such local units of government. Changes or variations from an
 39 approved regulation or ordinance as it relates to flood plain use shall
 40 be approved by the council prior to adoption. Individual applications,
 41 plans and specifications and individual council approval orders shall
 42 not be required for works on the flood plains constructed in conformity
 43 with encroachment limits, flood plain regulations, or zoning ordi-
 44 nances adopted by the local units of government and approved by the
 45 council."

1 SEC. 2. Section four hundred fifty-five A point one (455A.1), Code
 2 1962, is hereby amended by striking all of lines twelve (12), thirteen
 3 (13), and fourteen (14).

1 SEC. 3. Section three hundred fifty-eight A point two (358A.2),
 2 Code 1962, as amended by section two (2) of chapter two hundred
 3 eighteen (218), Acts of the Sixtieth General Assembly, is hereby
 4 amended by striking the period at the end of said section and insert-
 5 ing in lieu thereof the following:

6 " ; provided, however, that such regulations or ordinances which
 7 relate to any structure, building, dam, obstruction, deposit or excava-
 8 tion in or on the flood plains of any river or stream shall apply
 9 thereto."

1 SEC. 4. Section three hundred fifty-eight A point five (358A.5),
 2 Code 1962, is hereby amended by inserting in line four (4) after the
 3 word "fire," the word "flood,".

1 SEC. 5. Section three hundred fifty-eight A point twenty-four
 2 (358A.24), Code 1962, is hereby amended by adding thereto the fol-
 3 lowing:

4 "Wherever any regulation proposed or made under authority of this
 5 chapter relates to any structure, building, dam, obstruction, deposit
 6 or excavation in or on the flood plains of any river or stream, prior
 7 approval of the Iowa natural resources council shall be required to
 8 establish, amend, supplement, change, or modify such regulation or to
 9 grant any variation or exception therefrom."

1 SEC. 6. Section four hundred fourteen point three (414.3), Code
 2 1962, is hereby amended by inserting in line four (4) after the word
 3 "fire," the word "flood,".

1 SEC. 7. Section four hundred fourteen point twenty-one (414.21),
 2 Code 1962, is hereby amended by adding thereto the following:

3 "Wherever any regulation proposed or made under authority of this
 4 chapter relates to any structure, building, dam, obstruction, deposit or
 5 excavation in or on the flood plains of any river or stream, prior ap-
 6 proval of the Iowa natural resources council shall be required to
 7 establish, amend, supplement, change or modify such regulation or to
 8 grant any variation or exception therefrom."

Approved July 1, 1965.

CHAPTER 375

WATER POLLUTION CONTROL COMMISSION

H. F. 412

AN ACT relating to water pollution control, to establish the Iowa water pollution control commission, and to make an appropriation therefor.

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

1 **SECTION 1. Statement of Policy.** Whereas the pollution of the
2 waters of this state constitutes a menace to public health and welfare,
3 creates public nuisances, is harmful to wildlife, fish and aquatic life,
4 and impairs domestic, agricultural, industrial, recreational and other
5 legitimate beneficial uses of water, and whereas the problem of water
6 pollution in this state is closely related to the problem of water pollu-
7 tion in adjoining states, it is hereby declared to be the public policy of
8 this state to conserve the waters of the state and to protect, maintain
9 and improve the quality thereof for public water supplies, for the
10 propagation of wildlife, fish and aquatic life, and for domestic, agri-
11 cultural, industrial, recreational and other legitimate (beneficial) uses;
12 to provide that no waste be discharged into any waters of the state
13 without first being given the degree of treatment necessary to protect
14 the legitimate (beneficial) uses of such waters; to provide for the
15 prevention, abatement and control of new, increasing, potential, or
16 existing water pollution; and to cooperate with other agencies of the
17 state, agencies of other states and the federal government in carrying
18 out these objectives.

1 **SEC. 2.** When used in this Act:

- 2 1. "Sewage" means the water-carried waste products from resi-
3 dences, public buildings, institutions, or other buildings, including the
4 bodily discharges from human beings or animals together with such
5 ground water infiltration and surface water as may be present.
- 6 2. "Industrial waste" means any liquid, gaseous or solid waste sub-
7 stance resulting from any process of industry, manufacturing, trade
8 or business or from the development of any natural resource.
- 9 3. "Other waste" means garbage, municipal refuse, lime, sand,
10 ashes, offal, oil, tar, chemicals and all other substances which are not
11 sewage or industrial waste which may pollute the waters of the state.
- 12 4. "Pollution" means the contamination of any waters of the state
13 so as to create a nuisance or render such waters unclean, noxious or
14 impure so as to be actually harmful, detrimental or injurious to public
15 health, safety or welfare, to domestic, commercial, industrial, agri-
16 cultural or recreational use or to livestock, wild animals, birds, fish or
17 other aquatic life.
- 18 5. "Sewer system" means pipe lines or conduits, pumping stations,
19 force mains and all other constructions, devices and appliances ap-
20 pertenant thereto used for conducting sewage or industrial waste or
21 other wastes to a point of ultimate disposal.
- 22 6. "Treatment works" means any plant, disposal field, lagoon, hold-
23 ing or flow regulating basin, pumping station, or other works installed
24 for the purpose of treating, stabilizing or disposing of sewage, indus-
25 trial waste or other wastes.

26 7. "Disposal system" means a system for disposing of sewage, in-
27 dustrial waste and other wastes and includes sewer systems, treatment
28 works, and dispersal systems.

29 8. "Waters of the state" means all streams, lakes, ponds, marshes,
30 watercourses, waterways, wells, springs, reservoirs, aquifers, irriga-
31 tion systems, drainage systems, and all other bodies or accumulations
32 of water, surface or underground, natural or artificial, public or pri-
33 vate, which are contained within, flow through or border upon the
34 state or any portion thereof.

35 9. "Person" means the state or any agency or institution thereof,
36 any municipality, governmental subdivision, public or private corpora-
37 tion, individual, partnership, or other entity and includes any officer
38 or governing or managing body of any municipality, governmental
39 subdivision or public or private corporation.

40 10. "Commission" means the Iowa water pollution control commis-
41 sion.

1 SEC. 3. There is hereby created and established the Iowa water
2 pollution control commission. The commission is established as an
3 agency of the state government to prevent, abate, or control the pollu-
4 tion of the waters of the state.

1 SEC. 4. The commission shall consist of nine (9) members as fol-
2 lows:

3 1. The commissioner of public health.

4 2. The director of the state conservation commission.

5 3. The director of the Iowa natural resources council.

6 4. A member from the staff of one of the universities or colleges of
7 the state who has technical background, training and knowledge in the
8 field of water pollution.

9 5. The secretary of agriculture.

10 6. Four (4) electors of the state who shall be selected from the state
11 at large solely with regard to their qualifications and fitness to dis-
12 charge the duties of office without regard to their political affiliation.
13 Of these four (4), one (1) shall represent industry, one (1) shall
14 represent municipal government, one (1) shall be an owner-operator
15 farmer, and one (1) shall represent the public at large.

1 SEC. 5. The members of the commission not holding public office
2 shall be appointed by the governor for overlapping terms of six (6)
3 years. The members of the first commission not holding public office
4 shall be appointed for the following terms: two (2) electors for a
5 term to expire July 1, 1967; two (2) electors for a term to expire
6 July 1, 1969; and a member of one (1) of the state universities for a
7 term to expire July 1, 1971. Said terms shall begin immediately upon
8 the appointment. Thereafter the term of each member of the commis-
9 sion shall be six (6) years.

1 SEC. 6. Any vacancy or vacancies on the commission which may
2 occur shall be filled by appointment by the governor for the unexpired
3 portion of the regular term.

4 The governor may remove any member of the commission for mal-
5 feasance in office or for any cause that renders him ineligible for

6 membership or incapable or unfit to discharge the duties of his office
7 and his removal when so made shall be final.

1 SEC. 7. Each member of the commission, not otherwise in the full-
2 time employment of any public body, shall receive the sum of twenty-
3 five (25) dollars for each day actually and necessarily employed in the
4 discharge of official duties and each member of the commission shall
5 be entitled to receive the amount of his traveling and other necessary
6 expenses actually incurred while engaged in the performance of any
7 official duties when so authorized by the commission. No member of
8 the commission shall have any direct financial interest in any of the
9 operations of the commission, nor may any member participate in
10 making any decision in which he may have a personal interest.

1 SEC. 8. The commission shall organize by the election of a chair-
2 man and other officers deemed necessary and the state department of
3 health shall provide the services of a technical secretary to the com-
4 mission and shall hold quarterly regular meetings each calendar year
5 on the last Monday of each quarter and at such other times and places
6 as it may deem necessary. The chairman and other officers shall be
7 elected annually. Meetings may be called by the chairman at any time
8 and shall be called as soon as possible by the chairman on the written
9 request of four (4) members of the commission. The majority of the
10 commission shall constitute a quorum and the concurrence of a major-
11 ity of the commission in any matter within its duties shall be required
12 for its determination.

1 SEC. 9. The commission is hereby given and charged with the fol-
2 lowing powers and duties:

3 1. The commission through the state department of health shall
4 have general supervision over administration and enforcement of all
5 laws relating to the pollution of any water of the state, except as pro-
6 vided in section one hundred thirty-five point eleven (135.11) of the
7 Code.

8 2. To develop comprehensive plans and programs for the preven-
9 tion, control and abatement of new, increasing, potential, or existing
10 pollution of the waters of the state.

11 3. The commission may cause the state department of health to con-
12 duct investigations upon the written petition of:

- 13 a. The governing body of any city or town.
- 14 b. The local board of health.
- 15 c. The supervisors of any county.
- 16 d. Twenty-five (25) residents of the state.
- 17 e. Any state agency or agencies.

18 4. To adopt, modify, or repeal such reasonable quality standards for
19 any waters of the state in relation to the public use to which they are
20 or may be put as it shall deem necessary for the purposes of this Act.

21 Provided that where the quality of water is inter-related to the
22 quantity of water the concurrence of the Iowa natural resources coun-
23 cil shall be secured for the adoption, modification or repeal of such
24 standards, prior to the effective date thereof.

25 5. To require plans and specifications for disposal systems or any

26 part thereof to be submitted to them for approval or disapproval by
27 the state department of health.

28 6. To direct the state department of health to issue, revoke, modify,
29 or deny permits, under such conditions as it may prescribe for the
30 prevention or abatement of pollution, for the discharge of sewage,
31 industrial waste or other wastes or for the installation or operation
32 of disposal systems or parts thereof.

33 7. Existing permits shall be recognized by the commission for the
34 continuance of every disposal system now operating under legal au-
35 thority. However, the commission may modify or revoke such permit
36 in the same manner as other permits.

37 8. To prescribe rules and regulations for the conduct of the commis-
38 sion and other matters within the scope of the powers granted to and
39 imposed upon it.

40 9. The commission shall cooperate with other state or interstate
41 water pollution control agencies in establishing standards, objectives
42 or criteria for quality of interstate waters originating or flowing
43 through this state.

44 10. To hold such hearings as it may deem advisable and necessary
45 for the discharge of its duties and to authorize any member, employee
46 or agent to hold such hearings.

1 SEC. 10. The state department of health shall conduct such inves-
2 tigations as may be necessary to carry out the provisions of this Act.

1 SEC. 11. The state department of health in accordance with the
2 direction and policies of the commission may issue, modify, or revoke
3 such orders as may be required for the prevention or discontinuance
4 of the discharge of sewage, industrial waste or other wastes in any
5 waters of the state resulting in pollution in excess of the applicable
6 quality standard established by the commission.

1 SEC. 12. Whenever an investigation is made, it shall be full and
2 complete and may include such engineering studies, bacteriological,
3 biological, and chemical analyses of the water and location and char-
4 acter of the source or sources of contamination as may be necessary.
5 If pollution is found to exist, taking into consideration the criteria set
6 forth in section thirteen (13) of this Act, the commission shall first
7 notify the alleged offender and by informal negotiation attempt to
8 resolve the problem and failing to do so within fourteen (14) days,
9 up to and during which time neither the commission, nor any member
10 of the commission, nor its staff or employees shall make any public
11 statement regarding the firm or individual as an alleged offender, shall
12 then make an order fixing the time and place of hearing which shall
13 be not later than twenty (20) days thereafter. Such hearing shall be
14 public and shall be conducted so far as possible in the same manner as
15 a court hearing and every alleged offender shall have the right to
16 appear, be represented by counsel, present testimony and examine
17 witnesses.

1 SEC. 13. In adopting, modifying, or repealing quality standards
2 for any waters of the state, the commission shall give consideration to:

3 1. The protection of the public health;

- 4 2. The size, depth, surface area covered, volume, direction and rate
5 of flow, stream gradient, and temperature of the water;
- 6 3. The character and uses of the land area bordering said waters;
- 7 4. The uses which have been made, are being made, or may be made
8 of said waters for public, private, or domestic water supplies, irriga-
9 tion; livestock watering; propagation of wildlife, fish, and other
10 aquatic life; bathing, swimming, boating, or other recreational activ-
11 ity; transportation; and disposal of sewage and wastes;
- 12 5. The extent of contamination resulting from natural causes in-
13 cluding the mineral and chemical characteristics;
- 14 6. The extent to which floatable or settleable solids may be per-
15 mitted;
- 16 7. The extent to which suspended solids, colloids, or a combination
17 of solids with other suspended substances may be permitted;
- 18 8. The extent to which bacteria and other biological organisms may
19 be permitted;
- 20 9. The amount of dissolved oxygen that is to be present and the
21 extent of the oxygen demanding substances which may be permitted;
- 22 10. The extent to which toxic substances, chemicals or deleterious
23 conditions may be permitted;
- 24 11. The need for standards for effluents from disposal systems.

1 SEC. 14. The commission, its agents, and employees of the state
2 department of health may enter upon any lands or waters in the state
3 and bordering on the state, for the purpose of making any investiga-
4 tion, examination, survey, or study concerning the quality or pollution
5 of such waters.

1 SEC. 15. When the commission or state department of health con-
2 ducts any hearing or investigation, any member of the commission or
3 any employee or agent authorized in writing by the commission or
4 employee of the state department of health may administer oaths,
5 examine witnesses and issue, in the name of the commission, sub-
6 poenas requiring the attendance and testimony of witnesses and the
7 production of evidence relevant to any matter involved in such hear-
8 ing or investigation. Witnesses shall receive the same fees and mile-
9 age as in civil actions.

1 SEC. 16. If any person refuses to obey a subpoena issued under
2 this Act, the district court of the county where the proceeding is pend-
3 ing shall have jurisdiction, upon application of the commission or its
4 authorized member, employee, or agent, to issue to such person an
5 order requiring him to appear and testify or produce evidence and any
6 failure to obey such order of the court may be punished by said court
7 as a contempt thereof.

1 SEC. 17. 1. Notice of the time and place of hearing shall be served
2 upon each alleged offender at least ten (10) days before said hearing.
3 Such notice shall be in the manner required for the service of notice
4 of the commencement of an ordinary action in a court of record.

5 2. Notwithstanding the provisions of subsection one (1) the com-
6 mission or state department of health, when it has first been deter-
7 mined that an emergency exists respecting any matter affecting or
8 likely to affect the public health, may make a temporary order without

9 notice and without hearing. A copy of such temporary order shall be
10 served as provided in subsection one (1). Any such temporary order
11 entered by the commission or the state department of health, shall be
12 binding and effective immediately until such order is reviewed by a
13 hearing or is modified or reversed by the court.

14 3. After such hearing the commission may, if it finds the alleged
15 offender is guilty of the charges, enter an order directing such person
16 to desist in the practice found to be the cause of such pollution, taking
17 into account the use to which the water is being or may be put or the
18 commission upon the recommendation of the state department of
19 health may order a change in the method of discharging sewage, in-
20 dustrial wastes and other wastes into the water so that the same will
21 not result in pollution and the method shall be in compliance with the
22 effluent or water quality standards adopted by the commission.

23 4. If any such change is ordered, unless such practice is rendering
24 such water dangerous to the public health, a reasonable time shall be
25 granted to the offender in which to put in use the method ordered.

26 5. The commission shall keep a complete record of such proceedings,
27 including all the evidence taken, and such record shall be open to public
28 inspection. However, it shall be unlawful* for any person in connection
29 with his duties or employment by the commission, to make public or
30 give any information relating to secret processes or methods of manu-
31 facture or production at any public hearing or otherwise, and all such
32 information shall be kept strictly confidential.

1 SEC. 18. An appeal may be taken by any aggrieved party from any
2 order entered in such proceedings to the district court of the county
3 in which the alleged offense was committed or such final order was
4 entered. Such appeal shall be perfected by serving a written notice on
5 the chairman of the commission within thirty (30) days of the entry
6 of such order. The hearing on appeal shall be tried as a suit in equity
7 and shall be de novo. The court may receive additional testimony and
8 may affirm, modify or reverse the order of the commission. The setting
9 aside of such order by the court shall not preclude the commission
10 from again instituting proceedings against the same person if the
11 commission feels that the public health is endangered.

1 SEC. 19. Within thirty (30) days after an application for an ap-
2 peal is filed with the commission, it shall make, certify and file in the
3 office of the clerk of the court to which an appeal is taken a full and
4 complete transcript of all documents and papers relating to the case
5 including a copy of the order, rule, regulation or decision appealed
6 from and a copy of any findings of fact, rulings or conclusions of law
7 made by the commission in the matter.

1 SEC. 20. Action of the commission shall not be stayed by an appeal
2 except by order of the court for good cause shown by the appellant.
3 The granting of a stay may be conditioned upon the furnishing by the
4 appellant of such reasonable security as the court may direct. A stay
5 may be vacated on application of the commission or any other party
6 after hearing by the court.

*According to enrolled Act.

1 SEC. 21. If no appeal is taken from an order, rule, regulation, or
2 other decision of the commission as provided by this Act, or if the
3 action of the commission is affirmed on appeal, the action of the com-
4 mission in the matter involved shall be deemed conclusive and the
5 validity and reasonableness thereof shall not be raised in any other
6 action or proceeding, but this shall not preclude the commission from
7 modifying or rescinding its action.

1 SEC. 22. The first term after appeal is taken shall be the trial term.

1 SEC. 23. Any person, firm, corporation, municipality, or any officer
2 or agent thereof causing pollution as defined in section two (2) of this
3 Act of any waters of the state or placing or causing to be placed any
4 sewage, industrial waste, or other wastes in a location where they will
5 probably cause pollution of any waters of the state may be enjoined
6 from continuing such action.

7 It shall be the duty of the attorney general, only upon the request of
8 the commission, to bring an action for an injunction against any
9 person, firm, corporation, municipality, or agent thereof violating the
10 provisions of this section. In any such action, any previous findings of
11 the commission after due notice and hearing shall be prima-facie evi-
12 dence of the fact or facts found therein.

1 SEC. 24. Failure to obey any order issued under the provisions of
2 this Act made by the commission with reference to matters pertaining
3 to the pollution of waters of the state shall constitute prima-facie evi-
4 dence of contempt. In such event the commission may certify to the
5 district court of the county in which such alleged disobedience occurred
6 the fact of such failure. The district court after notice, as prescribed
7 by the court, to the parties in interest shall then proceed to hear the
8 matter and if it finds that the order was lawful and reasonable it shall
9 order the party to comply with the order. If the person fails to comply
10 with the court order, he shall be punished for contempt.

11 Any person, firm, corporation, or any officer or agent thereof found
12 guilty of contempt under this section shall be fined in a sum not to
13 exceed one hundred (100) dollars for each offense. The penalties pro-
14 vided in this section shall be considered as additional to any penalty
15 which may be imposed under the law relative to nuisances or any other
16 statute relating to the pollution of waters of the state and a conviction
17 under this section shall not be a bar to prosecution under any other
18 penal statute.

1 SEC. 25. 1. It shall be unlawful to carry on any of the following
2 activities without first securing a written permit from the state de-
3 partment of health as may be required by the commission for the dis-
4 posal of all sewage, industrial waste, or other wastes which are or may
5 be discharged into the waters of the state.

6 a. The construction, installation or modification of any disposal sys-
7 tem or part thereof or any extension or addition thereto.

8 b. The construction or use of any new outlet for the discharge of
9 any sewage or wastes directly into the waters of the state. However,
10 no permit shall be required for any new disposal system or extension
11 or addition to any existing disposal system that receives only domestic

12 or sanitary sewage from a building, housing or occupied by fifteen
13 (15) persons or less.

14 2. Plans and specifications for any waste disposal system covered by
15 subsection one (1) of this section shall be submitted to the commission
16 before a written permit may be issued and the construction of any such
17 waste disposal system shall be in accordance with plans and specifica-
18 tions as approved by the state department of public health. If it is
19 necessary or desirable to make material changes in such plans or speci-
20 fications, revised plans or specifications together with reasons for the
21 proposed changes must be submitted to the commission for a supple-
22 mental written permit.

23 Any person convicted of violating this section shall be fined in a sum
24 not to exceed one thousand (1,000) dollars.

1 SEC. 26. The commission may require the owner of a waste dis-
2 posal system, discharging sewage or wastes into any of the waters of
3 the state to file with it complete plans of the whole or any part of
4 such system and any other information and records concerning the
5 installation and operation of such system.

1 SEC. 27. The commission and the state department of health may
2 request and receive from any department, division, board, bureau,
3 commission, public body, or agency of the state, or of any political
4 subdivision thereof, or from any organization, incorporated or unin-
5 corporated, which has for its object the control or use of any of the
6 water resources of the state, such assistance and data as will enable
7 the commission or department to properly carry out its activities and
8 effectuate its purposes under the provisions of this Act. The commis-
9 sion or department shall reimburse such agencies for special expense
10 resulting from expenditures not normally a part of the operating ex-
11 penses of any such agency.

1 SEC. 28. No sewage, industrial waste or other wastes whether
2 treated or untreated shall be discharged directly into any state-owned
3 natural or artificial lake but this section shall not be construed to pro-
4 hibit the discharge of adequately treated sewage or industrial wastes
5 into a stream tributary to a lake upon the written permission of the
6 commission.

1 SEC. 29. Sections one hundred thirty-five point eighteen (135.18),
2 one hundred thirty-five point nineteen (135.19), one hundred thirty-
3 five point twenty (135.20), one hundred thirty-five point twenty-one
4 (135.21), one hundred thirty-five point twenty-two (135.22), one hun-
5 dred thirty-five point twenty-three (135.23), one hundred thirty-five
6 point twenty-four (135.24), one hundred thirty-five point twenty-five
7 (135.25), one hundred thirty-five point twenty-six (135.26), one hun-
8 dred thirty-five point twenty-seven (135.27), one hundred thirty-five
9 point twenty-eight (135.28), and one hundred thirty-five point twenty-
10 nine (135.29), Code 1962, are hereby repealed.

1 SEC. 30. Section four hundred sixty-nine point six (469.6), Code
2 1962, is hereby amended by striking from lines five (5) and six (6)
3 the words "state department of health" and inserting in lieu thereof
4 the words "Iowa water pollution control commission".

1 SEC. 31. Section four hundred sixty-nine point seven (469.7), Code
 2 1962, is hereby amended by striking from line five (5) the words
 3 "department of health" and inserting in lieu thereof the words "Iowa
 4 water pollution control commission".

1 SEC. 32. Section four hundred sixty-nine point eight (469.8), Code
 2 1962, is hereby amended by striking from lines one (1) and two (2)
 3 the words "department of health" and inserting in lieu thereof the
 4 words "Iowa water pollution control commission".

1 SEC. 33. Section two hundred sixty-three point eight (263.8), Code
 2 1962, is hereby amended by striking from line twelve (12) the comma
 3 (,) and inserting in lieu thereof the words "or the Iowa water pollu-
 4 tion control commission".

1 SEC. 34. Section four hundred fifty-five A point twenty-five
 2 (455A.25), Code 1962, is hereby amended by adding to subsection
 3 three (3) of such section the following:

4 "No permit shall be issued under this subsection until the approval
 5 of the Iowa water pollution control commission has been obtained."

1 SEC. 35. There is hereby appropriated from the general fund of
 2 the state to the Iowa water pollution control commission the sum of
 3 five thousand (5,000) dollars for each year of the biennium beginning
 4 July 1, 1965 and ending June 30, 1967, for the purpose of paying all
 5 expenses authorized and incurred by commission members necessary
 6 in administering and enforcing the provisions of this Act. Chapter
 7 eight (8) of the Code shall apply to this section.

Approved June 2, 1965.

CHAPTER 376

SOIL CONSERVATION COMMITTEE

H. F. 243

AN ACT relating to per diem received by members of the state soil conservation committee.

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

1 SECTION 1. Section four hundred sixty-seven A point four
 2 (467A.4), Code 1962, is hereby amended by striking from line twenty-
 3 six (26) of subsection three (3) of such section the word "ten" and
 4 inserting in lieu thereof the word "twenty (20)".

Approved May 17, 1965.

CHAPTER 377

SCHOOL DISTRICTS REIMBURSED FOR TAX LOSS

S. F. 256

AN ACT to amend chapter* four hundred sixty-seven B point fourteen (467B.14), Code 1962, relating to allocation to county board of education fund and chapter* two hundred eighty-four point four (284.4) relating to reimbursement of school districts for loss of taxes.

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

1 SECTION 1. Section four hundred sixty-seven B point fourteen
2 (467B.14), Code 1962, is amended by adding the following paragraph:
3 "The county board of education shall certify to the executive council
4 of the state the amounts allocated to each school district in the pre-
5 vious year, on January second of the following year. The executive
6 council of the state shall deduct this amount from any tax free land
7 reimbursement claim filed that year under section two hundred eighty-
8 four point four (284.4), Code 1962; except that in no case shall the
9 deduction result in an amount less than the total of the tax free land
10 reimbursement plus any benefits payable to the school district other
11 than the amounts specified in this paragraph."

1 SEC. 2. Section two hundred eighty-four point four (284.4), Code
2 1962, is hereby amended by adding the following paragraph:
3 "The executive council of the state shall deduct from tax free land
4 reimbursement claims those amounts certified to them by county
5 boards of education under section four hundred sixty-seven B point
6 fourteen (467B.14)."

Approved June 30, 1965.

*According to enrolled Act.

CHAPTER 378

CONDEMNATION MOVING EXPENSES

S. F. 468

AN ACT to provide moving expenses in condemnation cases.

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

1 SECTION 1. Section four hundred seventy-two point fourteen
2 (472.14), Code 1962, is hereby amended by adding thereto the follow-
3 ing:
4 "In addition to all other damages provided by law, an owner or
5 tenant occupying land which is proposed to be acquired by condemna-
6 tion shall be awarded a sum sufficient to remove such owner's or ten-
7 ant's personal property from the land to be acquired, which sum shall
8 represent reasonable costs of moving said personal property from the
9 said land to be acquired to a point no greater than twenty-five (25)
10 miles therefrom; but in any event, said damages for moving shall not

11 exceed five hundred (500) dollars for each owner or tenant occupying
12 land so proposed to be condemned."

1 SEC. 2. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its passage and publication in
3 the Ames Daily Tribune, a newspaper published at Ames, Iowa, and in
4 The Spencer Daily Reporter, a newspaper published at Spencer, Iowa.

Approved May 24, 1965.

I hereby certify that the foregoing Act, Senate File 468, was published in the Ames Daily Tribune, Ames, Iowa, May 27, 1965, and in The Spencer Daily Reporter, Spencer, Iowa, May 28, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 379

COMMERCE COMMISSION HEARINGS

S. F. 515

AN ACT amending and revising chapter four hundred seventy-four (474), Code 1962, to provide for the state commerce commission to have the power to authorize examiners to hold hearings on matters coming before the commission.

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

1 SECTION 1. Section four hundred seventy-four point nineteen
2 (474.19), Code 1962, is hereby amended by inserting in line two (2)
3 after the word "members" the words, "or an examiner appointed by
4 it".

Approved May 13, 1965.

CHAPTER 380

SECTION TRACK POWER CARS

S. F. 79

AN ACT relating to railroad track power cars operated by common carriers; and providing penalties.

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

1 SECTION 1. Amend chapter four hundred seventy-seven (477) by
2 adding the following: "All railroads shall be required to equip any
3 regularly assigned section track power car used on its tracks with a
4 transparent windshield sufficient in width and height* to reasonably
5 protect said employees; which windshield shall be of safety glass and
6 shall be equipped with manually controlled windshield wiper which
7 will remove rain, snow and sleet from the windshield while such power
8 track car is in motion and tops of such material and construction to

*According to enrolled Act.

9 adequately provide reasonable protection for said employees from the
10 inclement weather."

1 SEC. 2. Amend section four hundred seventy-seven point twenty-
2 two (477.22) by striking the period (.) at the end of said section and
3 inserting in lieu thereof the following: ", also two (2) rear electric
4 red lights of such construction and sufficient candle power to be plainly
5 visible."

1 SEC. 3. The equipment provided for in sections one (1) and two
2 (2) of this Act shall be installed within eighteen (18) months after
3 the effective date of this Act.

1 SEC. 4. Any railroad found guilty of violating the provisions of
2 section one (1) of this Act shall be fined not less than twenty-five (25)
3 dollars nor more than one hundred (100) dollars for each violation.

Approved April 7, 1965.

CHAPTER 381

ELECTRIC TRANSMISSION LINES

S. F. 525

AN ACT to amend and revise chapter four hundred eighty-nine (489), Code 1962, as amended by section one (1) of chapter two hundred eighty-five (285), Acts of the Sixtieth General Assembly, relating to electric transmission line franchises, the procedure in obtaining and extending such franchises, the fees to be assessed against the applicant or petitioner therefor, and to provide for the issuance of temporary construction permits for the construction of transmission lines not exceeding one mile in length prior to the granting of a franchise for such lines.

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

1 SECTION 1. Section four hundred eighty-nine point three (489.3),
2 Code 1962, is hereby amended by adding the following subsections:
3 "Whether or not the exercise of the right of eminent domain is
4 desired and, if so, a specific reference to the lands described in sub-
5 section 4 which are sought to be subject thereto."
6 "An allegation that the proposed construction is necessary to serve
7 a public use and substantiation of such allegation."

1 SEC. 2. Section four hundred eighty-nine point four (489.4), Code
2 1962, is hereby repealed and the following enacted in lieu thereof:
3 "The board or commission shall consider said petition and any ob-
4 jections filed thereto in the manner hereinafter provided. It may
5 examine the proposed route or cause any engineer selected by it to do
6 so. If a hearing is held on the petition it may hear such testimony as
7 may aid it in determining the propriety of granting such franchise.
8 It may grant such franchise in whole or in part upon such terms,
9 conditions, and restrictions, and with such modifications as to location
10 and route as may seem to it just and proper. Before granting such
11 franchise, the board or commission shall make a finding that the pro-
12 posed line or lines are necessary to serve a public use. No franchise
13 shall become effective until the petitioners shall pay, or file an agree-

14 ment to pay, all costs and expenses of the franchise proceeding,
15 whether or not objections are filed, including costs of inspections or
16 examinations of the route, hearing, salaries, publishing of notice, and
17 any other expenses reasonably attributable thereto."

1 SEC. 3. Section four hundred eighty-nine point five (489.5), Code
2 1962, as amended by section one (1) of chapter two hundred eighty-
3 five (285), Acts of the Sixtieth General Assembly, is hereby repealed
4 and the following enacted in lieu thereof:

5 "Upon the filing of such petition, the board or commission shall
6 cause a notice, addressed to the citizens of each county through which
7 the proposed line or lines will extend, to be published in a newspaper
8 located in each such county for two consecutive weeks. Said notice
9 shall contain a general statement of the contents and purpose of the
10 petition, a general description of the lands and highways to be tra-
11 versed by the proposed line or lines, and shall state that any objections
12 thereto must be filed in writing with the board or commission not later
13 than twenty days after the date of last publication of the notice. Any
14 person, company, city, town or corporation whose rights may be af-
15 fected, shall have the right to file written objections to the proposed
16 improvement or to the granting of such franchise; such objections
17 shall be filed with the board or commission not later than twenty days
18 after the date of last publication and shall state the grounds therefor.
19 The board or commission may allow objections to be filed later in
20 which event the applicant must be given reasonable time to meet such
21 late objections."

1 SEC. 4. Insert a new section following section four hundred eighty-
2 nine point five (489.5) as follows:

3 "Upon the filing of such objections or when a petition involves the
4 taking of property under the right of eminent domain the board or
5 commission shall set the matter for hearing and fix a time and place
6 therefor. Said hearing shall be not less than thirty days from the date
7 of last publication and at the offices of the board or commission before
8 which said matter is pending, unless a different place is specified in the
9 notice thereof. Written notice of the time and place of such hearing
10 shall be served by the board or commission, by ordinary mail, on the
11 applicant, and those having filed objections. If no objections are filed
12 as hereinbefore provided and the petition does not involve the taking
13 of property under the right of eminent domain the board or commis-
14 sion may grant a franchise without hearing thereon, however, nothing
15 herein shall be construed as prohibiting the board or commission from
16 conducting a hearing if it deems it necessary."

1 SEC. 5. Section four hundred eighty-nine point twelve (489.12),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:

4 "Any person, firm, or corporation owning a franchise granted under
5 this chapter or previously existing law, desiring to acquire extensions
6 of such franchise, may petition the board or commission in the manner
7 provided for the granting of a franchise and the same proceeding shall
8 be had as on an original application, including the assessing of costs
9 provided by section 489.4 except that in the event the extension of

10 franchise is sought for all lines in a given county or counties the pub-
11 lished notice need not contain a general description of the lands and
12 highways traversed by the lines, but in lieu thereof the petitioner may
13 have on file at its offices in the county or counties affected a current,
14 accurate map showing the location of the lines for which the franchise
15 extension is sought, said map to be available for examination by any
16 interested party, and the public notice shall advise the citizens of the
17 county or counties affected of the location and availability of such map.
18 If this alternate procedure is not followed then the publication of the
19 description of the lands and highways traversed by the lines shall be
20 done in the manner as in an original application for franchise. In any
21 event an extension under this section will be granted only for a valid,
22 existing franchise and the lands, roads or streams covered thereby
23 over, through or upon which electric transmission lines have in fact
24 been erected or constructed and are in use or operation at the time of
25 the application for extension of franchise. Such petition shall be ac-
26 companied by the written consent of the applicant that the provisions
27 of all laws relating to public utilities, franchises, and transmission
28 lines, or to the regulation, supervision, or control thereof which are
29 then in force or which may be thereafter enacted shall apply to its
30 existing line or lines, franchises, and rights with the same force and
31 effect as if such franchise had been granted or such lines had been
32 constructed or rights had been obtained under the provisions of this
33 chapter.

1 SEC. 6. Add at the end of chapter four hundred eighty-nine (489)
2 the following section:

3 "Notwithstanding the provisions of section 489.1 any person, com-
4 pany or corporation proposing to construct an electric transmission
5 line not exceeding one mile in length and which does not involve the
6 taking of property under the right of eminent domain may obtain a
7 temporary construction permit from the state commerce commission
8 by proceeding in the manner hereinafter set forth. Said person, com-
9 pany or corporation shall first file with the state commerce commission
10 a verified petition setting forth all the requirements of section 489.3
11 with the further allegation that the petitioner is the nearest electric
12 utility to the proposed point of service.

13 The petition shall also state that the filing thereof constitutes an
14 application for a temporary construction permit and shall also have
15 endorsed thereon the approval of the appropriate highway authority
16 or railroad concerned if such line is to be constructed over, across or
17 along a public highway or railroad.

18 Upon receipt of such petition the commission shall consider same
19 and may grant a temporary construction permit in whole or in part
20 or upon such terms, conditions and restrictions, and with such modi-
21 fications as to location as may seem to it just and proper, however, no
22 finding of public use will be made at the time of the issuance of the
23 permit, such finding to be made, if substantiated by petitioner, at the
24 subsequent consideration of the propriety of granting a franchise for
25 the line subject to the permit. The signature of one commissioner on
26 such permit shall be sufficient. The issuance of such permit shall con-
27 stitute temporary authority for the permit holder to construct the line
28 for which the permit is granted.

29 Upon the granting of such temporary construction permit the com-
 30 mission shall cause the publication of notice required by section 489.5
 31 and all other requirements shall be complied with as in the manner
 32 provided for the granting of a franchise. If a hearing is required then
 33 the petitioner shall make a sufficient and proper showing thereat
 34 before a franchise will be issued for the line. Any franchise issued
 35 will be subject to all applicable provisions of this chapter.

36 Notwithstanding anything foregoing, if the commission shall deter-
 37 mine that a franchise should not be granted, or that further restric-
 38 tions, conditions or modifications are required, or if the petitioner
 39 shall fail to make a sufficient and proper showing of the necessity for
 40 the granting of a franchise within six months of the granting of the
 41 temporary construction permit, the permit issued hereunder shall be-
 42 come null and void and the permit holder may be required to take such
 43 action deemed necessary by the commission to remove, modify or
 44 relocate the construction undertaken by virtue of the temporary per-
 45 mit issued hereunder."

Approved May 13, 1965.

CHAPTER 382

ELECTRIC TRANSMISSION LINES

H. F. 45

AN ACT to amend section four hundred eighty-nine point fourteen (489.14), Code 1962, relating to the issuance of franchises by the Iowa state commerce commission for electric transmission lines; by increasing the maximum number of feet of width of electric transmission line right-of-way, that may be acquired through eminent domain; and by providing for right-of-way abandoned by electric transmission line companies reverting to owners of the land from which the right-of-way was taken.

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

1 SECTION 1. Section four hundred eighty-nine point fourteen
 2 (489.14), Code 1962, as amended by sections two (2) and three (3)
 3 of chapter two hundred eighty-five (285), Acts of the Sixtieth General
 4 Assembly, is further amended by inserting in line twelve (12) after
 5 the word "franchise" the words "; provided however, that where 200
 6 K V lines or higher voltage lines are to be constructed, the person,
 7 company, or corporation may apply to the commerce commission for
 8 a wider right-of-way not to exceed two hundred (200) feet, and the
 9 commission may for good cause extend the width of such right-of-way
 10 for such lines to the person, company, or corporation applying for the
 11 same".

1 SEC. 2. Section four hundred eighty-nine point fourteen (489.14),
 2 Code 1962, as amended by sections two (2) and three (3) of chapter
 3 two hundred eighty-five (285), Acts of the Sixtieth General Assembly,
 4 is hereby further amended by adding thereto the following:

5 "If an electric transmission line right-of-way, or any part thereof,
 6 is wholly abandoned for public utility purposes by the relocation of
 7 the transmission lines, is not used or operated for a period of five (5)

8 years, or if its construction has been commenced and work has ceased
 9 and has not in good faith been resumed for five (5) years, the right-
 10 of-way shall revert to the person or persons who, at the time of the
 11 abandonment or reversion, are the owners of the tract from which
 12 such right-of-way was taken. Following such abandonment of right-
 13 of-way, the owner or holder of purported fee title to such real estate
 14 may serve notice upon the owner of such right-of-way easement, or
 15 his successor in interest, and upon any party in possession of said real
 16 estate, a written notice which shall (1) accurately describe the real
 17 estate in question, (2) set out the facts concerning ownership of the
 18 fee, ownership of the right-of-way easement, and the period of aban-
 19 donment, and (3) notify said parties that such reversion shall be com-
 20 plete and final, and that the easement or other right shall be forfeited,
 21 unless said parties shall, within one hundred twenty (120) days after
 22 the completed service of notice, file an affidavit with the county re-
 23 corder of the county in which the real estate is located disputing the
 24 facts contained in said notice.

25 "Said notice shall be served in the same manner as an original notice
 26 under the Iowa rules of civil procedure, except that when notice is
 27 served by publication no affidavit therefor shall be required before
 28 publication. If no affidavit disputing the facts contained in the notice
 29 is filed within one hundred twenty (120) days, the party serving the
 30 notice may file for record in the office of the county recorder a copy of
 31 the notice with proofs of service attached thereto or endorsed thereon,
 32 and when so recorded, the record shall be constructive notice to all
 33 persons of the abandonment, reversion, and forfeiture of such right-
 34 of-way."

1 SEC. 3. This Act, being deemed of immediate importance, shall
 2 take effect and be in force from and after its publication in The
 3 Atlantic News-Telegraph, a newspaper published at Atlantic, Iowa,
 4 and in the Iowa City Press-Citizen, a newspaper published at Iowa
 5 City, Iowa.

Approved May 3, 1965.

I hereby certify that the foregoing Act, House File 45, was published in The Atlantic News-Telegraph, Atlantic, Iowa, May 6, 1965, and in the Iowa City Press-Citizen, Iowa City, Iowa, May 7, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 383

PIPELINES AND UNDERGROUND GAS STORAGE

S. F. 513

AN ACT amending and revising chapter four hundred ninety (490), Code 1962, relating to the time for payment of annual pipeline inspection fees and the issuance of permits for the construction of pipelines and underground gas storage area.

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

1 SECTION 1. Section four hundred ninety point fourteen (490.14),
 2 Code 1962, is hereby amended by striking all of such section after the

3 word "advance" in line seven (7) and substituting therefore the
 4 words, "between January first and February first of each year to the
 5 state commerce commission."

1 SEC. 2. Section four hundred ninety point nineteen (490.19), Code
 2 1962, is hereby repealed and the following enacted in lieu thereof:

3 "The commission shall prepare and issue any permit granted in
 4 accordance with section four hundred ninety point twelve (490.12),
 5 Code 1962. Said permit shall show the name and address of the pipe-
 6 line company to which it is issued and identify by reference thereto
 7 the decision and order of the commission under which said permit is
 8 issued. It shall be signed by the chairman of the state commerce com-
 9 mission and the official seal of the commission shall be affixed thereto."

Approved May 7, 1965.

CHAPTER 384

CONDOMINIUMS

S. F. 481

AN ACT relating to the ownership of individual apartment units.

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

1 SECTION 1. Section two (2) of chapter two hundred ninety-three
 2 (293), Acts of the Sixtieth General Assembly, is hereby amended as
 3 follows:

4 1. By striking from lines four (4) and five (5) the words ", but not
 5 the entire building,".

6 2. By striking from line eight (8) the word "partnership".

7 3. By inserting in line eleven (11) after the word "building." the
 8 following:

9 "The business and affairs of the council of co-owners may be con-
 10 ducted by organizing a corporation not for pecuniary profit of which
 11 the co-owners are members."

12 4. By inserting in line twelve (12) after the word "elements" the
 13 words ", unless otherwise provided in the declaration or lawful amend-
 14 ments thereto".

15 5. By striking from line twenty-five (25) the words "agreed upon
 16 by all the co-owners" and inserting in lieu thereof the words "specified
 17 in or determined under the declaration."

18 6. By striking from line twenty-six (26) the words "a certain num-
 19 ber of" and inserting in lieu thereof the words "one (1) or more".

20 7. By adding thereto the following new subsection:

21 " 'Building' means and includes one (1) or more buildings, whether
 22 attached to one (1) or more buildings or unattached; provided, how-
 23 ever, that if there is more than one (1) building, all such buildings
 24 shall be described and included in the declaration, or an amendment
 25 thereto, and comprise an integral part of a single horizontal property
 26 regime."

1 SEC. 2. Section three (3) of chapter two hundred ninety-three
2 (293), Acts of the Sixtieth General Assembly, is hereby amended by
3 striking from line four (4) the words "is located a building" and
4 inserting in lieu thereof the words "a building is located or to be
5 constructed".

1 SEC. 3. Chapter two hundred ninety-three (293), Acts of the Six-
2 tieth General Assembly, is hereby amended by adding thereto the fol-
3 lowing new sections:

4 1. "All sums assessed by the council of co-owners but unpaid for the
5 share of the common expenses chargeable to any apartment shall con-
6 stitute a lien on such apartment prior to all other liens except only
7 1) tax liens on the apartment in favor of any assessing unit and
8 special district, and 2) all sums unpaid on a first mortgage of record.
9 Such lien may be foreclosed by suit by the council of co-owners or the
10 representatives thereof, acting on behalf of the apartment owners, in
11 like manner as a mortgage of real property. In the event of any such
12 foreclosure, the apartment owner shall be required to pay a reasonable
13 rental for the apartment if so provided in the bylaws, and the plaintiff
14 in such foreclosure shall be entitled to the appointment of a receiver
15 to collect the same. The council of co-owners or the representatives
16 thereof, acting on behalf of the apartment owners, shall have power,
17 unless prohibited by the declaration, to bid in the apartment at fore-
18 closure sale, and to acquire and hold, lease, mortgage and convey the
19 same. Suit to recover a money judgment for unpaid common expenses
20 shall be maintainable without foreclosing or waiving the lien securing
21 the same."

22 2. "Where the mortgagee of a first mortgage of record or other pur-
23 chaser of an apartment obtains title to the apartment as a result of
24 foreclosure of the first mortgage, such acquirer of title, his successors
25 and assigns, shall not be liable for the share of the common expenses
26 or assessments by the council of co-owners chargeable to such apart-
27 ment which became due prior to the acquisition of title to such apart-
28 ment by such acquirer. Such unpaid share of common expenses or
29 assessments shall be deemed to be common expenses collectible from
30 all of the apartment owners including such acquirer, his successors
31 and assigns."

32 3. "In a voluntary conveyance the grantee of an apartment shall be
33 jointly and severally liable with the grantor for all unpaid assessments
34 against the latter for his share of the common expenses up to the time
35 of the grant or conveyance, without prejudice to the grantee's right to
36 recover from the grantor the amounts paid by the grantee therefor.
37 However, any such grantee shall be entitled to a statement from the
38 council of co-owners or its representatives, setting forth the amount
39 of the unpaid assessments against the grantor and such grantee shall
40 not be liable for, nor shall the apartment conveyed be subject to a lien
41 for, any unpaid assessments against the grantor in excess of the
42 amount therein set forth."

Approved April 29, 1965.

CHAPTER 385

RULES BY COMMISSIONER OF INSURANCE

H. F. 178

AN ACT to amend section five hundred two point two (502.2), Code 1962, relating to the powers and duties of the commissioner of insurance.

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

1 SECTION 1. Section five hundred two point two (502.2), Code
2 1962, is hereby amended by striking the period in line four (4) and
3 inserting the following: "who may from time to time make, amend
4 and rescind such rules and regulations as may be necessary to carry
5 out the provisions of this chapter."

Approved February 26, 1965.

CHAPTER 386

REGISTRATION UNDER SECURITIES LAW

H. F. 177

AN ACT relating to registration requirements under the Iowa Securities Law.

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

1 SECTION 1. Section five hundred two point seven (502.7), Code
2 1962, is amended by adding a new paragraph after paragraph (i) of
3 subsection two (2) as follows:
4 "In addition to financial statements required to be filed under para-
5 graphs (d) and (e) of this subsection, the commissioner may, if he
6 deems it necessary, require the filing of additional or more detailed
7 financial information in such form as he may prescribe."

Approved February 26, 1965.

CHAPTER 387

REGULATION OF SECURITIES DEALERS

H. F. 174

AN ACT relating to regulation of securities dealers under the Iowa Securities Law.

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

1 SECTION 1. Section five hundred two point eleven (502.11), Code
2 1962, is amended by adding the following new paragraph after line
3 twenty-eight (28):
4 "The commissioner may establish minimum financial requirements
5 to be met and maintained by registered dealers and dealer applicants
6 and in connection therewith may require the submission of financial
7 statements and reports in such form as he may prescribe."

Approved February 26, 1965.

CHAPTER 388

NONPROFIT CORPORATIONS

S. F. 113

AN ACT relating to nonprofit corporations and the formation, merger, consolidation, dissolution, liquidation, admission to do business in this state and withdrawal therefrom, authority, powers and rights thereof, and requirements therefor, and the regulation and conduct of affairs thereof.

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

1 SECTION 1. **Short title.** This Act shall be known and may be
2 cited as the "Iowa Nonprofit Corporation Act".

1 SEC. 2. **Definitions.** As used in this Act, unless the context
2 otherwise requires, the term:

3 1. "Person" means an individual, a corporation (domestic or for-
4 eign, whether nonprofit or for profit), a partnership, an association,
5 a trust or a fiduciary.

6 2. "Corporation" or "domestic corporation" means a nonprofit cor-
7 poration subject to the provisions of this Act, except a foreign cor-
8 poration.

9 3. "Foreign corporation" means a nonprofit corporation organized
10 under laws other than the laws of this state.

11 4. "Nonprofit corporation" means a corporation no part of the
12 income or profit of which is distributable to its members, directors
13 or officers except as provided in this Act.

14 5. "Articles of incorporation" means the original or restated arti-
15 cles of incorporation and all amendments thereto, and includes
16 articles of merger.

17 6. "Bylaws" means the code or codes of rules adopted for the
18 regulation or management of the affairs of the corporation irrespec-
19 tive of the name or names by which such rules are designated.

20 7. "Member" means a person as herein defined having membership
21 rights in a corporation in accordance with the provisions of its arti-
22 cles of incorporation or bylaws.

23 8. "Board of directors" means the person or group of persons
24 vested with the management of the affairs of the corporation ir-
25 respective of the name by which such person or group is designated.

26 9. "Insolvent" means inability of a corporation to pay its debts as
27 they become due in the usual course of its affairs.

1 SEC. 3. **Purposes.** Subject to the provisions of subsection one
2 (1) of section one hundred (100) of this Act, corporations may be
3 organized under this Act for any lawful purpose or purposes not for
4 pecuniary profit.

1 SEC. 4. **General powers.** Each corporation, unless otherwise
2 stated in its articles of incorporation, shall have power:

3 1. To have perpetual succession by its corporate name unless a
4 limited period of duration is stated in its articles of incorporation.

5 2. To sue and be sued, complain and defend, in its corporate name.

6 3. To have a corporate seal which may be altered at pleasure, and
7 to use the same by causing it, or a facsimile thereof, to be impressed
8 or affixed or in any other manner reproduced.

- 9 4. To purchase, take, receive, lease, take by gift, devise or bequest,
10 or otherwise acquire, own, hold, improve, use and otherwise deal in
11 and with real or personal property, or any interest therein, wherever
12 situated.
- 13 5. To sell, convey, mortgage, pledge, lease, exchange, transfer and
14 otherwise dispose of all or any part of its property and assets.
- 15 6. To lend money to its employees other than its officers and direc-
16 tors, and otherwise assist its employees, officers and directors.
- 17 7. To purchase, take, receive, subscribe for, or otherwise acquire,
18 own, hold, vote, use, employ, sell, mortgage, lend, pledge, or other-
19 wise dispose of, and otherwise use and deal in and with, shares or
20 other interests in, or obligations of, other domestic or foreign cor-
21 porations, whether for profit or not for profit, associations, partner-
22 ships or individuals, or direct or indirect obligations of the United
23 States, or of any other government, state, territory, governmental
24 district or municipality or of any instrumentality thereof.
- 25 8. To make contracts and guaranties and incur liabilities, borrow
26 money at such lawful rates of interest as the corporation may deter-
27 mine, issue its notes, bonds, and other obligations, and secure any of
28 its obligations by mortgage or pledge of all or any of its property,
29 franchises and income, and to guarantee the obligations of other
30 persons.
- 31 9. To lend money for its corporate purposes, invest and reinvest
32 its funds, and take and hold real and personal property as security
33 for the payment of funds so loaned or invested.
- 34 10. To conduct its affairs, carry on its operations, and have offices
35 and exercise the powers granted by this Act in any state, territory,
36 district, or possession of the United States, or in any foreign country.
- 37 11. To elect or appoint officers and agents of the corporation who
38 may be directors or members, and define their duties and fix their
39 compensation, and to pay pensions and establish pension plans, pen-
40 sion trusts, and other incentive, insurance and welfare plans for any
41 or all of its directors, officers and employees.
- 42 12. To make and alter bylaws, not inconsistent with its articles of
43 incorporation or with the laws of this state, for the administration
44 and regulation of the affairs of the corporation.
- 45 13. Unless otherwise provided in the articles of incorporation, to
46 make donations for the public welfare or for charitable, religious,
47 eleemosynary, benevolent, scientific or educational purposes; and in
48 time of war to make donations in aid of war activities.
- 49 14. To indemnify any director or officer or former director or
50 officer of the corporation, or any person who may have served at its
51 request as a director or officer of another corporation, whether non-
52 profit or for profit, against expenses actually and reasonably incurred
53 by him in connection with the defense of any action, suit or proceed-
54 ing, civil or criminal, in which he is made a party by reason of being
55 or having been such director or officer, except in relation to matters
56 as to which he shall be adjudged in such action, suit or proceeding
57 to be liable for negligence or misconduct in the performance of duty;
58 and to make any other indemnification that shall be authorized by
59 the articles of incorporation or bylaws, or resolution adopted after
60 notice by the members entitled to vote.

61 15. To cease its corporate activities and surrender its corporate
62 franchise.

63 16. To have and exercise all powers necessary or convenient to
64 effect any or all of the purposes for which the corporation is organ-
65 ized.

1 **SEC. 5. Defense of ultra vires.** No act of a corporation and no
2 conveyance or transfer of real or personal property to or by a cor-
3 poration shall be invalid by reason of the fact that the corporation
4 was without capacity or power to do such act or to make or receive
5 such conveyance or transfer, but such lack of capacity or power may
6 be asserted:

7 1. In a proceeding by a member or a director against the corpora-
8 tion to enjoin the doing or continuation of unauthorized acts, or the
9 transfer of real or personal property by or to the corporation. If
10 the unauthorized acts or transfers sought to be enjoined are being
11 or are to be, performed pursuant to any contract to which the cor-
12 poration is a party, the court may, if all of the parties to the contract
13 are parties to the proceeding and if it deems the same to be equitable,
14 set aside and enjoin the performance of such contract, and in so
15 doing may allow to the corporation or the other parties to the con-
16 tract, as the case may be, compensation for the loss or damage sus-
17 tained by either of them which may result from the action of the
18 court in setting aside and enjoining the performance of such con-
19 tract, but anticipated profits to be derived from the performance of
20 the contract shall not be awarded by the court as a loss or damage
21 sustained.

22 2. In a proceeding by the corporation, whether acting directly or
23 through a receiver, trustee, or other legal representative or through
24 members in a representative suit, against the incumbent or former
25 officers or directors of the corporation for exceeding their authority.

26 3. In a proceeding by the attorney general, as provided in this Act,
27 to dissolve the corporation, or in a proceeding by the attorney gen-
28 eral to enjoin the corporation from performing unauthorized acts, or
29 in any other proceeding by the attorney general.

1 **SEC. 6. Corporate name.** The corporate name:

2 1. Shall not contain any word or phrase which indicates or implies
3 that it is organized for any purpose other than one or more of the
4 purposes contained in its articles of incorporation.

5 2. Shall not be the same as, or deceptively similar to, the name of
6 any corporation, whether for profit or not for profit, existing under
7 the laws of this state, or any foreign corporation, whether for profit
8 or not for profit, authorized to transact business or conduct affairs
9 in this state, or a corporate name reserved or registered as permitted
10 by the laws of this state.

11 3. Shall be transliterated into letters of the English alphabet, if
12 it is not in English.

1 **SEC. 7. Reserved name.** The exclusive right to the use of a cor-
2 porate name may be reserved by filing in the office of the secretary
3 of state an application to reserve a specified corporate name, executed
4 by the applicant. If the secretary of state finds that such name is

5 available for corporate use, he shall reserve the same for the exclu-
6 sive use of such applicant for a period of one hundred twenty days.
7 The right to the exclusive use of a specified corporate name so
8 reserved may be assigned by filing in the office of the secretary of
9 state a notice of such assignment, executed by the person for whom
10 such name was reserved and specifying the name and address of the
11 transferee.

1 **SEC. 8. Registered office and registered agent.** Each corporation
2 shall have and continuously maintain in this state:

3 1. A registered office which may be, but need not be, the same as
4 its principal office.

5 2. A registered agent or agents who may be either an individual
6 or individuals resident in this state, the business office of whom shall
7 be identical with such registered office, or a domestic corporation,
8 whether for profit or not for profit, or a foreign corporation, whether
9 for profit or not for profit, authorized to transact business or conduct
10 affairs in this state, having an office identical with such registered
11 office.

1 **SEC. 9. Change of registered office or registered agent.** A cor-
2 poration may change its registered office or change its registered
3 agent or agents, or both office and agent or agents upon filing in the
4 office of the secretary of state a statement setting forth:

5 1. The name of the corporation.

6 2. The address of its then registered office.

7 3. If the address of its registered office be changed, the address to
8 which the registered office is to be changed.

9 4. The name of its then registered agent or agents.

10 5. If its registered agent or agents be changed, the name of its
11 successor registered agent or agents.

12 6. That the address of its registered office and the address of the
13 business office of its registered agent or agents, as changed, will be
14 identical.

15 7. That such change was authorized by resolution duly adopted by
16 its board of directors.

17 Such statements shall be executed by the corporation by its presi-
18 dent or a vice-president. If the registered office is changed from one
19 county to another, such statement shall be executed in duplicate.
20 Such statement shall be delivered to the secretary of state for filing
21 and recording in his office, and the statement shall be filed and re-
22 corded in the office of the county recorder; and if the registered office
23 is changed from one county to another, the same shall be filed and
24 recorded in the office of the recorder of the county in which the
25 registered office was located prior to the filing of such statement in
26 the office of the secretary of state, and in the office of the recorder
27 of the county to which the registered office is changed.

28 If the registered office is changed from one county to another, the
29 corporation shall also cause to be filed and recorded forthwith in the
30 office of the recorder of the county to which such registered office is
31 changed, its original articles of incorporation and all amendments
32 thereto, or copies thereof certified by the secretary of state, or its
33 restated articles and all amendments thereto, or copies thereof cer-
34 tified by the secretary of state.

35 If a registered agent or agents change his, their or its business
36 address to another place within the same county, he, they or it may
37 change the address of the registered office of any corporations of
38 which he, they or it is registered agent by filing a statement as
39 required above for each corporation, or a single statement for all
40 corporations named therein, except that it need be signed only by the
41 registered agent or agents and need not be responsive to subsections
42 five (5) and seven (7) above, and must recite that notification of
43 such change has been mailed to each such corporation.

44 The change of address of registered office or the change of regis-
45 tered agent or agents or both registered office and agent or agents,
46 as the case may be, shall become effective upon the filing of such
47 statement by the secretary of state, but until such statement is re-
48 corded in the office of the recorder as above prescribed, service of
49 process, notice or demand required or permitted by law to be served
50 upon the corporation may be served upon the person who was its
51 registered agent at its registered office prior to the filing of such
52 statement with the same force and effect as if no change in registered
53 office or registered agent had been made.

54 Any registered agent of a corporation may resign as such agent
55 upon filing a written notice thereof, executed in duplicate, with the
56 secretary of state, who shall record one copy and forthwith mail the
57 other copy thereof to the corporation in care of an officer, who is not
58 the resigning registered agent, at the address of such officer as
59 shown by the most recent annual report of the corporation. The copy
60 recorded by the secretary of state shall be sent by him to the county
61 recorder of the county in which the registered office is located for
62 recording in his office. The appointment of such agent shall termi-
63 nate upon the expiration of thirty days after receipt of such notice
64 by the secretary of state.

1 **SEC. 10. Service of process on corporation.** The registered agent
2 so appointed by a corporation shall be an agent of such corporation
3 upon whom any process, notice or demand required or permitted by
4 law to be served upon the corporation may be served.

5 Whenever a corporation shall fail to appoint or maintain a regis-
6 tered agent in this state, or whenever its registered agent cannot
7 with reasonable diligence be found at the registered office, then the
8 secretary of state shall be an agent of such corporation upon whom
9 any such process, notice, or demand may be served. Service on the
10 secretary of state of any such process, notice, or demand shall be
11 made by delivering to and leaving with him, or with any clerk having
12 charge of the corporation department of his office, duplicate copies of
13 such process, notice or demand. In the event any such process, notice
14 or demand is served on the secretary of state, he shall immediately
15 cause one of the copies thereof to be forwarded by registered or cer-
16 tified mail, addressed to the corporation at its registered office. No
17 corporation served in accordance with the procedure provided for by
18 this paragraph shall be in default until thirty days have elapsed fol-
19 lowing such service on the secretary of state.

20 The secretary of state shall keep a record of all processes, notices
21 and demands served upon him under this section, and shall record
22 therein the time of such service and his action with reference thereto.

23 Nothing herein contained shall limit or affect the right to serve
24 any process, notice or demand required or permitted by law to be
25 served upon a corporation in any other manner now or hereafter per-
26 mitted by law.

1 **SEC. 11. Members.** A corporation may have one or more classes
2 of members or may have no members. If the corporation has one or
3 more classes of members, the designation of such class or classes,
4 the manner of election or appointment and the qualifications and
5 rights of the members of each class shall be set forth in the articles
6 of incorporation or the bylaws. If the corporation has no members,
7 that fact shall be set forth in the articles of incorporation or the by-
8 laws. A corporation may issue certificates evidencing membership
9 therein.

1 **SEC. 12. Bylaws.** The initial bylaws of a corporation shall be
2 adopted by its board of directors. The power to alter, amend or
3 repeal the bylaws or adopt new bylaws shall be vested in the board
4 of directors unless otherwise provided in the articles of incorpora-
5 tion. The bylaws may contain any provisions for the regulation and
6 management of the affairs of a corporation not inconsistent with law
7 or the articles of incorporation.

8 The board of directors of any corporation may adopt emergency
9 bylaws, subject to repeal or change by action of the members, which
10 shall, notwithstanding any different provision elsewhere in this Act
11 or in the articles of incorporation or bylaws, be operative during any
12 emergency, in the conduct of the affairs of the corporation resulting
13 from an attack on the United States or any nuclear or atomic dis-
14 aster. The emergency bylaws may make any provision that may be
15 practical and necessary for the circumstances of the emergency in-
16 cluding provisions that:

17 1. A meeting of the board of directors may be called by any officer
18 or director in such manner and under such conditions as shall be
19 prescribed in the emergency bylaws;

20 2. The director or directors in attendance at the meeting, or any
21 greater number fixed by the emergency bylaws, shall constitute a
22 quorum; and

23 3. The officers or other persons designated on a list approved by
24 the board of directors before the emergency, all in such order of
25 priority and subject to such conditions and for such period of time
26 (not longer than reasonably necessary after the termination of the
27 emergency) as may be provided in the emergency bylaws or in the
28 resolution approving the list, shall, to the extent required to provide
29 a quorum at any meeting of the board of directors, be deemed direc-
30 tors for such meeting.

31 The board of directors, either before or during any such emer-
32 gency, may provide, and from time to time modify, lines of succes-
33 sion in the event that during such an emergency any or all officers
34 or agents of the corporation shall for any reason be rendered in-
35 capable of discharging their duties.

36 To the extent not inconsistent with any emergency bylaws so
37 adopted, the bylaws of the corporation shall remain in effect during

38 any such emergency and upon its termination the emergency bylaws
39 shall cease to be operative.

40 Unless otherwise provided in emergency bylaws, notice of any
41 meeting of the board of directors during any such emergency may
42 be given only to such of the directors as it may be feasible to reach
43 at the time and by such means as may be feasible at the time, in-
44 cluding publication or radio.

45 To the extent required to constitute a quorum at any meeting of
46 the board of directors during any such emergency, the officers of the
47 corporation who are present shall, unless otherwise provided in
48 emergency bylaws, be deemed, in order of rank and within the same
49 rank in order of seniority, directors for such meeting.

50 No officer, director or employee acting in accordance with any
51 emergency bylaws shall be liable except for willful misconduct. No
52 officer, director or employee shall be liable for any action taken by
53 him in good faith in such an emergency in furtherance of the ordi-
54 nary affairs of the corporation, even though not authorized by the
55 bylaws then in effect.

1 **SEC. 13. Meetings of members.** Meetings of members may be
2 held at such places, either within or without this state, as may be
3 provided in the articles of incorporation or the bylaws, or as may be
4 fixed from time to time in accordance with the provisions thereof.
5 In the absence of any such provision, all meetings shall be held at
6 the registered office of the corporation.

7 An annual meeting of the members shall be held at such time as
8 may be provided in the articles of incorporation or the bylaws. Fail-
9 ure to hold the annual meeting at the designated time shall not work a
10 forfeiture or dissolution of the corporation.

11 Special meetings of the members may be called by the president or
12 by the board of directors. Special meetings of the members may also
13 be called by such other officers or persons or number or proportion
14 of members as may be provided in the articles of incorporation or the
15 bylaws. In the absence of a provision fixing the number or propor-
16 tion of members entitled to call a meeting, a special meeting of mem-
17 bers may be called by members having one-twentieth of the votes
18 entitled to be cast at such meeting.

1 **SEC. 14. Notice of members' meetings.** Unless the articles of
2 incorporation or the bylaws otherwise provide, written notice stating
3 the place, day and hour of the meeting and, in case of a special
4 meeting, the purpose or purposes for which the meeting is called,
5 shall be delivered no less than ten nor more than fifty days before
6 the date of the meeting, either personally or by mail, by or at the
7 direction of the president, the secretary, or the officer or persons
8 calling the meeting, to each member entitled to vote at such meeting.
9 If mailed, such notice shall be deemed to be delivered when deposited
10 in the United States mail addressed to the member at his address as
11 it appears on the records of the corporation, with postage thereon
12 prepaid.

1 **SEC. 15. Voting.** The right of the members, or any class or
2 classes of members, to vote may be limited, enlarged or denied to the
3 extent specified in the articles of incorporation or, if the articles of

4 incorporation so provide, by the bylaws. Unless so limited, enlarged
5 or denied, each member, regardless of class, shall be entitled to one
6 vote on each matter submitted to a vote of members.

7 A member entitled to vote may vote in person or, unless the arti-
8 cles of incorporation or the bylaws otherwise provide, may vote by
9 proxy executed in writing by the member or by his duly authorized
10 attorney-in-fact. No proxy shall be valid after eleven months from
11 the date of its execution, unless otherwise provided in the proxy.
12 Where directors or officers are to be elected by members the bylaws
13 may provide that such elections may be conducted by mail.

14 The articles of incorporation may provide that in all elections for
15 directors every member entitled to vote shall have the right to cumu-
16 late his vote and to give one candidate a number of votes equal to
17 his vote multiplied by the number of directors to be elected, or by
18 distributing such votes on the same principle among any number of
19 such candidates.

20 If a corporation has no members or its members have no right to
21 vote, the directors shall have the sole voting power.

1 **SEC. 16. Quorum.** The bylaws may provide the number or per-
2 centage of members entitled to vote represented in person or by
3 proxy, or the number or percentage of votes represented in person or
4 by proxy, which shall constitute a quorum at a meeting of members.
5 In the absence of any such provision, members holding one-tenth of
6 the votes entitled to be cast on the matter to be voted upon repre-
7 sented in person or by proxy shall constitute a quorum. A majority
8 of the votes entitled to be cast on a matter to be voted upon by the
9 members present or represented by proxy at a meeting at which a
10 quorum is present shall be necessary for the adoption thereof unless
11 a greater proportion is required by this Act, the articles of incorpora-
12 tion or the bylaws.

1 **SEC. 17. Board of directors.** The affairs of a corporation shall
2 be managed by a board of one or more directors. Directors need not
3 be residents of this state or members of the corporation unless the
4 articles of incorporation so require. The articles of incorporation or
5 the bylaws may prescribe other qualifications for directors.

1 **SEC. 18. Number and election of directors.** The number of di-
2 rectors shall be fixed by the bylaws, except as to the number con-
3 stituting the initial board of directors, which number shall be fixed
4 by the articles of incorporation. The number of directors may be
5 increased or decreased from time to time by amendment to the by-
6 laws, unless the articles of incorporation provide that a change in
7 the number of directors shall be made only by amendment of the
8 articles of incorporation. No decrease in number shall have the effect
9 of shortening the term of any incumbent director. In the absence of
10 a bylaw fixing the number of directors, the number shall be the same
11 as that stated in the articles of incorporation.

12 The directors constituting the first board of directors shall be
13 named in the articles of incorporation and shall hold office until the
14 first annual election of directors or for such other period as may be
15 specified in the articles of incorporation or the bylaws. Thereafter,
16 directors shall be elected or appointed in a manner and for the terms

17 provided in the articles of incorporation or the bylaws. In the ab-
18 sence of a provision fixing the term of office, the term of office of a
19 director shall be one year.

20 Directors may be divided into classes and the terms of office of
21 the several classes need not be uniform. Each director shall hold
22 office for the term for which he is elected or appointed and until his
23 successor shall have been elected or appointed and qualified.

24 A director may be removed from office pursuant to any procedure
25 therefor provided in the articles of incorporation.

1 SEC. 19. **Vacancies.** Any vacancy occurring in the board of di-
2 rectors and any directorship to be filled by reason of an increase in
3 the number of directors may be filled by the affirmative vote of a
4 majority of the remaining directors, though less than a quorum of
5 the board of directors unless the articles of incorporation or the by-
6 laws provide that a vacancy or directorship so created shall be filled
7 in some other manner, in which case such provision shall control.

8 Unless otherwise provided in the articles of incorporation or the
9 bylaws, a director so elected or appointed shall be elected or appointed
10 for the unexpired term of his predecessor in office or the full term of
11 such new directorship.

1 SEC. 20. **Quorum of directors.** A majority of the number of di-
2 rectors fixed by the bylaws, or in the absence of a bylaw fixing the
3 number of directors, then of the number stated in the articles of
4 incorporation, shall constitute a quorum for the transaction of busi-
5 ness unless otherwise provided in the articles of incorporation or the
6 bylaws; but in no event shall a quorum consist of less than one third
7 of the number of directors so fixed or stated. The act of the majority
8 of the directors present at a meeting at which a quorum is present
9 shall be the act of the board of directors, unless the act of a greater
10 number is required by this Act, the articles of incorporation or the
11 bylaws.

1 SEC. 21. **Committees.** If the articles of incorporation or the by-
2 laws so provide, the board of directors, by resolution adopted by a
3 majority of the full board of directors, may designate from among
4 its members an executive committee and one or more other commit-
5 tees each of which, to the extent provided in such resolution or in the
6 articles of incorporation or the bylaws of the corporation, shall have
7 and may exercise all the authority of the board of directors; but no
8 such committee shall have the authority of the board of directors in
9 reference to amending the articles of incorporation, adopting a plan
10 of merger or consolidation, recommending to the members the sale,
11 lease, exchange or other disposition of all or substantially all the
12 property and assets of the corporation, recommending to the mem-
13 bers a voluntary dissolution of the corporation or a revocation there-
14 of, or amending the bylaws of the corporation. The designation of
15 any such committee and the delegation thereto of authority shall not
16 operate to relieve the board of directors, or any member thereof, of
17 any responsibility imposed by law.

1 SEC. 22. **Place and notice of directors' meetings.** Meetings of the
2 board of directors, regular or special, may be held either within or

3 without this state, and upon such notice as the bylaws may prescribe.
4 Attendance of a director at any meeting shall constitute a waiver of
5 notice of such meeting except where a director attends a meeting for
6 the express purpose of objecting to the transaction of any business
7 because the meeting is not lawfully called or convened. Neither the
8 business to be transacted at, nor the purpose of, any regular or special
9 meeting of the board of directors need be specified in the notice or
10 waiver of notice of such meeting unless required by the bylaws.

1 **SEC. 23. Officers.** The officers of a corporation shall consist of a
2 president, one or more vice-presidents, a secretary, a treasurer and
3 such other officers and assistant officers as may be deemed necessary,
4 each of whom shall be elected or appointed at such time and in such
5 manner and for such terms as may be prescribed in the articles of
6 incorporation or the bylaws. In the absence of any such provision,
7 all officers shall be elected or appointed annually by the board of direc-
8 tors. Any two or more offices may be held by the same person.

9 The articles of incorporation or the bylaws may provide that any
10 one or more officers of the corporation shall be ex officio members of
11 the board of directors.

12 The officers of a corporation may be designated by such additional
13 titles as may be provided in the articles of incorporation or the by-
14 laws.

1 **SEC. 24. Removal of officers.** Unless otherwise provided in the
2 articles of incorporation, any officers elected or appointed may be
3 removed by the persons authorized to elect or appoint such officer
4 whenever in their judgment the best interests of the corporation will
5 be served thereby. The removal of an officer shall be without preju-
6 dice to the contract rights, if any, of the officers so removed. Election
7 or appointment of an officer or agent shall not of itself create con-
8 tract rights.

1 **SEC. 25. Books and records.** Each corporation shall keep correct
2 and complete books and records of account and shall keep minutes of
3 the proceedings of its members, board of directors and committees
4 having any of the authority of the board of directors; and shall keep
5 at its registered office or principal office in this state a record of the
6 names and addresses of its members entitled to vote. All books and
7 records of a corporation may be inspected by any member, or his
8 agent or attorney, for any proper purpose at any reasonable time.

1 **SEC. 26. Shares of stock and dividends prohibited.** A corpora-
2 tion shall not have or issue shares of stock. No dividend shall be paid
3 and no part of the income or profit of a corporation shall be distrib-
4 uted to its members, directors or officers. A corporation may pay
5 compensation in a reasonable amount to its members, directors or
6 officers for services rendered, may confer benefits upon its members
7 in conformity with its purposes, and upon dissolution or final liquida-
8 tion may make distributions to its members as permitted by this Act,
9 and no such payment, benefit or distribution shall be deemed to be a
10 dividend or a distribution of income or profit.

1 **SEC. 27. Loans to directors and officers prohibited.** No loans
2 shall be made by a corporation to its directors or officers. Any direc-
3 tor or officer who assents to or participates in the making of any such
4 loan shall be liable to the corporation for the amount of such loan
5 until the repayment thereof.

1 **SEC. 28. Incorporators.** One or more persons as defined in this
2 Act having capacity to contract, may act as incorporators of a cor-
3 poration by signing, acknowledging and delivering to the secretary
4 of state articles of incorporation for such corporation.

1 **SEC. 29. Articles of incorporation.** The articles of incorporation
2 shall set forth:

3 1. The name of the corporation and the chapter of the Code or Ses-
4 sion Laws under which incorporated.

5 2. The period of duration if for a limited period, but in the ab-
6 sence of any statement in the articles all corporations organized here-
7 under shall have perpetual duration.

8 3. The purpose or purposes for which the corporation is organized.

9 4. Any provision, not inconsistent with law, which the incorpo-
10 rators elect to set forth in the articles of incorporation for the regu-
11 lation of the internal affairs of the corporation, including any provi-
12 sion for distribution of assets on dissolution or final liquidation.

13 5. The address of its initial registered office including street and
14 number, if any, the name of the county in which the registered office
15 is located, and the name of its initial registered agent or agents at
16 such address.

17 6. The number of directors constituting the initial board of direc-
18 tors and the names and addresses of the persons who are to serve as
19 the initial directors.

20 7. Any provision not inconsistent with law or the purposes for
21 which the corporation is organized, which the incorporators elect to
22 set forth; or any provision limiting any of the corporate powers
23 enumerated in this Act.

24 8. The date on which the corporate existence shall begin, which
25 may be any date identified by year, month and day not more than
26 ninety days in the future. In the absence of any statement in the
27 articles as to date of beginning of corporate existence, such existence
28 shall commence on the date on which the secretary of state issues the
29 certificate of incorporation.

30 9. The name and address of each incorporator.

31 It shall not be necessary to set forth in the articles of incorpora-
32 tion any of the corporate powers enumerated in this Act.

33 Unless the articles of incorporation provide that a change in the
34 number of directors shall be made only by amendment to the articles
35 of incorporation, a change in the number of directors made by amend-
36 ment to the bylaws shall be controlling. In all other cases, whenever
37 a provision of the articles of incorporation is inconsistent with a by-
38 law, the provision of the articles of incorporation shall be controlling.

1 **SEC. 30. Filing and recording of articles of incorporation.** The
2 articles of incorporation shall be delivered to the secretary of state
3 for filing and recording in his office, and the same shall be filed and
4 recorded in the office of the county recorder. The secretary of state

5 upon the filing of such articles shall issue a certificate of incorpora-
6 tion and send the same to the corporation or its representative.

1 **SEC. 31. Effect of issuance of certificate of incorporation.** Upon
2 the issuance of the certificate of incorporation, the corporate exist-
3 ence shall begin unless the certificate in conformity with a provision
4 in the articles provides that it shall begin on a stated day in the
5 future in which event the corporate existence shall without further
6 action by either the incorporators or the secretary of state begin on
7 the day so stated. Such certificate of incorporation shall be conclu-
8 sive evidence that all conditions precedent required to be performed
9 by the incorporators have been complied with and that the corpora-
10 tion has been incorporated under this Act except as against this state
11 in a proceeding to cancel or revoke the certificate of incorporation or
12 for involuntary dissolution of the corporation.

1 **SEC. 32. Procedure for filing and recording of documents.** If in
2 this Act, it is required that any document be:

3 1. Filed in the office of the secretary of state, the secretary of
4 state, when he finds that such document conforms to law and when
5 all fees and taxes due him have been paid as in this Act prescribed,
6 shall endorse on such document, the word "Filed", and the month,
7 day and year of the filing thereof and file the same in his office;

8 2. Recorded in the office of the secretary of state, the secretary of
9 state, upon filing thereof, shall record the same;

10 3. Filed and recorded in the office of the county recorder, the sec-
11 retary of state upon recording such document in his office shall for-
12 ward the same to the county recorder of the county wherein the
13 registered office of the corporation is located, and shall forward a
14 duplicate executed copy certified by him as a true copy of the filed
15 original to such other county recorder, if any, as is required by this
16 Act. Upon receipt thereof and upon receipt of recording fees due
17 him, such county recorder shall record and index such instrument
18 and endorse thereon the date of filing in such county and the book
19 and page in which recorded. The recorder of each county shall keep
20 in his office an alphabetically subdivided index book for articles of
21 incorporation and other instruments the recording of which in his
22 office is provided for by this Act, which book shall have as a mini-
23 mum, columns headed with "Name of Corporation", "Place of Regis-
24 tered Office", "Day, Month and Year of Filing" and the reference to
25 the book and page or other record where recorded and shall make
26 appropriate entries in said index for each such instrument recorded
27 by him.

28 Any instrument required to be filed and recorded in the office of the
29 secretary of state only, shall be returned by him to the corporation
30 or its representative. Any instrument required to be filed and re-
31 corded in the office of the county recorder shall be returned by him
32 to the corporation or its representative.

1 **SEC. 33. Organization meetings.** After the issuance of the cer-
2 tificate of incorporation an organization meeting of the board of
3 directors named in the articles of incorporation may be held, either
4 within or without this state, at the call of a majority of the incor-
5 porators, for the purpose of adopting bylaws, electing officers, if

6 necessary, and the transaction of such other business as may come
7 before the meeting. The incorporators calling the meeting shall give
8 at least three days' notice thereof by mail to each director so named,
9 which notice shall state the time and place of the meeting.
10 A first meeting of the members may be held at the call of the
11 directors, or a majority of them, upon at least three days' notice,
12 for such purposes as shall be stated in the notice of the meeting.

1 **SEC. 34. Right to amend articles of incorporation.** A corporation
2 may amend its articles of incorporation, from time to time, in any
3 and as many respects as may be desired, so long as its articles of
4 incorporation as amended contain only such provisions as are lawful
5 under this Act.

1 **SEC. 35. Procedure to amend articles of incorporation.** Amend-
2 ments to the articles of incorporation shall be made in the following
3 manner:

4 1. Where there are members entitled to vote thereon, the board of
5 directors shall adopt a resolution setting forth the proposed amend-
6 ment and directing that it be submitted to a vote at a meeting of
7 members entitled to vote thereon which may be either an annual or
8 a special meeting. Unless otherwise provided in the articles of incor-
9 poration, upon the written request of at least five per cent of the
10 members entitled to vote on amendments to articles of incorporation,
11 the board of directors shall adopt a resolution setting forth the
12 amendment proposed by such members and directing that it be sub-
13 mitted to the next meeting of the members entitled to vote thereon
14 held not less than ninety days after the date of the filing of the
15 request of the members with the secretary of the corporation. Writ-
16 ten notice setting forth the proposed amendment or a summary of
17 the changes to be effected thereby shall be given to each member
18 entitled to vote at such meeting within the time and in the manner
19 provided in this Act for the giving of notice of meetings of members.
20 The proposed amendment shall be adopted upon receiving at least
21 two-thirds of the votes which members present at such meeting or
22 represented by proxy are entitled to cast.

23 2. Where there are no members, or no members entitled to vote
24 thereon, an amendment shall be adopted at a meeting of the board
25 of directors upon receiving the vote of a majority of the directors in
26 office.

27 Any number of amendments may be submitted and voted upon at
28 any one meeting.

1 **SEC. 36. Articles of amendment.** The articles of amendment
2 shall be executed by the corporation by its president or a vice-presi-
3 dent and by its secretary or an assistant secretary, and acknowledged
4 by one of the officers signing such articles, and shall set forth:

5 1. The name of the corporation and the effective date of its incor-
6 poration; and its original name if different from the present name.

7 2. The amendment so adopted.

8 3. Where there are members entitled to vote thereon, (a) a state-
9 ment setting forth the date of the meeting of members at which the
10 amendment was adopted, that a quorum was present at such meet-
11 ing, and that such amendment received at least two-thirds of the

12 votes which members present at such meeting or represented by
13 proxy were entitled to cast, or (b) a statement that such amendment
14 was adopted by a consent in writing signed by all members entitled
15 to vote with respect thereto.

16 4. Where there are no members, or no members entitled to vote
17 thereon, a statement of such fact, the date of the meeting of the
18 board of directors at which the amendment was adopted, and a state-
19 ment of the fact that such amendment received the vote of a majority
20 of the directors in office.

1 **SEC. 37. Filing of articles of amendment.** The articles of amend-
2 ment shall be delivered to the secretary of state for filing and re-
3 cording in his office, and the same shall be filed and recorded in the
4 office of the county recorder. The secretary of state upon the filing
5 of the articles of amendment shall issue a certificate of amendment
6 and send the same to the corporation or its representative.

1 **SEC. 38. Effect of certificate of amendment.** Upon the issuance
2 of the certificate of amendment by the secretary of state, the amend-
3 ment shall become effective and the articles of incorporation shall be
4 deemed to be amended accordingly.

5 No amendment shall affect any existing cause of action in favor of
6 or against such corporation, or any pending action to which such
7 corporation shall be a party, or the existing rights of persons other
8 than members; and, in the event the corporate name shall be changed
9 by amendment, no suit brought by or against such corporation under
10 its former name shall abate for that reason.

1 **SEC. 39. Restated articles of incorporation.** A domestic corpora-
2 tion may at any time restate its articles of incorporation, which may
3 be amended by such restatement, so long as its articles of incorpora-
4 tion as so restated contain only such provisions as might be lawfully
5 contained in original articles of incorporation at the time of making
6 such restatement, by the adoption of restated articles of incorpora-
7 tion, including any amendments to its articles of incorporation to be
8 made thereby, in the following manner:

9 1. Where there are members having voting rights, the board of
10 directors shall adopt a resolution setting forth the proposed restated
11 articles of incorporation, which may include an amendment or amend-
12 ments to the corporation's articles of incorporation to be made there-
13 by and directing that such restated articles, including such amend-
14 ment or amendments be submitted to a vote at a meeting of members
15 having voting rights, which may be either an annual or a special
16 meeting.

17 2. Written or printed notice setting forth the proposed restated
18 articles or a summary of the provisions thereof shall be given to each
19 member entitled to vote at such meeting within the time and in the
20 manner provided in this Act for the giving of notice of meetings of
21 members. If the restated articles include an amendment or amend-
22 ments to the articles of incorporation to be made thereby, the notice
23 shall separately set forth such amendment or amendments or a sum-
24 mary of the changes to be effected thereby.

25 3. The proposed restated articles shall be adopted upon receiving
26 at least two-thirds of the votes which members present at such meet-

27 ing or represented by proxy are entitled to cast, unless such restated
28 articles include an amendment to the articles of incorporation to be
29 made thereby which, if contained in a proposed amendment to the
30 articles of incorporation to be made without restatement of the arti-
31 cles of incorporation, would entitle a class of members to vote as a
32 class thereon, in which event the proposed restated articles shall be
33 adopted upon receiving the affirmative vote of at least two-thirds of
34 the members of each class entitled to vote thereon as a class, and of
35 the total members entitled to vote thereon.

36 4. Where there are no members, or no members having voting
37 rights, proposed restated articles of incorporation, which may include
38 an amendment or amendments to the corporation's articles of incor-
39 poration to be made thereby shall be adopted at a meeting of the
40 board of directors upon receiving the vote of a majority of the direc-
41 tors in office.

42 Upon such approval, restated articles of incorporation shall be
43 executed by the corporation by its president or vice-president and by
44 its secretary or assistant secretary, and verified by one of the officers
45 signing the same, and shall set forth, as then stated in the corpora-
46 tion's articles of incorporation and, if the restated articles of incor-
47 poration include an amendment or amendments to the articles of
48 incorporation to be made thereby, as so amended:

49 a. The name of the corporation;

50 b. If its duration is for a limited period, the date of expiration;

51 c. The purpose or purposes for which the corporation is organized;

52 d. If the members are divided into classes, the designation of each
53 class and a statement of the preferences, voting rights, if any, limita-
54 tions and relative rights in respect of the members of each class;

55 e. Any other provisions, not inconsistent with law or the purposes
56 which the corporation is authorized to pursue, which are to be set
57 forth in articles of incorporation; except that it shall not be neces-
58 sary to set forth in the restated articles of incorporation any of the
59 corporate powers enumerated in this Act nor any statement with
60 respect to the chapter of the Code or Sessions Laws under which the
61 corporation was incorporated, its registered office, registered agent,
62 directors, or incorporators, or the date on which its corporate exist-
63 ence began.

64 The restated articles of incorporation shall also set forth a state-
65 ment that they correctly set forth the provisions of the articles of
66 incorporation as theretofore or thereby amended, that they have
67 been duly adopted as required by law and that they supersede the
68 original articles of incorporation and all amendments thereto.

69 The restated articles of incorporation shall be delivered to the sec-
70 retary of state for filing and recording in his office and the same shall
71 be filed and recorded in the office of the county recorder.

72 The secretary of state upon filing the restated articles of incorpo-
73 ration shall issue a restated certificate of incorporation and send the
74 same to the corporation or its representative.

75 Upon the issuance of the restated certificate of incorporation by
76 the secretary of state, the restated articles of incorporation, includ-
77 ing any amendment or amendments to the articles of incorporation

78 made thereby, shall become effective and shall supersede the original
79 articles of incorporation and all amendments thereto.

1 **SEC. 40. Procedure for merger.** Any two or more domestic cor-
2 porations may merge into one of such corporations, pursuant to a
3 plan of merger approved in the manner prescribed by this Act.

4 Each corporation shall adopt a plan of merger setting forth:

5 1. The names of the corporations proposing to merge, and the
6 name of the corporation into which they propose to merge, which is
7 hereinafter designated as the surviving corporation.

8 2. The terms and conditions of the proposed merger.

9 3. A statement of any changes in the articles of incorporation of
10 the surviving corporation to be effected by such merger.

11 4. Such other provisions with respect to the proposed merger as
12 are deemed necessary or desirable.

1 **SEC. 41. Procedure for consolidation.** Any two or more domestic
2 corporations may consolidate into a new corporation pursuant to a
3 plan of consolidation approved in the manner prescribed by this Act.

4 Each such corporation shall adopt a plan of consolidation setting
5 forth:

6 1. The names of the corporations proposing to consolidate, and the
7 name of the new corporation into which they propose to consolidate,
8 which is hereinafter designated as the new corporation.

9 2. The terms and conditions of the proposed consolidation.

10 3. With respect to the new corporation, all of the statements re-
11 quired to be set forth in articles of incorporation for corporations
12 organized under this Act.

13 4. Such other provisions with respect to the proposed consolidation
14 as are deemed necessary or desirable.

1 **SEC. 42. Approval of merger or consolidation.** A plan of merger
2 or consolidation shall be adopted by each domestic corporation in the
3 following manner:

4 1. Where the members of any merging or consolidating corpora-
5 tion are entitled to vote thereon, the board of directors of such cor-
6 poration shall adopt a resolution approving the proposed plan and
7 directing that it be submitted to a vote at a meeting of members
8 entitled to vote thereon, which may be either an annual or a special
9 meeting. Written notice setting forth the proposed plan or a sum-
10 mary thereof shall be given to each member entitled to vote thereon
11 at such meeting within the time and in the manner provided in this
12 Act for the giving of notice of meetings of members. The proposed
13 plan shall be adopted upon receiving at least two-thirds of the votes
14 which members present at each such meeting or represented by
15 proxy are entitled to cast.

16 2. Where any merging or consolidating corporation has no mem-
17 bers, or no members entitled to vote thereon, a plan of merger or
18 consolidation shall be adopted at a meeting of the board of directors
19 of such corporation upon receiving the vote of a majority of the
20 directors in office.

21 After such approval, and at any time prior to the filing of the
22 articles of merger or consolidation, the merger or consolidation may

23 be abandoned pursuant to provisions thereof, if any, set forth in the
24 plan of merger or consolidation.

1 SEC. 43. **Articles of merger or consolidation.** Upon such ap-
2 proval, articles of merger or articles of consolidation shall be exe-
3 cuted by each corporation by its president or a vice-president and by
4 its secretary or an assistant secretary, and acknowledged by one of
5 the officers of each corporation signing such articles, and shall set
6 forth:

7 1. The plan of merger or the plan of consolidation.

8 2. Where the members of any merging or consolidating corpora-
9 tion are entitled to vote thereon, then as to each such corporation
10 (a) a statement setting forth the date of the meeting of members
11 at which the plan was adopted, that a quorum was present at such
12 meeting, and that such plan received at least two-thirds of the votes
13 which members present at such meeting or represented by proxy
14 were entitled to cast, or (b) a statement that such amendment was
15 adopted by a consent in writing signed by all members entitled to
16 vote with respect thereto.

17 3. Where any merging or consolidating corporation has no mem-
18 bers, or no members entitled to vote thereon, then as to each such
19 corporation a statement of such fact, the date of the meeting of the
20 board of directors at which the plan was adopted and a statement of
21 the fact that such plan received the vote of a majority of the directors
22 in office.

23 The articles of merger or articles of consolidation shall be deliv-
24 ered to the secretary of state for filing and recording in his office,
25 and the same shall be filed and recorded in the office of the recorder
26 of each county in which the registered office of each domestic merg-
27 ing or consolidating corporation was located prior to the merger or
28 consolidation and, if the new corporation into which the corporations
29 have consolidated is a domestic corporation, in the office of the re-
30 corder of the county in which the registered office of the new cor-
31 poration is located.

32 The secretary of state upon the filing of the articles of merger or
33 articles of consolidation shall issue a certificate of merger or a cer-
34 tificate of consolidation and send the same to the surviving or new
35 corporation as the case may be, or to its representative.

1 SEC. 44. **Effect of merger or consolidation.** Upon the issuance of
2 the certificate of merger or the certificate of consolidation by the
3 secretary of state, the merger or consolidation shall be effected.

4 When such merger or consolidation has been effected:

5 1. The several corporations parties to the plan of merger or con-
6 solidation shall be a single corporation, which, in the case of a
7 merger, shall be that corporation designated in the plan of merger
8 as the surviving corporation, and, in the case of consolidation, shall
9 be the new corporation provided for in the plan of consolidation.

10 2. The separate existence of all corporations parties to the plan of
11 merger or consolidation, except the surviving or new corporation,
12 shall cease.

13 3. Such surviving or new corporation, if to exist under the laws of
14 this state, shall have all the rights, privileges, immunities and pow-

15 ers and shall be subject to all the duties and liabilities of a corpora-
16 tion organized under this Act.

17 4. Such surviving or new corporation shall thereupon and there-
18 after possess all the rights, privileges, immunities, and franchises, as
19 well of a public as of a private nature, of each of the merging or con-
20 solidating corporations; and all property, real, personal and mixed,
21 and all debts due on whatever account, and all other choses in action,
22 and all and every other interest, of or belonging to or due to each of
23 the corporations so merged or consolidated, shall be taken and deemed
24 to be transferred to and vested in such single corporation without
25 further act or deed; and the title to any real estate, or any interest
26 therein, vested in any of such corporations shall not revert or be in
27 any way impaired by reason of such merger or consolidation.

28 5. Such surviving or new corporation shall thenceforth be respon-
29 sible and liable for all the liabilities and obligations of each of the
30 corporations so merged or consolidated; and any claim existing or
31 action or proceeding pending by or against any of such corporations
32 may be prosecuted as if such merger or consolidation had not taken
33 place, or such surviving or new corporation may be substituted in its
34 place. Neither the rights of creditors nor any liens upon the prop-
35 erty of any such corporation shall be impaired by such merger or
36 consolidation.

37 6. In the case of a merger, the articles of incorporation of the
38 surviving corporation shall be deemed to be amended to the extent,
39 if any, that changes in its articles of incorporation are stated in the
40 plan of merger; and, in the case of a consolidation, the statements
41 set forth in the articles of consolidation and which are required or
42 permitted to be set forth in the articles of incorporation of corpora-
43 tions organized under this Act shall be deemed to be the original
44 articles of incorporation of the new corporation.

1 SEC. 45. **Merger or consolidation of domestic and foreign corpora-**
2 **tions.** One or more foreign corporations and one or more domestic
3 corporations may be merged or consolidated in the following manner,
4 if such merger or consolidation is permitted by the laws of the state
5 under which each such foreign corporation is organized:

6 1. Each domestic corporation shall comply with the provisions of
7 this Act with respect to the merger or consolidation, as the case may
8 be, of domestic corporations and each foreign corporation shall com-
9 ply with the applicable provisions of the laws of the state under
10 which it is organized.

11 2. If the surviving or new corporation, as the case may be, is to
12 be governed by the laws of any state other than this state, it shall
13 comply with the provisions of this Act with respect to qualification
14 of foreign corporations if it is to conduct affairs in this state, and in
15 every case it shall file with the secretary of state of this state:

16 a. an agreement that it may be served with process in this state in
17 any proceeding for the enforcement of any obligation of any domestic
18 corporation which is a party to such merger or consolidation; and

19 b. an irrevocable appointment of the secretary of state of this
20 state as its agent to accept service of process in any such proceeding.

21 The effect of such merger or consolidation shall be the same as in
22 the case of the merger or consolidation of domestic corporations, if

23 the surviving or new corporation is to be governed by the laws of
24 this state. If the surviving or new corporation is to be governed by
25 the laws of any state other than this state, the effect of such merger
26 or consolidation shall be the same as in the case of the merger or
27 consolidation of domestic corporations except in so far as the laws
28 of the other state provide otherwise.

29 At any time prior to the filing of the articles of merger or con-
30 solidation, the merger or consolidation may be abandoned pursuant
31 to provisions therefor, if any, set forth in the plan of merger or
32 consolidation.

1 SEC. 46. **Sale, lease, exchange, or mortgage of assets.** A sale,
2 lease, exchange or other disposition of all, or substantially all, the
3 property and assets of a corporation may be made upon such terms
4 and conditions and for such consideration, which may consist in
5 whole or in part of money or property, real or personal, including
6 shares of any corporation for profit, domestic or foreign, as may be
7 authorized in the following manner:

8 1. Where there are members entitled to vote thereon, the board of
9 directors shall adopt a resolution recommending such sale, lease,
10 exchange or other disposition and directing that it be submitted to
11 a vote at a meeting of members entitled to vote thereon, which may
12 be either an annual or a special meeting. Written notice stating that
13 the purpose, or one of the purposes, of such meeting is to consider
14 the sale, lease, exchange or other disposition of all, or substantially
15 all, the property and assets of the corporation shall be given to each
16 member entitled to vote at such meeting, within the time and in the
17 manner provided by this Act for the giving of notice of meetings of
18 members. At such meeting the members may authorize such sale,
19 lease, exchange or other disposition and may fix, or may authorize
20 the board of directors to fix, any or all of the terms and conditions
21 thereof and the consideration to be received by the corporation there-
22 for. Such authorization shall require at least two-thirds of the votes
23 which members present at such meeting or represented by proxy are
24 entitled to cast. After such authorization by a vote of members, the
25 board of directors, nevertheless, in its discretion, may abandon such
26 sale, lease, exchange or other disposition of assets, subject to the
27 rights of third parties under any contracts relating thereto, without
28 further action or approval by members.

29 2. Where there are no members, or no members entitled to vote
30 thereon, a sale, lease, exchange or other disposition of all, or sub-
31 stantially all, the property and assets of a corporation shall be au-
32 thorized upon receiving the vote of a majority of the directors in
33 office.

34 3. Unless otherwise provided in the articles of incorporation a
35 mortgage or pledge of any or all property and assets of the corpora-
36 tion may be made upon such terms and conditions and for such con-
37 sideration, which may consist in whole or in part of money or prop-
38 erty, real or personal, including shares of any other corporation,
39 domestic or foreign, as shall be authorized by its board of directors;
40 and in such case no authorization or consent of the members shall be
41 required.

1 **SEC. 47. Voluntary dissolution.** A corporation may dissolve and
2 wind up its affairs in the following manner:

3 1. Where there are members entitled to vote thereon, the board of
4 directors shall adopt a resolution recommending that the corporation
5 be dissolved, and directing that the question of such dissolution be
6 submitted to a vote at a meeting of members entitled to vote thereon,
7 which may be either an annual or a special meeting. Written notice
8 stating that the purpose, or one of the purposes, of such meeting is
9 to consider the advisability of dissolving the corporation, shall be
10 given to each member entitled to vote at such meeting, within the
11 time and in the manner provided in this Act for the giving of notice
12 of meetings of members. A resolution to dissolve the corporation
13 shall be adopted upon receiving at least two-thirds of the votes which
14 members present at such meeting or represented by proxy are en-
15 titled to cast.

16 2. Where there are no members, or no members entitled to vote
17 thereon, the dissolution of the corporation shall be authorized at a
18 meeting of the board of directors upon the adoption of a resolution
19 to dissolve by the vote of a majority of the directors in office.

20 Upon the adoption of such resolution by the members, or by the
21 board of directors where there are no members or no members en-
22 titled to vote thereon, the corporation shall cease to conduct its affairs
23 except insofar as may be necessary for the winding up thereof, shall
24 immediately cause a notice of the proposed dissolution to be mailed
25 to each known creditor of the corporation, and shall proceed to col-
26 lect its assets and apply and distribute them as provided in this Act.

1 **SEC. 48. Distribution of assets.** The assets of a corporation in
2 the process of dissolution shall be applied and distributed as follows:

3 1. All liabilities and obligations of the corporation shall be paid
4 and discharged, or adequate provision shall be made therefor;

5 2. Assets held by the corporation upon condition requiring return,
6 transfer or conveyance, which condition occurs by reason of the dis-
7 solution, shall be returned, transferred or conveyed in accordance
8 with such requirements;

9 3. Assets received and held by the corporation subject to limita-
10 tions permitting their use only for charitable, religious, eleemosy-
11 nary, benevolent, educational or similar purposes, but not held upon
12 a condition requiring return, transfer or conveyance by reason of the
13 dissolution, shall be transferred or conveyed to one or more domestic
14 or foreign corporations, societies or organizations engaged in activ-
15 ities substantially similar to those of the dissolving corporation, pur-
16 suant to a plan of distribution adopted as provided in this Act;

17 4. Other assets, if any, shall be distributed in accordance with the
18 provisions of the articles of incorporation or the bylaws to the extent
19 that the articles of incorporation or bylaws determine the distributive
20 rights of members, or any class or classes of members, or provide for
21 distribution to others;

22 5. Any remaining assets may be distributed to such persons, soci-
23 eties, organizations or domestic or foreign corporations, whether for
24 profit or nonprofit, as may be specified in a plan of distribution
25 adopted as provided in this Act.

1 **SEC. 49. Plan of distribution.** A plan providing for the distribu-
2 tion of assets, not inconsistent with the provisions of this Act, may
3 be adopted by a corporation in the process of dissolution and shall be
4 adopted by a corporation for the purpose of authorizing any transfer
5 or conveyance of assets for which this Act requires a plan of distri-
6 bution, in the following manner:

7 1. Where there are members entitled to vote thereon, the board of
8 directors shall adopt a resolution recommending a plan of distribu-
9 tion and directing the submission thereof to a vote at a meeting of
10 members entitled to vote thereon, which may be either an annual or
11 a special meeting. Written notice setting forth the proposed plan of
12 distribution or a summary thereof shall be given to each member
13 entitled to vote at such meeting, within the time and in the manner
14 provided in this Act for the giving of notice of meetings of members.
15 Such plan of distribution shall be adopted upon receiving at least
16 two-thirds of the votes which members present at such meeting or
17 represented by proxy are entitled to cast.

18 2. Where there are no members, or no members entitled to vote
19 thereon, a plan of distribution shall be adopted at a meeting of the
20 board of directors upon receiving a vote of a majority of the direc-
21 tors in office.

1 **SEC. 50. Revocation of voluntary dissolution proceedings.** A cor-
2 poration may, at any time prior to the issuance of a certificate of
3 dissolution by the secretary of state, revoke the action theretofore
4 taken to dissolve the corporation, in the following manner:

5 1. Where there are members entitled to vote thereon, the board of
6 directors shall adopt a resolution recommending that the voluntary
7 dissolution proceedings be revoked, and directing that the question
8 of such revocation be submitted to a vote at a meeting of members
9 entitled to vote thereon, which may be either an annual or a special
10 meeting. Written notice stating that the purpose, or one of the pur-
11 poses, of such meeting is to consider the advisability of revoking the
12 voluntary dissolution proceedings, shall be given to each member
13 entitled to vote at such meeting, within the time and in the manner
14 provided in this Act for the giving of notice of meetings of members.
15 A resolution to revoke the voluntary dissolution proceedings shall be
16 adopted upon receiving at least two-thirds of the votes which mem-
17 bers present at such meeting or represented by proxy are entitled to
18 cast.

19 2. Where there are no members, or no members entitled to vote
20 thereon, a resolution to revoke the voluntary dissolution proceedings
21 shall be adopted at a meeting of the board of directors upon receiving
22 the vote of a majority of the directors in office.

23 Upon the adoption of such resolution by the members, or by the
24 board of directors where there are no members or no members en-
25 titled to vote thereon, the corporation may thereupon again conduct
26 its affairs.

1 **SEC. 51. Articles of dissolution.** If voluntary dissolution pro-
2 ceedings have not been revoked, then when all debts, liabilities and
3 obligations of the corporation shall have been paid and discharged,
4 or adequate provision shall have been made therefor, and all of the

5 remaining property and assets of the corporation shall have been
6 transferred, conveyed or distributed in accordance with the provi-
7 sions of this Act, articles of dissolution shall be executed by the cor-
8 poration by its president or a vice-president, and by its secretary or
9 an assistant secretary, and verified by one of the officers signing such
10 statement, which statement shall set forth:

11 1. The name of the corporation.

12 2. Where there are members entitled to vote thereon, (a) a state-
13 ment setting forth the date of the meeting of members at which the
14 resolution to dissolve was adopted, that a quorum was present at
15 such meeting, and that such resolution received at least two-thirds
16 of the votes which members present at such meeting or represented
17 by proxy were entitled to cast, or (b) a statement that such reso-
18 lution was adopted by a consent in writing signed by all members
19 entitled to vote with respect thereto.

20 3. Where there are no members, or no members entitled to vote
21 thereon, a statement of such fact, the date of the meeting of the
22 board of directors at which the resolution to dissolve was adopted
23 and a statement of the fact that such resolution received the vote of a
24 majority of the directors in office.

25 4. That all debts, obligations, and liabilities of the corporation
26 have been paid and discharged or that adequate provision has been
27 made therefor.

28 5. A copy of the plan of distribution, if any, as adopted by the
29 corporation, or a statement that no plan was so adopted.

30 6. That all the remaining property and assets of the corporation
31 have been transferred, conveyed or distributed in accordance with
32 the provisions of this Act.

33 7. That there are no suits pending against the corporation in any
34 court, or that adequate provision has been made for the satisfaction
35 of any judgment, order or decree which may be entered against it
36 in any pending suit.

1 **SEC. 52. Filing of articles of dissolution.** Such articles of disso-
2 lution shall be delivered to the secretary of state for filing and re-
3 cording in his office, and the same shall be filed and recorded in the
4 office of the county recorder.

5 The secretary of state upon filing the articles of dissolution shall
6 issue a certificate of dissolution, and send the same to the representa-
7 tive of the dissolved corporation. Upon the issuance of such certifi-
8 cate of dissolution the existence of the corporation shall cease, except
9 for the purpose of suits, other proceedings and appropriate corporate
10 action by members, directors and officers as provided in this Act.

1 **SEC. 53. Involuntary dissolution.** A corporation may be dis-
2 solved involuntarily by a decree of the district court in an action filed
3 by the attorney general when it is established that:

4 1. The corporation has failed to file its annual report within the
5 time required by this Act; or

6 2. The corporation procured its articles of incorporation through
7 fraud; or

8 3. The corporation has continued to exceed or abuse the authority
9 conferred upon it by law; or

10 4. The corporation has failed for ninety days to appoint and main-
11 tain a registered agent in this state; or

12 5. The corporation has failed for ninety days after change of its
13 registered agent to file in the office of the secretary of state a state-
14 ment of such change.

1 SEC. 54. **Notification to attorney general.** The secretary of state,
2 on or before the first day of July of each year, shall certify to the
3 attorney general the names of all corporations which have failed to
4 file their annual reports in accordance with the provisions of this Act.
5 He shall also certify, from time to time, the names of all corporations
6 which have given other cause for dissolution as provided in this Act,
7 together with the facts pertinent thereto. Whenever the secretary of
8 state shall certify the name of a corporation to the attorney general
9 as having given any cause for dissolution, the secretary of state shall
10 concurrently mail to the corporation at its registered office a notice
11 that such certification has been made. Upon the receipt of such cer-
12 tification, the attorney general shall file an action in the name of the
13 state against such corporation for its dissolution. Every such certifi-
14 cate from the secretary of state to the attorney general pertaining to
15 the failure of a corporation to file an annual report shall be taken and
16 received in all courts as prima-facie evidence of the facts therein
17 stated. If, before action is filed, the corporation shall file its annual
18 report, or shall appoint or maintain a registered agent as provided in
19 this Act, or shall file with the secretary of state the required state-
20 ment of change of registered agent, such fact shall be forthwith cer-
21 tified by the secretary of state to the attorney general and he shall
22 not file an action against such corporation for such cause. If, after
23 action is filed, the corporation shall file its annual report, or shall
24 appoint or maintain a registered agent as provided in this Act, or
25 shall file with the secretary of state the required statement of change
26 of registered agent, and shall pay the costs of such action, the action
27 for such cause shall abate.

1 SEC. 55. **Venue and process.** Every action for the involuntary
2 dissolution of a corporation shall be commenced by the attorney gen-
3 eral in the district court of the county in which the registered office
4 of the corporation is situated. Original notice shall be served as in
5 other civil actions. If process is returned not found, the attorney
6 general shall cause publication to be made as in other civil cases in
7 some newspaper published in the county where the registered office
8 of the corporation is situated, containing a notice of the pendency of
9 such action, the title of the court, the title of the action, and the date
10 on or after which default may be entered. The attorney general may
11 include in one notice and in one petition the names of any number of
12 corporations against which actions are then pending in the same
13 county. The attorney general shall cause a copy of such notice to be
14 mailed to the corporation at its registered office within ten days after
15 the first publication thereof. The certificate of the attorney general
16 of the mailing of such notice shall be prima-facie evidence thereof.
17 Such notice shall be published at least once each week for two suc-
18 cessive weeks, and the first publication thereof may begin at any
19 time after the original notice has been returned. Unless a corpora-

20 tion shall have been served with original notice, no default shall be
 21 taken against it earlier than thirty days after the last publication of
 22 such notice.

1 **SEC. 56. Jurisdiction of court to liquidate assets and affairs of**
 2 **corporation.** Courts of equity shall have full power to liquidate the
 3 assets and affairs of a corporation:

4 1. In a suit by a member or director when it is established:
 5 a. That the directors are deadlocked in the management of the cor-
 6 porate affairs and that irreparable injury to the corporation is being
 7 suffered or is threatened by reason thereof, and either that the mem-
 8 bers are unable to break the deadlock or there are no members hav-
 9 ing voting rights; or

10 b. That the acts of the directors or those in control of the corpora-
 11 tion are illegal, oppressive or fraudulent; or

12 c. That the members entitled to vote in the election of directors
 13 are deadlocked in voting power and have failed for at least two years
 14 to elect successors to directors whose terms have expired or would
 15 have expired upon the election of their successors; or

16 d. That the corporate assets are being misapplied or wasted; or

17 e. That the corporation is unable to carry out its purposes.

18 2. In an action by a creditor:

19 a. When the claim of the creditor has been reduced to judgment
 20 and an execution thereon has been returned unsatisfied and it is
 21 established that the corporation is insolvent; or

22 b. When the corporation has admitted in writing that the claim
 23 of the creditor is due and owing and it is established that the cor-
 24 poration is insolvent.

25 3. Upon application by a corporation to have its dissolution con-
 26 tinued under the supervision of the court.

27 4. When an action has been filed by the attorney general to dis-
 28 solve a corporation and it is established that liquidation of its affairs
 29 should precede the entry of a decree of dissolution.

30 Proceedings under this section shall be brought in the county in
 31 which the registered office or the principal office of the corporation
 32 is situated.

33 It shall not be necessary to make directors or members parties to
 34 any such suit or proceedings unless relief is sought against them
 35 personally.

1 **SEC. 57. Procedure in liquidation of corporation by court.** In
 2 proceedings to liquidate the assets and affairs of a corporation the
 3 court shall have the power to issue injunctions, to appoint a receiver
 4 or receivers *pendente lite*, with such powers and duties as the court,
 5 from time to time, may direct, and to take such other proceedings as
 6 may be requisite to preserve the corporate assets wherever situated,
 7 and carry on the affairs of the corporation until a full hearing can
 8 be had.

9 After a hearing had upon such notice as the court may direct to be
 10 given to all parties to the proceedings and to any other parties in
 11 interest designated by the court, the court may appoint a liquidating
 12 receiver or receivers with authority to collect the assets of the cor-
 13 poration. Such liquidating receiver or receivers shall have authority,

14 subject to the order of the court to sell, convey and dispose of all or
15 any part of the assets of the corporation wherever situated, either at
16 public or private sale. The order appointing such liquidating receiver
17 or receivers shall state their powers and duties. Such powers and
18 duties may be increased or diminished at any time during the pro-
19 ceedings.

20 The assets of the corporation or the proceeds resulting from a sale,
21 conveyance, or other disposition thereof shall be applied and distrib-
22 uted as follows:

23 1. All costs and expenses of the court proceedings and all liabili-
24 ties and obligations of the corporation shall be paid, satisfied and
25 discharged, or adequate provision shall be made therefor;

26 2. Assets held by the corporation upon condition requiring return,
27 transfer or conveyance, which condition occurs by reason of the dis-
28 solution or liquidation, shall be returned, transferred or conveyed in
29 accordance with such requirements;

30 3. Assets received and held by the corporation subject to limita-
31 tions permitting their use only for charitable, religious, eleemosy-
32 nary, benevolent, educational or similar purposes, but not held upon a
33 condition requiring return, transfer or conveyance by reason of the
34 dissolution or liquidation, shall be transferred or conveyed to one or
35 more domestic or foreign corporations, societies or organizations
36 engaged in activities substantially similar to those of the dissolving
37 or liquidating corporation as the court may direct;

38 4. Other assets, if any, shall be distributed in accordance with the
39 provisions of the articles of incorporation or the bylaws to the extent
40 that the articles of incorporation or bylaws determine the distribu-
41 tive rights of members, or any class or classes of members, or pro-
42 vide for distribution to others;

43 5. Any remaining assets may be distributed to such persons, soci-
44 eties, organizations or domestic or foreign corporations, whether for
45 profit or not for profit, specified in the plan of distribution adopted
46 as provided in this Act, or where no plan of distribution has been
47 adopted, as the court may direct.

48 The court shall have power to allow, from time to time, as expenses
49 of the liquidation compensation to the receiver or receivers and to
50 attorneys in the proceeding, and to direct the payment thereof out of
51 the assets of the corporation or the proceeds of any sale or disposition
52 of such assets.

53 A receiver of a corporation appointed under the provisions of this
54 section shall have authority to sue and defend in all courts in his own
55 name as receiver of such corporation. The court appointing such
56 receiver shall have exclusive jurisdiction of the corporation and its
57 property, wherever situated.

1 **SEC. 58. Qualification of receivers.** A receiver shall in all cases
2 be a citizen of the United States or a corporation for profit author-
3 ized to act as receiver, which corporation may be a domestic corpora-
4 tion or a foreign corporation authorized to transact business in this
5 state, and shall in all cases give such bond as the court may direct
6 with such sureties as the court may require.

1 **SEC. 59. Filing of claims in liquidation proceedings.** In proceed-
2 ings to liquidate the assets and affairs of a corporation the court may
3 require all creditors of the corporation to file with the clerk of the
4 court or with the receiver, in such form as the court may prescribe,
5 proofs under oath of their respective claims. If the court requires
6 the filing of claims it shall fix a date, which shall be not less than
7 four months from the date of the order, as the last day for the filing
8 of claims, and shall prescribe the notice that shall be given to cred-
9 itors and claimants of the date so fixed. Prior to the date so fixed,
10 the court may extend the time for the filing of claims. Creditors and
11 claimants failing to file proofs of claim on or before the date so fixed
12 may be barred, by order of court, from participating in the distribu-
13 tion of the assets of the corporation.

1 **SEC. 60. Discontinuance of liquidation proceedings.** The liquida-
2 tion of the assets and affairs of a corporation may be discontinued at
3 any time during the liquidation proceedings when it is established
4 that cause for liquidation no longer exists. In such event the court
5 shall dismiss the proceedings and direct the receiver to redeliver to
6 the corporation all its remaining property and assets.

1 **SEC. 61. Decree of dissolution.** In proceedings to liquidate the
2 assets and affairs of a corporation, when the costs and expenses of
3 such proceedings and all debts, obligations, and liabilities of the cor-
4 poration shall have been paid and discharged and all of its remain-
5 ing property and assets distributed in accordance with the provisions
6 of this Act, or in case its property and assets are not sufficient to
7 satisfy and discharge such costs, expenses, debts, and obligations,
8 and all the property and assets have been applied so far as they will
9 go to their payment, the court shall enter a decree dissolving the
10 corporation, whereupon the existence of the corporation shall cease.

1 **SEC. 62. Filing of decree of dissolution.** In case the court shall
2 enter a decree dissolving a corporation, it shall be the duty of the
3 clerk of such court to cause certified copies of the decree to be filed
4 with and recorded by the secretary of state and the county recorder
5 of the county in which is located the corporation's registered office.
6 No fee shall be charged by the secretary of state or said county re-
7 corder for the filing or recording thereof.

1 **SEC. 63. Deposit with state treasurer.**
2 1. Upon the voluntary or involuntary dissolution of a corporation
3 the portion of the assets distributable to any person who is known,
4 or who is under disability and there is no person legally competent
5 to receive such distributive portion, or who cannot be found after the
6 exercise of reasonable diligence by the person or persons responsible
7 for the distribution in liquidation of the corporation's assets, shall be
8 reduced to cash and deposited with the state treasurer, together with
9 a statement giving the name of the person, if known, entitled to such
10 fund, his last known address, the amount of his distributive portion,
11 and such other information about such person as the state treasurer
12 may reasonably require, whereupon the person or persons responsible
13 for the distribution in liquidation of the corporation's assets shall be
14 released and discharged from any further liability with respect to

15 the funds so deposited. The state treasurer shall issue his receipt for
16 such fund and shall deposit same in a special account to be main-
17 tained by him.

18 2. On receipt of satisfactory written and verified proof of owner-
19 ship of or right to such fund within twenty years from the date such
20 fund was so deposited, the state treasurer shall certify such fact to
21 the state comptroller, who shall issue proper warrant therefor drawn
22 on the state treasurer in favor of the person or persons then entitled
23 thereto. If no claimant has made satisfactory proof of right to such
24 fund within twenty years from the time of such deposit, the state
25 treasurer shall then cause to be published in one issue of a newspaper
26 of general circulation in the county of the last registered office of the
27 corporation, as shown by the records of the secretary of state, a
28 notice of the proposed escheat of such fund, giving the name of the
29 person apparently entitled thereto, his last known address, if any,
30 the amount of the fund so deposited, and the name of the dissolved
31 corporation from whose assets such fund was derived. If no claimant
32 makes satisfactory proof of right to such fund within two months
33 from the time of such publication, the fund so unclaimed shall there-
34 upon automatically escheat to and become the property of the gen-
35 eral fund of the state.

1 **SEC. 64. Survival of rights and remedies after dissolution or ex-**
2 **piration.** The dissolution of a corporation or the expiration of its
3 period of duration, shall not take away or impair any remedy avail-
4 able to or against such corporation, its directors, officers, or members,
5 for any right or claim existing, or any liability incurred, prior to such
6 dissolution or expiration, if action or other proceeding thereon is
7 commenced within two years after the date of such dissolution or
8 expiration. Any such action or proceeding by or against the corpora-
9 tion may be prosecuted or defended by the corporation in its corpo-
10 rate name. The members, directors and officers shall have power to
11 take such corporate or other action as shall be appropriate to protect
12 such remedy, right or claim. If the period of duration of a corpora-
13 tion has expired, it may amend its articles of incorporation at any
14 time within five years after the date of such expiration so as to
15 extend its period of duration.

16 A corporation which has been dissolved or the period of duration
17 of which has expired by limitation or otherwise, may nevertheless
18 continue to act for the purpose of conveying title to its property, real
19 and personal, and otherwise winding up its affairs.

1 **SEC. 65. Admission of foreign corporation.** No foreign corpora-
2 tion shall have the right to conduct affairs in this state until it shall
3 have procured a certificate of authority so to do from the secretary
4 of state. No foreign corporation shall be entitled to procure a cer-
5 tificate of authority under this Act to conduct in this state any affairs
6 which a corporation organized under this Act is prohibited from con-
7 ducting. A foreign corporation shall not be denied a certificate of
8 authority by reason of the fact that the laws of the state or country
9 under which such corporation is organized governing its organization
10 and internal affairs differ from the laws of this state, and nothing in

11 this Act contained shall be construed to authorize this state to regu-
12 late the organization or the internal affairs of such corporation.

13 Without excluding other activities which may not constitute con-
14 ducting affairs in this state, a foreign corporation shall not be con-
15 sidered to be conducting affairs in this state, for the purposes of this
16 Act, by reason of carrying on in this state any one or more of the
17 following activities:

18 1. Maintaining or defending any action or suit or any administra-
19 tive or arbitration proceeding, or effecting the settlement thereof or
20 the settlement of claims or disputes.

21 2. Holding meetings of its directors or members or carrying on
22 other activities concerning its internal affairs.

23 3. Maintaining bank accounts.

24 4. Creating evidences of debt, mortgages or liens on real or per-
25 sonal property.

26 5. Securing or collecting debts due to it or enforcing any rights in
27 property securing the same.

28 6. Soliciting funds.

29 7. Conducting its affairs in interstate commerce.

30 8. Granting funds.

31 9. Distributing information to its members.

32 10. Conducting an isolated transaction completed within a period
33 of thirty days and not in the course of a number of repeated transac-
34 tions of like nature.

1 **SEC. 66. Powers of foreign corporation.** A foreign corporation
2 which shall have received a certificate of authority under this Act,
3 shall, until a certificate of revocation or of withdrawal shall have
4 been issued as provided in this Act, enjoy the same, but no greater,
5 rights and privileges as a domestic corporation organized for the pur-
6 poses set forth in the application pursuant to which such certificate
7 of authorization is issued; and, except as in this Act otherwise pro-
8 vided, shall be subject to the same duties, restrictions, penalties and
9 liabilities now or hereafter imposed upon a domestic corporation of
10 like character.

1 **SEC. 67. Corporate name of foreign corporation.** No certificate
2 of authority shall be issued to a foreign corporation unless the cor-
3 porate name of such corporation:

4 1. Shall not contain any word or phrase which indicates or implies
5 that it is organized for any purpose other than one or more of the
6 purposes contained in its articles of incorporation.

7 2. Shall not be the same as, or deceptively similar to, the name of
8 any corporation, whether for profit or not for profit, existing under
9 the laws of this state, or any foreign corporation, whether for profit
10 or not for profit, authorized to transact business or conduct affairs in
11 this state, or a corporate name reserved or registered as permitted
12 by the laws of this state.

13 3. Shall be transliterated into letters of the English alphabet, if it
14 is not in English.

1 **SEC. 68. Change of name by foreign corporation.** Whenever a
2 foreign corporation which is authorized to conduct affairs in this state
3 shall change its name to one under which a certificate of authority

4 would not be granted to it on application therefor, the certificate of
5 authority of such corporation shall be suspended and it shall not
6 thereafter conduct any affairs in this state until it has changed its
7 name to a name which is available to it under the laws of this state.

1 **SEC. 69. Application for certificate of authority.** A foreign cor-
2 poration, in order to procure a certificate of authority to conduct
3 affairs in this state, shall make application therefor to the secretary
4 of state, which application shall set forth:

5 1. The name of the corporation and the state or country under the
6 laws of which it is incorporated.

7 2. The date of incorporation and the period of duration of the cor-
8 poration.

9 3. The address of the principal office of the corporation in the state
10 or country under the laws of which it is incorporated.

11 4. The address of the proposed registered office of the corporation
12 in this state, and the name of its proposed registered agent or agents
13 in this state at such address.

14 5. The purpose or purposes of the corporation which it proposes to
15 pursue in conducting its affairs in this state.

16 6. The names and respective addresses of the directors and officers
17 of the corporation.

18 7. Such additional information as may be necessary or appropriate
19 in order to enable the secretary of state to determine whether such
20 corporation is entitled to a certificate of authority to conduct affairs
21 in this state.

22 Such application shall be made on forms prescribed and furnished
23 by the secretary of state and shall be executed in duplicate by the
24 corporation by its president or a vice-president and by its secretary
25 or an assistant secretary, and verified by one of the officers signing
26 such application.

1 **SEC. 70. Filing of application for certificate of authority.** Dupli-
2 cate originals of the application of the corporation for a certificate of
3 authority, together with a copy of its articles of incorporation and all
4 amendments thereto, duly certified by the proper officer of the state
5 or country under the laws of which it is incorporated, shall be deliv-
6 ered to the secretary of state for filing in his office.

7 Upon the filing of the application the secretary of state shall issue
8 a certificate of authority to conduct affairs in this state to which he
9 shall affix the other duplicate original application, and send the same
10 to the corporation or its representative.

1 **SEC. 71. Effect of certificate of authority.** Upon the issuance of
2 a certificate of authority by the secretary of state, the corporation
3 shall be authorized to conduct affairs in this state for those purposes
4 set forth in its application, subject, however, to the right of this
5 state to suspend or to revoke such authority as provided in this Act.

1 **SEC. 72. Registered office and registered agent of foreign corpo-**
2 **ration.** Each foreign corporation authorized to conduct affairs in
3 this state shall have and continuously maintain in this state:

4 1. A registered office which may be, but need not be, the same as
5 its principal office.

6 2. A registered agent or agents which may be either an individual
7 resident in this state whose business office is identical with such
8 registered office, or a domestic corporation, whether for profit or not
9 for profit, or a foreign corporation, whether for profit or not for
10 profit, authorized to transact business or conduct affairs in this state,
11 having an office identical with such registered office.

1 **SEC. 73. Change of registered office or registered agent of foreign**
2 **corporation.** A foreign corporation authorized to conduct affairs in
3 this state may change its registered office or change its registered
4 agent or agents, or both office and agent or agents, upon filing in the
5 office of the secretary of state a statement setting forth:

- 6 1. The name of the corporation.
- 7 2. The address of its then registered office.
- 8 3. If the address of its registered office be changed, the address to
9 which the registered office is to be changed.
- 10 4. The name of its then registered agent or agents.
- 11 5. If its registered agent or agents be changed, the name of its
12 successor registered agent or agents.
- 13 6. That the address of its registered office and the address of the
14 business office of its registered agent or agents, as changed, will be
15 identical.
- 16 7. That such change was authorized by resolution duly adopted by
17 its board of directors.

18 Such statement shall be executed by the corporation by its presi-
19 dent or a vice-president, and verified by him, and delivered to the
20 secretary of state. If the secretary of state finds that such statement
21 conforms to the provisions of this Act, he shall file such statement in
22 his office, and upon such filing the change of address of the registered
23 office, or the appointment of a new registered agent or agents, or
24 both, as the case may be, shall become effective.

25 If a registered agent or agents change his, their or its business
26 address to another place within the same county, he, they or it may
27 change such address and the address of the registered office of any
28 corporations of which he, they or it is registered agent by filing a
29 statement as required above for each corporation, or a single state-
30 ment for all corporations named therein, except that it need be signed
31 only by the registered agent or agents and need not be responsive to
32 subsections five (5) and seven (7) above, and must recite that noti-
33 fication of such change has been mailed to each such corporation.
34 Such statement executed and filed by a registered agent shall become
35 effective upon the filing thereof in the manner as required above for
36 statements executed by the foreign corporation.

37 Any registered agent of a foreign corporation may resign as such
38 agent upon filing a written notice thereof, executed in duplicate, with
39 the secretary of state, who shall forthwith mail a copy thereof to the
40 corporation at its principal office in the state or country under the
41 laws of which it is incorporated. The appointment of such agent
42 shall terminate upon the expiration of thirty days after receipt of
43 such notice by the secretary of state.

1 **SEC. 74. Service of process on foreign corporation.** Each regis-
2 tered agent so appointed by a foreign corporation authorized to con-

3 duct affairs in this state shall be an agent of such corporation upon
4 whom any process, notice or demand required or permitted by law to
5 be served upon the corporation may be served.

6 Whenever a foreign corporation authorized to conduct affairs in
7 this state shall fail to appoint or maintain a registered agent in this
8 state, or whenever any such registered agent cannot with reasonable
9 diligence be found at the registered office, or whenever the certificate
10 of authority of a foreign corporation shall be suspended or revoked,
11 then the secretary of state shall be an agent of such corporation upon
12 whom any such process, notice, or demand may be served. Service
13 on the secretary of state of any such process, notice or demand shall
14 be made by delivering to and leaving with him, or with any clerk
15 having charge of the corporation department of his office, duplicate
16 copies of such process, notice or demand. In the event any such process,
17 notice or demand is served on the secretary of state, he shall
18 immediately cause one of such copies thereof to be forwarded by
19 registered or certified mail, addressed to the corporation at its principal
20 office in the state or country under the laws of which it is incorporated.
21 Any service so had on the secretary of state shall be
22 returnable in not less than thirty days.

23 The secretary of state shall keep a record of all processes, notices
24 and demands served upon him under this section, and shall record
25 therein the time of such service and his action with reference thereto.

26 Nothing herein contained shall limit or affect the right to serve any
27 process, notice or demand, required or permitted by law to be served
28 upon a corporation in any other manner now or hereafter permitted
29 by law.

1 **SEC. 75. Amendment to articles of incorporation of foreign corporation.**
2 Whenever the articles of incorporation of a foreign corporation authorized to
3 conduct affairs in this state are amended, such foreign corporation shall,
4 within thirty days after such amendment becomes effective, file in the office
5 of the secretary of state a copy of such amendment duly certified by the
6 proper officer of the state or country under the laws of which it is
7 incorporated; but the filing thereof shall not of itself enlarge or alter
8 the purpose or purposes which such corporation is authorized to pursue
9 in conducting its affairs in this state, nor authorize such corporation to
10 conduct affairs in this state under any other name than the name set forth
11 in its certificate of authority.

1 **SEC. 76. Merger of foreign corporation authorized to conduct affairs in this state.**
2 Whenever a foreign corporation authorized to conduct affairs in this state
3 shall be a party to a statutory merger permitted by the laws of the state
4 or country under the laws of which it is incorporated, and such corporation
5 shall be the surviving corporation, it shall, within thirty days after such
6 merger becomes effective, file with the secretary of state a copy of the
7 articles of merger duly certified by the proper officer of the state or
8 country under the laws of which such statutory merger was effected; and
9 it shall not be necessary for such corporation to procure either a new or
10 amended certificate of authority to conduct affairs in this state unless
11 the name of such corporation be changed thereby or unless the cor-

13 poration desires to pursue in this state other or additional purposes
14 than those which it is then authorized to pursue in this state.

1 **SEC. 77. Amended certificate of authority.** A foreign corpora-
2 tion authorized to conduct affairs in this state shall procure an
3 amended certificate of authority in the event it changes its corporate
4 name, or desires to pursue in this state other or additional purposes
5 than those set forth in its prior application for a certificate of author-
6 ity, by making application therefor to the secretary of state.

7 The requirements in respect to the form and contents of such ap-
8 plication, the manner of its execution, the filing of duplicate originals
9 thereof with the secretary of state, the issuance of an amended cer-
10 tificate of authority and the effect thereof, shall be the same as in the
11 case of an original application for a certificate of authority.

1 **SEC. 78. Withdrawal of foreign corporation.** A foreign corpora-
2 tion authorized to conduct affairs in this state may withdraw from
3 this state upon procuring from the secretary of state a certificate of
4 withdrawal. In order to procure such certificate of withdrawal, such
5 foreign corporation shall deliver to the secretary of state an applica-
6 tion for withdrawal, which shall set forth:

7 1. The name of the corporation and the state or country under the
8 laws of which it is incorporated.

9 2. That the corporation is not conducting affairs in this state.

10 3. That the corporation surrenders its authority to conduct affairs
11 in this state.

12 4. That the corporation revokes the authority of its registered
13 agent or agents in this state to accept service of process and consents
14 that service of process in any action, suit or proceeding based
15 upon any cause of action arising in this state during the time the
16 corporation was authorized to conduct affairs in this state may there-
17 after be made on such corporation by service thereof on the secretary
18 of state.

19 5. A post office address to which the secretary of state may mail a
20 copy of any process against the corporation that may be served on
21 him.

22 6. Such additional information as may be necessary or appropriate
23 in order to enable the secretary of state to determine and assess any
24 unpaid fees payable by such foreign corporation as in this Act pre-
25 scribed.

26 The application for withdrawal shall be made on forms prescribed
27 and furnished by the secretary of state and shall be executed by the
28 corporation by its president or a vice-president and by its secretary
29 or an assistant secretary, and verified by one of the officers signing
30 the application, or, if the corporation is in the hands of a receiver or
31 trustee, shall be executed on behalf of the corporation by such re-
32 ceiver or trustee and verified by him.

1 **SEC. 79. Filing of application for withdrawal.** Duplicate origi-
2 nals of such application for withdrawal shall be delivered to the sec-
3 retary of state. If the secretary of state finds that such application
4 conforms to the provisions of this Act, he shall, when all fees due
5 him have been paid as in this Act prescribed:

6 1. Endorse on each of such duplicate originals the word "Filed",
7 and the month, day and year of the filing thereof.

8 2. File one of such duplicate originals in his office.

9 3. Issue a certificate of withdrawal to which he shall affix the other
10 duplicate original.

11 The certificate of withdrawal, together with the duplicate original
12 of the application for withdrawal affixed thereto by the secretary of
13 state, shall be returned to the corporation or its representative. Upon
14 the issuance of such certificate of withdrawal, the authority of the
15 corporation to conduct affairs in this state shall cease.

1 SEC. 80. **Revocation of certificate of authority.** The certificate of
2 authority of a foreign corporation to conduct affairs in this state may
3 be revoked by the secretary of state upon the conditions prescribed
4 in this section when:

5 1. The corporation has failed to file its annual report within the
6 time required by this Act, or has failed to pay any fees or penalties
7 prescribed by this Act when the same have become due and payable;
8 or

9 2. The corporation has failed to appoint and maintain a registered
10 agent in this state as required by this Act; or

11 3. The corporation has failed, after change of its registered office
12 or registered agent, to file in the office of the secretary of state a
13 statement of such change as required by this Act; or

14 4. The corporation has failed to file in the office of the secretary of
15 state any amendment to its articles of incorporation or any articles of
16 merger within the time prescribed by this Act; or

17 5. A misrepresentation has been made of any material matter in
18 any application, report, affidavit, or other document submitted by
19 such corporation pursuant to this Act.

20 No certificate of authority of a foreign corporation shall be revoked
21 by the secretary of state unless (a) he shall have given the corpora-
22 tion not less than sixty days' notice thereof by mail addressed to its
23 registered office in this state, and (b) the corporation shall fail prior
24 to revocation to file such annual report, or pay such fees or penalties,
25 or file the required statement of change of registered agent or regis-
26 tered office or file such articles of amendment or articles of merger,
27 or correct such misrepresentation.

1 SEC. 81. **Issuance of certificate of revocation.** Upon revoking
2 any such certificate of authority, the secretary of state shall:

3 1. Issue a certificate of revocation in duplicate.

4 2. File one of such certificates in his office.

5 3. Mail to such corporation at its registered office in this state a
6 notice of such revocation accompanied by one of such certificates.

7 Upon the issuance of such certificate of revocation, the authority
8 of the corporation to conduct affairs in this state shall cease.

1 SEC. 82. **Conducting affairs without certificate of authority.** No
2 foreign corporation which is conducting affairs in this state without
3 a certificate of authority shall be permitted to maintain any action,
4 suit or proceeding in any court of this state until such corporation
5 shall have obtained a certificate of authority. Nor shall any action,
6 suit or proceeding be maintained in any court of this state by any

7 successor or assignee of such corporation on any right, claim or
 8 demand arising out of the conduct of affairs by such corporation in
 9 this state, until a certificate of authority shall have been obtained by
 10 such corporation or by a corporation which has acquired all or sub-
 11 stantially all of its assets.

12 The failure of a foreign corporation to obtain a certificate of au-
 13 thority to conduct affairs in this state shall not impair the validity
 14 of any contract or act of such corporation, and shall not prevent such
 15 corporation from defending any action, suit or proceeding in any
 16 court of this state.

17 A foreign corporation which conducts affairs in this state without
 18 a certificate of authority shall be liable to this state, for the years or
 19 parts thereof during which it conducted affairs in this state without
 20 a certificate of authority, in an amount equal to all fees which would
 21 have been imposed by this Act upon such corporation had it duly
 22 applied for and received a certificate of authority to conduct affairs
 23 in this state as required by this Act and thereafter filed all reports
 24 required by this Act, plus all penalties imposed by this Act for fail-
 25 ure to pay such fees. The attorney general shall bring proceedings to
 26 recover all amounts due this state under the provisions of this sec-
 27 tion. If any foreign corporation shall conduct affairs in this state
 28 without a certificate of authority, it shall by conducting such affairs
 29 be deemed thereby to have appointed the secretary of state its attor-
 30 ney for service of process.

1 **SEC. 83. Annual report of domestic and foreign corporations.**
 2 Each domestic corporation, and each foreign corporation authorized
 3 to conduct affairs in this state, shall file, within the time prescribed
 4 by this Act, an annual report setting forth:

5 1. The name of the corporation and the state or country under the
 6 laws of which it is incorporated.

7 2. The address of the registered office of the corporation in this
 8 state, and the name of its registered agent or agents in this state at
 9 such address, and, in the case of a foreign corporation, the address
 10 of its principal office in the state or country under the laws of which
 11 it is incorporated.

12 3. A brief statement of the character of the affairs which the cor-
 13 poration is actually conducting, or, in the case of a foreign corpora-
 14 tion, which the corporation is actually conducting in this state.

15 4. The names and respective addresses of the directors and officers
 16 of the corporation.

17 Such annual report shall be made on forms prescribed and fur-
 18 nished by the secretary of state, and the information therein con-
 19 tained shall be given as of the date of the execution of the report.
 20 It shall be executed by the corporation by its president, a vice-presi-
 21 dent, secretary, an assistant secretary, or treasurer, or, if the cor-
 22 poration is in the hands of a receiver, trustee, or assignee for bene-
 23 fit of creditors, it shall be executed on behalf of the corporation by
 24 such receiver, trustee or assignee.

1 **SEC. 84. Filing of annual report of domestic and foreign corpora-**
 2 **tions.** Such annual report of a domestic or foreign corporation shall
 3 be delivered to the secretary of state for filing in his office between

4 the first day of January and the first day of March of each year,
 5 except that the first annual report of a domestic or foreign corpora-
 6 tion shall be filed between the first day of January and the first day
 7 of March of the year succeeding the calendar year in which its cer-
 8 tificate of incorporation or its certificate of authority, as the case may
 9 be, was issued by the secretary of state. Proof to the satisfaction of
 10 the secretary of state that prior to the first day of March such report
 11 was deposited in the United States mail in a sealed envelope, properly
 12 addressed, with postage prepaid, shall be deemed a compliance with
 13 this requirement. If the secretary of state finds that such report con-
 14 forms to the requirements of this Act, he shall file the same. If he
 15 finds that it does not so conform, he shall promptly return the same
 16 to the corporation for any necessary corrections, in which event the
 17 penalties hereinafter prescribed for failure to file such report within
 18 the time hereinabove provided shall not apply, if such report is cor-
 19 rected to conform to the requirements of this Act, and is resubmitted
 20 to the secretary of state within thirty days from the date on which it
 21 was mailed to the corporation by the secretary of state.

1 **SEC. 85. Fees for filing documents and issuing certificates.** The
 2 secretary of state shall charge and collect for:

- 3 1. Filing articles of incorporation and issuing a certificate of in-
 4 corporation, ten dollars.
- 5 2. Filing statement of election to accept the Act, one dollar.
- 6 3. Filing articles of amendment and issuing a certificate of amend-
 7 ment, five dollars.
- 8 4. Filing restated articles of incorporation, ten dollars.
- 9 5. Filing articles of merger or consolidation and issuing a certifi-
 10 cate of merger or consolidation, five dollars.
- 11 6. Filing an application to reserve a corporate name, five dollars.
- 12 7. Filing a notice of transfer or a reserved corporate name, five
 13 dollars.
- 14 8. Filing a statement of change of address of registered office or
 15 change of registered agent, or both, one dollar.
- 16 9. Filing articles of dissolution, one dollar.
- 17 10. Filing an application of a foreign corporation for a certificate
 18 of authority to conduct affairs in this state and issuing a certificate
 19 of authority, ten dollars.
- 20 11. Filing an application of a foreign corporation for an amended
 21 certificate of authority to conduct affairs in this state and issuing an
 22 amended certificate of authority, five dollars.
- 23 12. Filing a copy of an amendment to the articles of incorporation
 24 of a foreign corporation holding a certificate of authority to conduct
 25 affairs in this state, five dollars.
- 26 13. Filing a copy of articles of merger of a foreign corporation
 27 holding a certificate of authority to conduct affairs in this state, five
 28 dollars.
- 29 14. Filing an application for withdrawal of a foreign corporation
 30 and issuing a certificate of withdrawal, one dollar.
- 31 15. Filing any other statement or report, including an annual re-
 32 port, of a domestic or foreign corporation, one dollar.
- 33 16. Recording any instrument, document, or paper, fifty cents per
 34 page.

- 1 **SEC. 86. Miscellaneous charges.** The secretary of state shall
2 charge and collect:
3 1. For furnishing a certified copy of any document, instrument, or
4 paper relating to a corporation, fifty cents per page and two dollars
5 for the certificate and affixing the seal thereto; and for furnishing an
6 uncertified copy, fifty cents per page.
7 2. At the time of any service of process on him as resident agent
8 of a corporation, five dollars, which amount may be recovered as tax-
9 able costs by the party to the suit or action causing such service to
10 be made if such party prevails in the suit or action.
11 3. For a certificate of good standing, two dollars.

- 1 **SEC. 87. Penalties imposed upon corporation.** Each corporation,
2 domestic or foreign, that fails or refuses to file its annual report for
3 any year within the time prescribed by this Act shall be subject to a
4 penalty of five dollars to be assessed by the secretary of state.
5 Each corporation, domestic or foreign, that fails or refuses to an-
6 swer truthfully and fully within the time prescribed by this Act
7 reasonable and proper interrogatories propounded by the secretary
8 of state in accordance with the provisions of this Act, shall be deemed
9 to be guilty of a misdemeanor and upon conviction thereof may be
10 fined in an amount not exceeding five hundred dollars.

- 1 **SEC. 88. Penalties imposed upon officers and directors.** Each
2 director and officer of a corporation, domestic or foreign, who will-
3 fully fails or refuses within the time prescribed by this Act to answer
4 truthfully and fully reasonable and proper interrogatories propounded
5 to him by the secretary of state in accordance with the provisions of
6 this Act, or who signs any articles, statement, report, application or
7 other document filed with the secretary of state which is known to
8 such officer or director to be false in any material respect, shall be
9 deemed to be guilty of a misdemeanor, and upon conviction thereof
10 may be fined in any amount not exceeding five hundred dollars.

- 1 **SEC. 89. Interrogatories by secretary of state.** The secretary of
2 state may propound to any corporation, domestic or foreign, subject
3 to the provisions of this Act, and to any officer or director thereof,
4 such interrogatories as may be reasonably necessary and proper to
5 enable him to ascertain whether such corporation has complied with
6 all the provisions of this Act applicable to such corporation. Such
7 interrogatories shall be answered within thirty days after the mail-
8 ing thereof, or within such additional time as shall be fixed by the
9 secretary of state, and the answers thereto shall be full and complete
10 and shall be made in writing and under oath. If such interrogatories
11 be directed to an individual they shall be answered by him, and if
12 directed to a corporation they shall be answered by the president,
13 vice-president, treasurer, assistant treasurer, secretary or assistant
14 secretary thereof. The secretary of state need not file any document
15 to which such interrogatories relate until such interrogatories be
16 answered as herein provided, and not then if the answers thereto
17 disclose that such document is not in conformity with the provisions
18 of this Act. The secretary of state shall certify to the attorney gen-
19 eral, for such action as the attorney general may deem appropriate,

20 all interrogatories and answers thereto which disclose a violation of
21 any of the provisions of this Act.

1 **SEC. 90. Information disclosed by interrogatories.** Interrogato-
2 ries propounded by the secretary of state and the answers thereto
3 shall not be open to public inspection nor shall the secretary of state
4 disclose any facts or information obtained therefrom except insofar
5 as required in the performance of his official duties.

1 **SEC. 91. Powers of secretary of state.** The secretary of state
2 shall have the power and authority reasonably necessary to enable
3 him to administer this Act efficiently and to perform the duties there-
4 in imposed upon him.

1 **SEC. 92. Appeal from secretary of state.** If the secretary of
2 state shall fail to approve any articles of incorporation, amendment,
3 merger, consolidation or dissolution, or any other document required
4 by this Act to be approved by the secretary of state before the same
5 shall be filed in his office, he shall, within ten days after the delivery
6 thereof to him, give written notice of his disapproval to the person
7 or corporation, domestic or foreign, delivering the same, specifying
8 the reasons therefor. From such disapproval such person or corpo-
9 ration may appeal to the district court of the county in which the
10 registered office of such corporation is, or is proposed to be, situated
11 by filing with the clerk of such court a petition setting forth a copy
12 of the articles or other document sought to be filed and a copy of the
13 written disapproval thereof by the secretary of state; whereupon the
14 matter shall be tried de novo by the court, and the court shall either
15 sustain the action of the secretary of state or direct him to take such
16 action as the court may deem proper.

17 If the secretary of state shall revoke the certificate of authority to
18 conduct affairs in this state of any foreign corporation, pursuant to
19 the provisions of this Act, such foreign corporation may likewise
20 appeal to the district court of the county where the registered office
21 of such corporation in this state is situated, by filing with the clerk
22 of such court a petition setting forth a copy of its certificate of
23 authority to conduct affairs in this state and a copy of the notice of
24 revocation given by the secretary of state; whereupon the matter
25 shall be tried de novo by the court, and the court shall either sustain
26 the action of the secretary of state or direct him to take such action
27 as the court may deem proper.

28 Appeals from all final orders and judgments entered by the district
29 court under this section in review of any ruling or decision of the
30 secretary of state may be taken as in other civil actions.

1 **SEC. 93. Certificates and certified copies to be received in evi-**
2 **dence.** All certificates issued by the secretary of state in accord-
3 ance with the provisions of this Act, and copies of all documents filed
4 or recorded in his office in accordance with the provisions of this Act
5 when certified by him, shall be taken and received in all courts, public
6 offices, and official bodies as prima-facie evidence of the facts therein
7 stated. A certificate by the secretary of state under the seal of his
8 office, as to the existence or nonexistence of the facts relating to cor-
9 porations which would not appear from a certified copy of any of the

10 foregoing documents or certificates shall be taken and received in all
11 courts, public offices, and official bodies as prima-facie evidence of the
12 existence or nonexistence of the facts therein stated.

1 **SEC. 94. Forms to be furnished by secretary of state.** All re-
2 ports required by this Act to be filed in the office of the secretary of
3 state shall be made on forms which shall be prescribed and furnished
4 by the secretary of state. Forms for other documents to be filed in
5 the office of the secretary of state may be furnished by the secretary
6 of state on request therefor, but the use thereof, unless otherwise
7 specifically prescribed in this Act, shall not be mandatory.

1 **SEC. 95. Voting requirements.** Whenever, with respect to any
2 action to be taken by the members or directors of a corporation, the
3 articles of incorporation or bylaws require voting by classes of mem-
4 bers or the vote or concurrence of a greater or lesser proportion of
5 the directors or members or any class of members, as the case may
6 be, than required by this Act with respect to such action, the provi-
7 sions of the articles of incorporation or bylaws, as the case may be,
8 shall control.

1 **SEC. 96. Waiver of notice.** Whenever any notice is required to
2 be given to any member or director of a corporation under the pro-
3 visions of this Act or under the provisions of the articles of incor-
4 poration or bylaws of the corporation, a waiver thereof in writing
5 signed by the person or persons entitled to such notice, whether
6 before or after the time stated therein, shall be equivalent to the
7 giving of such notice.

1 **SEC. 97. Informal action by members or directors.** Any action
2 required by this Act to be taken at a meeting of the members or
3 directors of a corporation, or any action which may be taken at a
4 meeting of the members or directors or of a committee of directors,
5 may be taken without a meeting if a consent in writing setting forth
6 the action so taken, shall be signed by all of the members entitled to
7 vote with respect to the subject matter thereof or all of the directors
8 or all of the members of the committee of directors, as the case may
9 be. Such consent shall have the same force and effect as a unanimous
10 vote and may be stated as such in any articles or document filed with
11 the secretary of state under this Act. The provisions of this section
12 shall be applicable whether or not this Act requires that an action be
13 taken by resolution.

1 **SEC. 98. Unauthorized assumption of corporate powers.** All per-
2 sons who assume to act as a corporation without authority so to do
3 shall be jointly and severally liable for all debts and liabilities in-
4 curred or arising as a result thereof.

1 **SEC. 99. Reservation of power.** The general assembly shall at
2 all times have power to prescribe such regulations, provisions and
3 limitations as it may deem advisable, which regulations, provisions
4 and limitations shall be binding upon any and all corporations sub-
5 ject to the provisions of this Act, and the general assembly shall have
6 power to amend, repeal or modify this Act at pleasure.

1 **SEC. 100. Application to existing corporations.**

2 1. Except for this subsection, this Act shall not apply to or affect
3 corporations subject to the provisions of chapters one hundred sev-
4 enty-four (174), one hundred seventy-six (176), four hundred eighty-
5 two (482), four hundred ninety-one (491), four hundred ninety-four
6 (494), four hundred ninety-five (495), four hundred ninety-six A
7 (496A), four hundred ninety-seven (497), four hundred ninety-eight
8 (498), four hundred ninety-nine (499), four hundred ninety-nine A
9 (499A), five hundred (500), five hundred three (503), five hundred
10 six (506), five hundred eight (508), five hundred ten (510), five hun-
11 dred twelve (512), five hundred fourteen (514), five hundred fifteen
12 (515), five hundred eighteen (518), five hundred nineteen (519), five
13 hundred twenty-six (526), five hundred twenty-seven (527), five hun-
14 dred twenty-eight (528), five hundred twenty-eight B (528B), five
15 hundred thirty-one (531), five hundred thirty-two (532), five hun-
16 dred thirty-three (533), or five hundred thirty-four (534) of the
17 Code. Such corporations shall continue to be governed by all laws of
18 this state heretofore applicable thereto and as the same may here-
19 after be amended. This Act shall not be construed as in derogation
20 of or as a limitation on the powers to which such corporations may
21 be entitled.

22 2. This Act shall not apply to any domestic corporation heretofore
23 organized or existing under the provisions of chapter five hundred
24 four (504) of the Code nor, for a period of two years from and after
25 the effective date of this Act, to any foreign corporation holding a
26 permit under the provisions of said chapter on the date this Act
27 becomes effective, unless such domestic or foreign corporation shall
28 voluntarily elect to adopt the provisions of this Act and shall comply
29 with the procedure prescribed by the provisions of subsection three
30 (3) of this section.

31 3. Any domestic corporation organized or existing under the provi-
32 sions of chapter five hundred four (504) of the Code may volun-
33 tarily elect to adopt the provisions of this Act and thereby become
34 subject to its provisions and, during the period of two years from
35 and after the effective date of this Act, any foreign corporation hold-
36 ing a permit under the provisions of said chapter on said date may
37 voluntarily elect to adopt the provisions of this Act and thereby
38 become subject to the provisions of this Act. The procedure for
39 electing to adopt the provisions of this Act shall be as follows:

40 a. As to domestic corporations, a resolution reciting that the cor-
41 poration voluntarily adopts this Act and designating the address of
42 its initial registered office and the name of its registered agent or
43 agents at such address and, if the name of the corporation does not
44 comply with this Act, amending the articles of incorporation of the
45 corporation to change the name of the corporation to one complying
46 with the requirements of this Act, shall be adopted by the procedure
47 prescribed by this Act for the amendment of articles of incorpora-
48 tion. If such corporation has theretofore issued shares of stock, said
49 resolution shall contain a statement of such fact including the num-
50 ber of shares theretofore authorized, the number issued and out-
51 standing, and a statement that all issued and outstanding shares of
52 stock have been delivered to the corporation to be cancelled upon the

53 adoption of this Act by the corporation becoming effective and that
54 from and after the effective date of said adoption the authority of
55 the corporation to issue shares of stock shall be thereby terminated.
56 As to foreign corporations, a resolution shall be adopted by the board
57 of directors, reciting that the corporation voluntarily adopts this Act,
58 and designating the address of its registered office in this state and
59 the name of its registered agent or agents, at such address and, if
60 the name of the corporation does not comply with this Act, setting
61 forth the name of the corporation with the changes which it elects to
62 make therein conforming to the requirements of this Act for use in
63 this state.

64 *b.* Upon adoption of the required resolution or resolutions, an in-
65 strument shall be executed by the corporation by its president or
66 vice-president and by its secretary or an assistant secretary and ver-
67 ified by one of the officers signing the instrument, which shall set
68 forth:

69 (1) The name of the corporation;

70 (2) Each such resolution adopted by the corporation and the date
71 of adoption thereof.

72 *c.* As to domestic corporations such instrument shall be delivered
73 to the secretary of state for filing and recording in his office, and the
74 same shall be filed and recorded in the office of the county recorder.

75 If the county of the initial registered office as stated in such instru-
76 ment is one which is other than the county wherein the principal
77 office or place of business of such corporation, as theretofore desig-
78 nated in its articles of incorporation, was located, the secretary of
79 state shall forward also to the county recorder of the county in
80 which the said principal office or place of business of said corporation
81 was located a copy of such instrument and, he shall forward to the
82 recorder of the county in which the initial registered office of such
83 corporation is located, in addition to the original of such instrument,
84 a copy of the articles of incorporation of said corporation together
85 with all amendments thereto as then on file in his office.

86 *d.* As to foreign corporations, such instrument shall be delivered
87 to the secretary of state for filing in his office and the corporation
88 shall at the same time deliver also to the secretary of state for filing
89 in his office any annual report which is then due.

90 *e.* The secretary of state shall not file such instrument with re-
91 spect to a domestic corporation unless at the time thereof such cor-
92 poration is validly existing and in good standing in that office under
93 the provisions of chapter five hundred four (504) of the Code. If the
94 articles of incorporation of such corporation have not heretofore been
95 filed in the office of the secretary of state, but are on file in the office
96 of a county recorder, no such instrument of adoption shall be ac-
97 cepted by the secretary of state until the corporation shall have
98 caused its articles of incorporation and all amendments duly certified
99 by the proper county recorder to be recorded in the office of the sec-
100 retary of state. Upon the filing of such instrument the secretary of
101 state shall issue a certificate as to the filing of such instrument and
102 deliver such certificate to the corporation or its representative.

103 Upon the issuance of such certificate by the secretary of state:

104 (1) All of the provisions of this Act shall thereafter apply to the

105 corporation and thereupon every such foreign corporation shall be
106 entitled to all the rights and privileges applicable to foreign corpora-
107 tions procuring certificates of authority to conduct affairs in this
108 state under this Act, and shall be subject to all the limitations, re-
109 strictions, liabilities, and duties prescribed herein for foreign corpo-
110 rations procuring certificates of authority to conduct affairs in this
111 state under this Act.

112 (2) In the case of any corporation with issued shares of stock, the
113 holders of such issued shares who surrender them to the corporation
114 to be cancelled upon the adoption of this Act by the corporation be-
115 coming effective, shall be and become members of the corporation
116 with one vote for each share of stock so surrendered until such time
117 as the corporation by proper corporate action relative to the election,
118 qualification, terms and voting power of members shall otherwise
119 prescribe.

120 4. Any domestic corporation which elects to adopt the provisions
121 of this Act by complying with the provisions of subsection three (3)
122 of this section may, at the same time, amend or restate its articles of
123 incorporation by complying with the provisions of this Act with
124 respect to amending articles of incorporation or restating articles of
125 incorporation, as the case may be.

126 5. The provisions of this Act becoming applicable to any domestic
127 or foreign corporation shall not affect any right accrued or estab-
128 lished, or any liability or penalty incurred, under the provisions of
129 chapter five hundred four (504) of the Code prior to the filing by the
130 secretary of state in his office of the instrument manifesting the
131 election of such corporation to adopt the provisions of this Act as
132 provided in subsection three (3) of this section.

133 6. Except for the exceptions and limitations of subsection one (1)
134 of this section, this Act shall apply to: all domestic corporations
135 organized after the date on which this Act became effective; domes-
136 tic corporations organized or existing under chapter five hundred four
137 (504) of the Code which voluntarily elect to adopt the provisions of
138 this Act and comply with the provisions of subsection three (3) of
139 this section; all foreign corporations conducting or seeking to con-
140 duct affairs within this state and not holding, on the effective date
141 of this Act, a valid permit so to do; foreign corporations holding, on
142 the date the Act becomes effective, a valid permit under the provi-
143 sions of chapter five hundred four (504) of the Code which, during
144 the period of two years from and after the effective date of this Act,
145 voluntarily elect to adopt the provisions of this Act and comply with
146 the provisions of subsection three (3) of this section; and, upon the
147 expiration of the period of two years from and after the effective
148 date of this Act, all foreign corporations holding such a permit on
149 the effective date of this Act.

150 7. Upon the expiration of a period of two years from and after the
151 date on which this Act becomes effective, except for the exceptions
152 and limitations of subsection one (1) of this section, this Act shall
153 apply to every foreign corporation holding a valid permit to do busi-
154 ness within this state or seeking to conduct affairs within this state.
155 Every foreign corporation holding a valid permit to do business
156 within this state at the time this Act becomes effective, which has

157 not meanwhile adopted this Act by complying with the provisions of
158 subsection three (3) of this section, shall at the expiration of two
159 years from and after the effective date of this Act be deemed to have
160 elected to adopt this Act by not voluntarily withdrawing from the
161 state, and thereupon every such foreign corporation, subject to the
162 limitations set forth in its certificate of authority, shall be entitled to
163 all the rights and privileges applicable to foreign corporations pro-
164 curing certificates of authority to conduct affairs in this state under
165 this Act, and shall be subject to all the limitations, restrictions, lia-
166 bilities, and duties prescribed herein for foreign corporations procur-
167 ing certificates of authority to conduct affairs in this state under this
168 Act.

169 8. Within eight months after this Act becomes applicable to any
170 foreign corporation pursuant to the provisions of subsection seven
171 (7) of this section, the board of directors of such foreign corporation
172 shall adopt a resolution designating the address of its registered
173 office in this state and the name of its registered agent or agents at
174 such address and, if the name of such corporation does not comply
175 with this Act, setting forth the name of the corporation with the
176 changes which it elects to make therein conforming to the require-
177 ments of this Act for use in this state.

178 Upon adoption of the required resolution or resolutions, an instru-
179 ment or instruments shall be executed by the foreign corporation by
180 its president or a vice-president and by its secretary or assistant
181 secretary and verified by one of the officers signing such instrument,
182 which shall set forth the name of the corporation, each resolution
183 adopted as required by the provisions of this subsection, and the date
184 of the adoption thereof. Such instrument shall be delivered to the
185 secretary of state for filing in his office. Upon the filing of such in-
186 strument by a foreign corporation the secretary of state shall issue
187 a certificate as to the filing of such instrument and deliver such cer-
188 tificate to the corporation or its representative. The secretary of
189 state shall not file any annual report of any foreign corporation sub-
190 ject to the provisions of this subsection unless and until said corpora-
191 tion has fully complied with the provisions of this paragraph and, in
192 such event, such foreign corporation shall be subject to the penalties
193 prescribed in this Act for failure to file such report within the time
194 as provided therefor in this Act.

195 9. The first annual report required to be filed by a domestic or for-
196 eign corporation under the provisions of this Act shall be filed be-
197 tween January 1 and March 1 of the year next succeeding the calen-
198 dar year in which it becomes subject to the Act.

199 10. No corporation to which the provisions of this Act apply shall
200 be subject to the provisions of chapter five hundred four (504) of the
201 Code.

202 11. The provisions of sections ninety-six (96) and ninety-seven
203 (97) of this Act shall apply to any action required or permitted to be
204 taken under this section.

205 12. Except as otherwise provided in this section, existing corpora-
206 tions shall continue to be governed by the laws of this state hereto-
207 fore applicable thereto.

1 SEC. 101. **Personal liability.** Except as otherwise provided in
 2 this Act, the directors, officers, employees and members of the cor-
 3 poration shall not, as such, be liable on its debts or obligations.

1 SEC. 102. **Effect of invalidity of part of this Act.** If a court of
 2 competent jurisdiction shall adjudge to be invalid or unconstitutional
 3 any clause, sentence, paragraph, section or part of this Act, such
 4 judgment or decree shall not affect, impair, invalidate or nullify the
 5 remainder of this Act, but the effect thereof shall be confined to the
 6 clause, sentence, paragraph, section or part of this Act so adjudged
 7 to be invalid or unconstitutional.

Approved March 17, 1965.

CHAPTER 389

PROMOTION EXPENSE BY INSURANCE COMPANIES

S. F. 533

AN ACT relating to promotion expense which may be incurred in the organization of domestic insurance companies.

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

1 SECTION 1. Subsection four (4) of section one (1), chapter two
 2 hundred ninety-nine (299), Acts of the Sixtieth General Assembly, is
 3 hereby amended by deleting from line two (2) the words "par value"
 4 and substituting in lieu thereof the words "sale price".

Approved June 3, 1965.

CHAPTER 390

COMPENSATION OF INSURANCE EXAMINERS

H. F. 179

AN ACT relating to the compensation of insurance examiners.

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

1 SECTION 1. Section five hundred seven point four (507.4), Code
 2 1962, as amended by chapter three hundred one (301), Acts of the
 3 Sixtieth General Assembly, is hereby amended by striking from lines
 4 twenty (20), twenty-one (21), twenty-two (22), twenty-three (23),
 5 and twenty-four (24) the words "one hundred eighty dollars per
 6 week in the examination of domestic companies and two hundred dol-
 7 lars per week in the examination of foreign companies" and substi-
 8 tuting in lieu thereof the words "two hundred dollars per week, sub-
 9 ject, however, to the provisions of section five hundred five point
 10 fourteen (505.14) of the Code".

Approved February 26, 1965.

CHAPTER 391

INCREASED CAPITAL OF INSURANCE COMPANIES
ON LICENSE RENEWAL

H. F. 211

AN ACT relating to increase in capital and surplus requirements for insurance companies seeking new licenses in the state of Iowa.

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

1 SECTION 1. Section five hundred eight point five (508.5), Code
2 1962, is amended by striking from line six (6) the words "one hun-
3 dred fifty" and inserting in lieu thereof the words "four hundred".

1 SEC. 2. Section five hundred eight point nine (508.9), Code 1962,
2 is amended as follows:

3 1. By striking from line eighteen (18) the word "one" and inserting
4 in lieu thereof the word "three".

5 2. By striking from line thirty-one (31) the word "one" and insert-
6 ing in lieu thereof the word "three".

1 SEC. 3. Section five hundred fifteen point ten (515.10), Code 1962,
2 is hereby repealed and the following enacted in lieu thereof:

3 "Such company shall be possessed, in addition to the required paid-
4 up capital, of a surplus in cash or invested in securities authorized by
5 law of not less than three hundred thousand dollars. If the commis-
6 sioner of insurance finds that a company offers or plans to offer only
7 one kind of insurance he may reduce the amount of surplus required,
8 but in no event shall it be reduced to less than one hundred thousand
9 dollars."

1 SEC. 4. Section five hundred fifteen point twelve (515.12), Code
2 1962, is amended as follows:

3 1. By striking from line four (4) of subsection five (5) the word
4 "ten" and inserting in lieu thereof the words "two hundred".

5 2. By striking from lines seven (7) and eight (8) of subsection five
6 (5) the word "twenty-five" and inserting in lieu thereof the words
7 "three hundred".

1 SEC. 5. Section five hundred fifteen point sixty-nine (515.69),
2 Code 1962, is amended as follows:

3 1. By inserting after the word "capital," in line seven (7) the words
4 "and a surplus in cash or invested in securities authorized by law of
5 not less than three hundred thousand dollars,".

6 2. By striking all of such section after the word "therein" in line
7 ten (10) and inserting in lieu thereof a period.

1 SEC. 6. Section five hundred fifteen point seventy-six (515.76),
2 Code 1962, is amended as follows:

3 1. By striking from line five (5) of subsection one (1) the words
4 "two hundred" and inserting in lieu thereof the words "three hun-
5 dred".

6 2. By striking from line seven (7) of subsection two (2) the word
7 "fifty" and inserting in lieu thereof the words "three hundred".

8 3. By striking from line nine (9) of subsection two (2) the word
9 "fifty" and inserting in lieu thereof the words "three hundred".

10 4. By striking from line fourteen (14) of subsection two (2) the
11 words "two hundred" and inserting in lieu thereof the words "three
12 hundred".

13 5. By striking from line twenty-five (25) of subsection two (2) the
14 words "two hundred" and inserting in lieu thereof the words "three
15 hundred".

1 SEC. 7. Section five hundred fifteen point seventy-seven (515.77),
2 Code 1962, is amended by striking from line five (5) the word "shall"
3 and inserting in lieu thereof the word "may".

1 SEC. 8. Section five hundred twenty point four (520.4), Code 1962,
2 is amended as follows:

3 1. By striking from line three (3) of subsection seven (7) the word
4 "fifty" and inserting in lieu thereof the words "three hundred".

5 2. By striking all of subsection seven (7) following the word "dol-
6 lars" in line four (4).

1 SEC. 9. Section five hundred twenty point nine (520.9), Code 1962,
2 is amended as follows:

3 1. By striking from line twenty-two (22) the word "two" and in-
4 serting in lieu thereof the word "three".

5 2. By striking from line thirty-two (32) the word "two" and insert-
6 ing in lieu thereof the word "three".

7 3. By striking from line forty (40) the word "one" and inserting in
8 lieu thereof the word "three".

9 4. By striking from lines forty-one (41), forty-two (42), forty-
10 three (43), and forty-four (44), the words "as to employers liability
11 or workmen's compensation insurance, or less than fifty thousand dol-
12 lars as to other classes of insurance".

Approved April 23, 1965.

CHAPTER 392
GROUP INSURANCE
S. F. 166

AN ACT relating to the insuring of groups.

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

1 SECTION 1. Section five hundred nine point one (509.1), Code
2 1962, is hereby amended by striking the last sentence of paragraph
3 "d" of subsection one (1) thereof.

1 SEC. 2. Section five hundred nine point one (509.1), Code 1962, is
2 hereby further amended by striking the last sentence of paragraph
3 "d" of subsection four (4) thereof.

1 SEC. 3. Section five hundred nine point one (509.1), Code 1962, is
2 hereby further amended by striking the last sentence of paragraph
3 "d" of subsection five (5) thereof.

1 SEC. 4. Section eleven (11) of chapter two hundred thirty-two
 2 (232), Acts of the Sixtieth General Assembly, is hereby amended by
 3 striking from line seven (7) thereof the word "four" and inserting in
 4 lieu thereof the word "one".

Approved May 24, 1965.

CHAPTER 393

GROUP INSURANCE

H. F. 237

AN ACT relating to group insurance on franchise plan.

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

1 SECTION 1. Section five hundred nine point fourteen (509.14),
 2 Code 1962, is hereby amended by striking from subsection two (2)
 3 line three (3) after the word "covering" the words "at least fifty (50)
 4 percent of".

Approved May 28, 1965.

CHAPTER 394

GROUP INSURANCE

H. F. 133

AN ACT relating to life, group insurance, hospital or medical services for employees of the state, county, school district, city, town or institutions supported by public funds.

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

1 SECTION 1. Chapter two hundred thirty-two (232), Acts of the
 2 Sixtieth (60th) General Assembly, section two (2), is hereby amended
 3 by striking the period in line five (5) and adding thereto the follow-
 4 ing: ", or from contributions wholly or in part by the governing
 5 body."

Approved July 1, 1965.

CHAPTER 395

VALUATION OF LIFE INSURANCE INVESTMENTS

S. F. 241

AN ACT relating to rules of valuation for life insurance companies' investments.

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

1 SECTION 1. Section five hundred eleven point eight (511.8), Code
 2 1962, is hereby amended by inserting after the word "value" in line

3 six (6) of paragraph "d" of subsection seventeen (17) thereof the
 4 following: ", or at a value as determined under rules adopted by the
 5 National Association of Insurance Commissioners".

Approved April 29, 1965.

CHAPTER 396

LIFE INSURANCE COMPANIES

S. F. 215

AN ACT relating to investment of funds of life insurance companies.

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

1 SECTION 1. Section five hundred eleven point eight (511.8), Code
 2 1962, is hereby amended by striking paragraph "a" of subsection five
 3 (5) thereof and inserting in lieu thereof the following:

4 "If fixed interest-bearing obligations, the net earnings of the issu-
 5 ing, assuming or guaranteeing corporation available for its fixed
 6 charges for a period of five fiscal years next preceding the date of
 7 acquisition of the obligations by such insurance company shall have
 8 averaged per year not less than one and one-half times such average
 9 annual fixed charges of the issuing, assuming or guaranteeing corpo-
 10 ration applicable to such period, and, during at least one of the last
 11 two years of such period, its net earnings shall have been not less than
 12 one and one-half times its fixed charges for such year; or if, at the
 13 date of acquisition, the obligations are adequately secured and have
 14 investment qualities and characteristics wherein the speculative ele-
 15 ments are not predominant."

1 SEC. 2. Section five hundred eleven point eight (511.8), Code 1962,
 2 is hereby further amended by striking the first paragraph of para-
 3 graph "b" of subsection five (5) thereof and inserting in lieu thereof
 4 the following:

5 "If adjustment, income or other contingent interest obligations, the
 6 net earnings of the issuing, assuming or guaranteeing corporation
 7 available for its fixed charges for a period of five fiscal years next
 8 preceding the date of acquisition of the obligations by such insurance
 9 company shall have averaged per year not less than one and one-half
 10 times such average annual fixed charges of the issuing, assuming or
 11 guaranteeing corporation and its average annual maximum contingent
 12 interest applicable to such period and, during at least one of the last
 13 two years of such period, its net earnings shall have been not less than
 14 one and one-half times the sum of its fixed charges and maximum con-
 15 tingent interest for such year."

1 SEC. 3. Section five hundred eleven point eight (511.8), Code 1962,
 2 is hereby further amended by striking the last paragraph of para-
 3 graph "b" of subsection five (5) thereof and inserting in lieu thereof
 4 the following:

5 "The term 'fixed charges' as used herein shall include interest on

6 unfunded debt and funded debt on a parity with or having a priority
7 to the obligation under consideration."

1 SEC. 4. Section five hundred eleven point eight (511.8), Code 1962,
2 is hereby further amended by inserting after the word "indebtedness"
3 in line four (4) of paragraph "d" of subsection nine (9) thereof the
4 following: ", or in the acquisition or disposition of real property
5 acquired pursuant to subsection fourteen (14)".

1 SEC. 5. Section five hundred eleven point eight (511.8), Code 1962,
2 is hereby further amended by striking paragraph "f" of subsection
3 nine (9) thereof and inserting in lieu thereof the following:

4 "Bonds, notes, obligations or other evidences of indebtedness se-
5 cured by mortgages or deeds of trust which are a first lien upon un-
6 encumbered personal or real property or both personal and real prop-
7 erty, including a leasehold of real estate, within the United States of
8 America, or any insular or territorial possession of the United States
9 of America, or the Dominion of Canada, under lease, purchase con-
10 tract, or lease purchase contract to any governmental body or instru-
11 mentality whose obligations qualify under subsections one (1), two
12 (2) or three (3) of this section, or to a corporation whose obligations
13 qualify under paragraph "a" of subsection five (5) of this section, if
14 the terms of the bond, note or other evidence of indebtedness provide
15 for the amortization during the initial, fixed period of the lease or con-
16 tract of one hundred percent of the indebtedness and there is pledged
17 or assigned, as additional security for the loan, sufficient of the rentals
18 payable under the lease, or of contract payments, to provide the re-
19 quired payments on the loan necessary to permit such amortization,
20 including but not limited to payments of principal, interest, ground
21 rents and taxes other than the income taxes of the borrower; pro-
22 vided, however, that where the security consists of a first mortgage or
23 deed of trust lien on a fee interest in real property only, the bond, note
24 or other evidence of indebtedness may provide for the amortization
25 during the initial, fixed period of the lease or contract of less than
26 one hundred percent of the indebtedness if there is to be left un-
27 amortized at the end of such period an amount not greater than the
28 appraised value of the land only, exclusive of all improvements, and
29 if there is pledged or assigned, as additional security for the loan,
30 sufficient of the rentals payable under the lease, or of contract pay-
31 ments, to provide the required payments on the loan necessary to
32 permit such amortization, including but not limited to payments of
33 principal, interest, and taxes other than the income taxes of the bor-
34 rower. Investments made in accordance with the provisions of this
35 paragraph shall not be eligible in excess of ten percent of the legal
36 reserve."

1 SEC. 6. Section five hundred eleven point eight (511.8), Code 1962,
2 is hereby further amended by inserting before the word "The" in line
3 sixteen (16) of subsection fourteen (14) the following new sentence:
4 "Legal title to such real property may be acquired subject to a con-
5 tract of sale."

Approved May 13, 1965.

CHAPTER 397

PODIATRISTS SERVICE

S. F. 301

AN ACT to amend chapter five hundred fourteen (514), Code 1962, to provide for participation of podiatrists in hospital and medical service plans.

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

1 SECTION 1. Section five hundred fourteen point one (514.1), Code
2 1962, is hereby amended by inserting in line fifteen (15) after the
3 word "dentists," the word "podiatrists,".

1 SEC. 2. Section five hundred fourteen point four (514.4), Code
2 1962, is hereby amended by inserting in line thirteen (13) after the
3 word "dentists," the word "podiatrists,".

1 SEC. 3. Section five hundred fourteen point five (514.5), Code
2 1962, is hereby amended by inserting in line seventeen (17) after the
3 word "dentists," the word "podiatrists,".

1 SEC. 4. Section five hundred fourteen point eight (514.8), Code
2 1962, is hereby amended by inserting in line four (4) after the word
3 "dentists," the word "podiatrists,".

1 SEC. 5. Section five hundred fourteen point thirteen (514.13),
2 Code 1962, is hereby amended by inserting in line five (5) after the
3 word "dentist," the word "podiatrist,".

1 SEC. 6. Section five hundred fourteen point seventeen (514.17),
2 Code 1962, is hereby amended as follows:

3 1. By inserting in line eleven (11) after the number "150," the fol-
4 lowing: "or at least twenty-five (25) podiatrists licensed to practice
5 podiatry pursuant to chapter one hundred forty-nine (149) of the
6 Code,".

7 2. By inserting in line twelve (12) after the word "surgical" the
8 word ", podiatric,".

1 SEC. 7. Chapter five hundred fourteen (514), Code 1962, is hereby
2 amended by adding the following section:

3 "Medical or surgical services or procedures constituting the practice
4 of podiatry, also known as chiropody, as defined by chapter one hun-
5 dred forty-nine (149) of the Code, and covered by the terms of any
6 individual, group, blanket, or franchise policy providing accident or
7 health benefits hereafter delivered or hereafter issued for delivery in
8 Iowa and covering an Iowa risk may be performed by any practition-
9 er, selected by the insured, licensed under chapter one hundred forty-
10 nine (149) of the Code to perform such medical or surgical services
11 or procedures. Any provision of such policy or exclusion or limitation
12 denying an insured the free choice of such licensed podiatrist, also
13 known as chiropodist, shall to the extent of the denial, be void, but
14 such voidance shall not affect the validity of the other provisions of
15 the policy."

Approved May 7, 1965.

CHAPTER 398

INSURANCE COMPANIES STOCK

S. F. 202

AN ACT to change the requirements of the value of stock of insurance companies.

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

1 SECTION 1. Section five hundred fifteen point eight (515.8), Code
2 1962, is hereby amended as follows:

3 1. By striking from line eleven (11) the words "ten dollars" and
4 inserting in lieu thereof the words "one dollar".

1 SEC. 2. Section five hundred eight point five (508.5), Code 1962,
2 is amended by inserting the following sentence immediately preceding
3 the word "Nothing" in line eight (8) thereof: "The stock shall be
4 divided into shares of not less than one dollar par value each."

Approved May 18, 1965.

CHAPTER 399

FOREIGN INSURANCE COMPANIES

H. F. 672

AN ACT to amend House File 211, Acts of the Sixty-first General Assembly to establish guidelines for the admission of foreign insurance companies.

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

1 SECTION 1. House File two hundred eleven (211), Acts of the
2 Sixty-first General Assembly is hereby amended by striking therefrom
3 all of section seven (7) and substituting therefor the following:

4 Sec. 7. Section five hundred fifteen point seventy-seven (515.77),
5 Code 1962 is hereby amended by adding thereto the following sen-
6 tence:

7 "Provided, however, the commissioner shall not grant or continue
8 authority to transact insurance in this state as to any insurer the
9 management of which is found by him, after a hearing held thereon,
10 in which he shall establish and consider any prior criminal records or
11 any other matters to be untrustworthy, or so lacking in insurance
12 experience as to make the proposed operation hazardous to the insur-
13 ance-buying public; or which, after a hearing held thereon, he has
14 good reason to believe is affiliated directly or indirectly through own-
15 ership, control, reinsurance transactions or other insurance or business
16 relations, with any person or persons whose business operations are or
17 have been marked, to the detriment of policyholders or stockholders or
18 investors or creditors or of the public, by manipulation or dissipation
19 of assets, or manipulation of accounts, or of reinsurance, or by sim-
20 ilar injurious actions."

Approved June 7, 1965.

CHAPTER 400

FIRE AND CASUALTY INSURANCE

H. F. 212

AN ACT to consolidate the present fire and casualty insurance rate regulatory laws.

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

1 **SECTION 1. Purpose of Act.**

2 The purpose of this Act is to promote the public welfare by regulat-
3 ing insurance rates to the end that they shall not be excessive, inade-
4 quate or unfairly discriminatory, and to authorize and regulate co-
5 operative action among insurers in rate making and in other matters
6 within the scope of this Act. Nothing in this Act is intended (1) to
7 prohibit or discourage reasonable competition, or (2) to prohibit, or
8 encourage except to the extent necessary to accomplish the afore-
9 mentioned purpose, uniformity in insurance rates, rating systems,
10 rating plans or practices. This Act shall be liberally interpreted to
11 carry into effect the provisions of this section.

1 **SEC. 2. Scope of Act.**

2 This Act applies to all forms of casualty insurance, including fidel-
3 ity, surety and guaranty bond, to all forms of fire, marine and inland
4 marine insurance, and to any combination of any of the foregoing, on
5 risks or operations in this state. Inland marine insurance shall be
6 deemed to include insurance now or hereafter defined by statute, or
7 by interpretation thereof, or if not so defined or interpreted, by ruling
8 of the commissioner of insurance, hereinafter referred to as commis-
9 sioner, or as established by general custom of the business, as inland
10 marine insurance.

11 This Act shall not apply to:

- 12 1. Reinsurance, other than joint reinsurance to the extent stated in
13 section eleven (11) of this Act;
14 2. Accident and health insurance;
15 3. Insurance of vessels or craft, their cargoes, marine builders' risks,
16 marine protection and indemnity, or other risks commonly insured
17 under marine, as distinguished from inland marine insurance policies;
18 4. Insurance written by a county mutual assessment association as
19 provided in chapter five hundred eighteen (518), Code of Iowa.

1 **SEC. 3. Making of Rates.**

- 2 1. Rates shall be made in accordance with the following provisions:
3 a. Rates shall not be excessive, inadequate or unfairly discrimina-
4 tory.
5 b. Due consideration shall be given to past and prospective loss ex-
6 perience within and outside this state, to the conflagration and catas-
7 trophe hazards, to a reasonable margin for underwriting profit and
8 contingencies, to dividends, savings, or unabsorbed premium deposits
9 allowed or returned by insurers to their policyholders, members or
10 subscribers, to past and prospective expenses both countrywide and
11 those specially applicable to this state, and to all other relevant factors
12 within and outside this state; and in the case of fire insurance rates
13 consideration shall be given to the experience of the fire insurance

14 business during a period of not less than the most recent five year
15 period for which such experience is available.

16 c. The systems of expense provisions included in the rates for use
17 by any insurer or group of insurers may differ from those of other
18 insurers or group of insurers to reflect the requirements of the oper-
19 ating methods of any such insurer or group of insurers with respect
20 to any kind of insurance, or with respect to any subdivision or com-
21 bination thereof for which subdivision or combination separate ex-
22 pense provisions are applicable.

23 d. Risks may be grouped by classifications for the establishment of
24 rates and minimum premiums. Classification rates may be modified to
25 produce rates for individual risks in accordance with rating plans
26 which establish standards for measuring variations in hazards or
27 expense provisions, or both. Such standards may measure any differ-
28 ences among risks that can be demonstrated to have a probable effect
29 upon losses or expenses.

30 2. Except to the extent necessary to meet the provisions of para-
31 graph "a" of subsection one (1) of this section, uniformity among
32 insurers in any matters within the scope of this section is neither
33 required nor prohibited.

1 SEC. 4. Rate Filings.

2 1. Every insurer shall file with the commissioner, except as to inland
3 marine risks which by general custom of the business are not written
4 according to manual rates or rating plans, every manual, minimum,
5 class rate, rating schedule or rating plan and every other rating rule,
6 and every modification of any of the foregoing which it proposes to
7 use. Every such filing shall state the proposed effective date thereof,
8 and shall indicate the character and extent of the coverage contem-
9 plated.

10 When a filing is not accompanied by the information upon which the
11 insurer supports such filing, and the commissioner does not have suffi-
12 cient information to determine whether such filing meets the require-
13 ments of the Act, he shall require such insurer to furnish the inform-
14 ation upon which it supports such filing and in such event the waiting
15 period shall commence as of the date such information is furnished.
16 The information furnished in support of a filing may include (a) the
17 experience or judgment of the insurer or rating organization making
18 the filing, (b) its interpretation of any statistical data it relies upon,
19 (c) the experience of other insurers or rating organizations, or (d)
20 any other relevant factors. A filing and any supporting information
21 shall be open to public inspection after the filing becomes effective.
22 Specific inland marine rates on risks specially rated, made by a rating
23 organization, shall be filed with the commissioner.

24 2. An insurer may satisfy its obligation to make such filings by be-
25 coming a member of, or a subscriber to, a licensed rating organization
26 which makes such filings, and by authorizing the commissioner to
27 accept such filings on its behalf; provided that nothing contained in
28 this Act shall be construed as requiring any insurer to become a mem-
29 ber of or a subscriber to any rating organization.

30 3. The commissioner shall review filings as soon as reasonably pos-
31 sible after they have been made in order to determine whether they
32 meet the requirements of this Act.

33 4. Subject to the exception specified in subsection five (5) of this
 34 section, each filing shall be on file for a waiting period of fifteen (15)
 35 days before it becomes effective, which period may be extended by the
 36 commissioner for an additional period not to exceed fifteen (15) days
 37 if he gives written notice within such waiting period to the insurer or
 38 rating organization which made the filing that he needs such addi-
 39 tional time for the consideration of such filing. Upon written applica-
 40 tion by such insurer or rating organization, the commissioner may
 41 authorize a filing which he has reviewed to become effective before the
 42 expiration of the waiting period or any extension thereof. A filing
 43 shall be deemed to meet the requirements of this Act unless disap-
 44 proved by the commissioner within thirty (30) days of receipt thereof
 45 by the commissioner.

46 5. Specific inland marine rates on risks specially rated by a rating
 47 organization, or any specific filing with respect to a surety or guaranty
 48 bond required by law or by court or executive order, rule or regulation
 49 of a public body and not covered by a previous filing, shall become
 50 effective when filed and shall be deemed to meet the requirements of
 51 this Act until such time as the commissioner reviews the filing and so
 52 long thereafter as the filing remains in effect.

53 6. Under such rules and regulations as he shall adopt the commis-
 54 sioner may, by written order, suspend or modify the requirement of
 55 filing as to any kind of insurance, subdivision or combination thereof,
 56 or as to classes of risks, the rates for which cannot practicably be filed
 57 before they are used. Such order, rules and regulations shall be made
 58 known to insurers and rating organizations affected thereby. The
 59 commissioner may make such examination as he may deem advisable
 60 to ascertain whether any rates affected by such order meet the stand-
 61 ards set forth in paragraph "b" of subsection one (1) of section three
 62 (3) of this Act.

63 7. Upon the written application of the insured, stating his reasons
 64 therefor, filed with an* approved by the commissioner a rate in excess
 65 of that provided by a filing otherwise applicable may be used on any
 66 specific risk.

67 8. No insurer shall make or issue a contract or policy except in ac-
 68 cordance with the filings which are in effect for said insurer as pro-
 69 vided in this Act or in accordance with subsections six (6) or seven
 70 (7) of this section. This subsection shall not apply to contracts or
 71 policies for inland marine risks as to which filings are not required.

1 SEC. 5. Disapproval of Filings.

2 1. If within the waiting period or any extension thereof as provided
 3 in subsection four (4) of section four (4) of this Act, the commis-
 4 sioner finds that a filing does not meet the requirements of this Act, he
 5 shall send to the insurer or rating organization which made such fil-
 6 ing, written notice of disapproval of such filing specifying therein in
 7 what respects he finds such filing fails to meet the requirements of
 8 this Act and stating that such filing shall not become effective.

9 2. If within thirty days after a specific inland marine rate on a risk
 10 especially rated by a rating organization subject to subsection five (5)
 11 of section four (4) of this Act has become effective or, if within thirty

*According to enrolled Act.

12 (30) days after a special surety or guaranty filing subject to subsection
13 tion five (5) of section four (4) of this Act has become effective, the
14 commissioner finds that such filing does not meet the requirements of
15 this Act, he shall send to the rating organization or insurer which
16 made such filing written notice of disapproval of such filing specifying
17 therein in what respects he finds that such filing fails to meet the
18 requirements of this Act and stating when, within a reasonable period
19 thereafter, such filing shall be deemed no longer effective. Said dis-
20 approval shall not affect any contract made or issued prior to the
21 expiration of the period set forth in said notice.

22 3. If at any time subsequent to the applicable review period pro-
23 vided for in subsection one (1) or two (2) of this section, the com-
24 missioner finds that a filing does not meet the requirements of this
25 Act, he shall, after a hearing held upon not less than ten (10) days'
26 written notice, specifying the matters to be considered at such hear-
27 ing, to every insurer and rating organization which made such filing,
28 issue an order specifying in what respects he finds that such filing
29 fails to meet the requirements of this Act, and stating when, within a
30 reasonable period thereafter, such filing shall be deemed no longer
31 effective. Copies of said order shall be sent to every such insurer and
32 rating organization. Said order shall not affect any contract or policy
33 made or issued prior to the expiration of the period set forth in said
34 order.

35 4. Any person or organization aggrieved with respect to any filing
36 which is in effect may make written application to the commissioner
37 for a hearing thereon, provided, however, that the insurer that made
38 the filing shall not be authorized to proceed under this subsection.
39 Such application shall specify the grounds to be relied upon by the
40 applicant and such application must show that the person or organi-
41 zation making such application has a specific economic interest affected
42 by the filing. If the commissioner shall find that the application is
43 made in good faith, that the applicant has a specific economic interest,
44 that the applicant would be so aggrieved if his grounds are established,
45 and that such grounds otherwise justify holding such a hearing, he
46 shall within thirty (30) days after receipt of such application hold a
47 hearing, upon not less than ten (10) days' written notice to the appli-
48 cant and to every insurer and rating organization which made such
49 filing. No rating or advisory organization shall have any status under
50 this Act to make application for a hearing on any filing made by an
51 insurer with the commissioner.

52 If, after such hearing, the commissioner finds that the filing does
53 not meet the requirements of this Act, he shall issue an order specify-
54 ing in what respects he finds that such filing fails to meet the require-
55 ments of this Act, and stating when, within a reasonable period there-
56 after, such filing shall be deemed no longer effective. Copies of said
57 order shall be sent to the applicant and to every such insurer and
58 rating organization. Said order shall not affect any contract or policy
59 made or issued prior to the expiration of the period set forth in said
60 order.

61 5. No filing shall be disapproved if the rates thereby produced meet
62 the requirements of this Act.

1 SEC. 6. Rating Organizations.

2 1. A corporation, an unincorporated association, a partnership or an
3 individual, whether located within or outside this state, may make
4 application to the commissioner for license as a rating organization
5 for such kinds of insurance, or subdivision or class of risk or a part or
6 combination thereof as are specified in its application and shall file
7 therewith (a) a copy of its constitution, its articles of agreement or
8 association or its certificate of incorporation, and of its by-laws, rules
9 and regulations governing the conduct of its business, (b) a list of its
10 members and subscribers, (c) the name and address of a resident of
11 this state upon whom notices or orders of the commissioner or process
12 affecting such rating organization may be served and (d) a statement
13 of its qualifications as a rating organization. If the commissioner finds
14 that the applicant is competent, trustworthy and otherwise qualified
15 to act as a rating organization and that its constitution, articles of
16 agreement or association or certificate of incorporation, and its by-
17 laws, rules and regulations governing the conduct of its business con-
18 form to the requirements of law, he shall issue a license specifying the
19 kinds of insurance, or subdivisions or classes of risks or parts or com-
20 binations thereof for which the applicant is authorized to act as a
21 rating organization. Every such application shall be granted or denied
22 in whole or in part by the commissioner within sixty (60) days of the
23 date of its filing with him. Licenses issued pursuant to this section
24 shall remain in effect for three (3) years unless sooner suspended or
25 revoked by the commissioner. The fee for said license shall be twenty-
26 five dollars (\$25.00). Licenses issued pursuant to this section may be
27 suspended or revoked by the commissioner, after hearing upon notice,
28 in the event the rating organization ceases to meet the requirements
29 of this subsection. Every rating organization shall notify the com-
30 missioner promptly of every change in (a) its constitution, its articles
31 of agreement or association, or its certificate of incorporation, and its
32 by-laws, rules and regulations governing the conduct of its business,
33 (b) its list of members and subscribers and (c) the name and address
34 of the resident of this state designated by it upon whom notices or
35 orders of the commissioner or process affecting such rating organiza-
36 tion may be served.

37 2. Subject to rules and regulations which have been approved by the
38 commissioner as reasonable, each rating organization shall permit any
39 insurer, not a member, to be a subscriber to its rating services for any
40 kind of insurance, subdivision, or class of risk or a part or combination
41 thereof for which it is authorized to act as a rating organization.
42 Notice of proposed changes in such rules and regulations shall be given
43 to subscribers. Each rating organization shall furnish its rating serv-
44 ices without discrimination to its members and subscribers. The rea-
45 sonableness of any rule or regulation in its application to subscribers,
46 or the refusal of any rating organization to admit an insurer as a sub-
47 scriber, shall, at the request of any subscriber or any such insurer,
48 be reviewed by the commissioner at a hearing held upon at least ten
49 (10) days' written notice to such rating organization and to such sub-
50 scriber or insurer. If the commissioner finds that such rule or regu-
51 lation is unreasonable in its application to subscribers, he shall order
52 that such rule or regulation shall not be applicable to subscribers. If

53 the rating organization fails to grant or reject an insurer's application
54 for subscribership within thirty (30) days after it was made, the
55 insurer may request a review by the commissioner as if the applica-
56 tion had been rejected. If the commissioner finds that the insurer has
57 been refused admittance to the rating organization as a subscriber
58 without justification, he shall order the rating organization to admit
59 the insurer as a subscriber. If he finds that the action of the rating
60 organization was justified he shall make an order affirming its action.

61 3. No rating organization shall adopt any rule the effect of which
62 would be to prohibit or regulate the payment of dividends, savings or
63 unabsorbed premium deposits allowed or returned by insurers to their
64 policyholders, members or subscribers.

65 4. Cooperation among rating organizations or among rating organi-
66 zations and insurers in rate making or in other matters within the
67 scope of this Act is hereby authorized, provided the filings resulting
68 from such cooperation are subject to all the provisions of this Act
69 which are applicable to filings generally. The commissioner may re-
70 view such cooperative activities and practices and if, after a hearing,
71 he finds that any such activity or practices is unfair or unreasonable
72 or otherwise inconsistent with the provisions of this Act, he may issue
73 a written order specifying in what respects such activity or practice
74 is unfair or unreasonable or otherwise inconsistent with the provisions
75 of this Act, and requiring the discontinuance of such activity or prac-
76 tice.

77 5. Any rating organization may provide for the examination of poli-
78 cies, daily reports, binders, renewal certificates, endorsements or other
79 evidences of insurance, or the cancellation thereof, and may make
80 reasonable rules governing their submission. Such rules shall contain
81 a provision that in the event any insurer does not within sixty (60)
82 days furnish satisfactory evidence to the rating organization of the
83 correction of any error or omission previously called to its attention
84 by the rating organization, it shall be the duty of the rating organiza-
85 tion to notify the commissioner thereof. All information so submitted
86 for examination shall be confidential.

87 6. Any rating organization may subscribe for or purchase actuarial,
88 technical or other services, and such services shall be available to all
89 members and subscribers without discrimination.

1 SEC. 7. Deviations.

2 Every member of or subscriber to a rating organization shall adhere
3 to the filings made on its behalf by such organization except that any
4 such insurer may make written application to the commissioner to file
5 a deviation from the class rates, schedules, rating plans or rules re-
6 specting any kind of insurance, or class of risk within a kind of insur-
7 ance, or combination thereof. Such application shall specify the basis
8 for the modification and a copy shall also be sent simultaneously to
9 such rating organization. In considering the application to file such
10 deviation the commissioner shall give consideration to the available
11 statistics and the principles for rate making as provided in section
12 three (3) of this Act. The commissioner shall issue an order permit-
13 ting the deviation for such insurer to be filed if he finds it to be justi-
14 fied and it shall thereupon become effective. He shall issue an order

15 denying such application if he finds that the deviation applied for does
16 not meet the requirements of this Act.

17 Each deviation permitted to be filed shall remain in effect for a
18 period of not less than one (1) year from the effective date unless
19 sooner withdrawn by the insurer with the approval of the commissioner
20 or until terminated in accordance with the provisions of section five
21 (5) of this Act.

1 **SEC. 8. Appeal by Minority.**

2 Any member or subscriber to a rating organization may appeal to
3 the commissioner from the action or decision of such rating organiza-
4 tion in approving or rejecting any proposed change in or addition to
5 the filings of such rating organization and the commissioner shall,
6 after a hearing held upon not less than ten (10) days' written notice
7 to the appellant, and to such rating organization, issue an order ap-
8 proving the action or decision of such rating organization or directing
9 it to give further consideration to such proposal, or, if such appeal is
10 from the action or decision of the rating organization in rejecting a
11 proposed addition to its filings, he may, in the event he finds that such
12 action or decision was unreasonable, issue an order directing the rat-
13 ing organization to make an addition to its filings, on behalf of its
14 members and subscribers, in a manner consistent with his findings,
15 within a reasonable time after the issuance of such order.

16 If such appeal is based upon the failure of the rating organization
17 to make a filing on behalf of such member or subscriber, which is based
18 on a system of expense provisions which differs, in accordance with
19 the right granted in paragraph "c" of subsection one (1) of section
20 three (3) of this Act, from the system of expense provisions included
21 in a filing made by the rating organization, the commissioner shall, if
22 he grants the appeal, order the rating organization to make the re-
23 quested filing for use by the appellant. In deciding such appeal the
24 commissioner shall apply the standards set forth in section three (3)
25 of this Act.

1 **SEC. 9. Information to Be Furnished Insureds: Hearings and Ap-**
2 **peals of Insureds.**

3 Every rating organization and every insurer which makes its own
4 rate shall, within a reasonable time after receiving written request
5 therefor and upon payment of such reasonable charge as it may make,
6 furnish to any insured affected by a rate made by it, or to the author-
7 ized representative of such insured, all pertinent information as to
8 such rate. Every rating organization and every insurer which makes
9 its own rates shall provide within this state reasonable means whereby
10 any person aggrieved by the application of its rating system may be
11 heard, in person or by his authorized representative, on his written
12 request to review the manner in which such rating system has been
13 applied in connection with the insurance afforded him. If the rating
14 organization or insurer fails to grant or reject such request within
15 thirty (30) days after it is made, applicant may proceed in the same
16 manner as if his application had been rejected. Any party affected by
17 the action of such rating organization or such insurer on such request
18 may, within thirty (30) days after written notice of such action, appeal
19 to the commissioner, who, after a hearing held upon not less than ten

20 (10) days' written notice to the appellant and to such rating organiza-
21 tion or insurer, may affirm or reverse such action.

1 **SEC. 10. Advisory Organizations.**

2 1. Every group, association or other organization of insurers,
3 whether located within or outside of this state, which assists insurers
4 which make their own filings or rating organizations in rate making,
5 by the collection and furnishing of loss or expense statistics, or by the
6 submission of recommendations, but which does not make filings under
7 this Act, shall be known as an advisory organization.

8 2. Every advisory organization shall file with the commissioner
9 (a) a copy of its constitution, its articles of agreement or association
10 or its certificate of incorporation and of its by-laws, rules and regula-
11 tions governing its activities, (b) a list of its members, (c) the name
12 and address of a resident of this state upon whom notices or orders of
13 the commissioner or process issued at his direction may be served, and
14 (d) an agreement that the commissioner may examine such advisory
15 organization in accordance with the provisions of section twelve (12)
16 of this Act.

17 3. If, after a hearing, the commissioner finds that the furnishing of
18 such information or assistance involves any act or practice which is
19 unfair or unreasonable or otherwise inconsistent with the provisions
20 of this Act, he may issue a written order specifying in what respects
21 such act or practice is unfair or unreasonable or otherwise inconsistent
22 with the provisions of this Act, and requiring the discontinuance of
23 such act or practice.

24 4. No insurer which makes its own filings nor any rating organiza-
25 tion shall support its filings by statistics or adopt rate making recom-
26 mendations, furnished to it by an advisory organization which has not
27 complied with this section or with an order of the commissioner in-
28 volving such statistics or recommendations issued under subsection
29 three (3) of this section. If the commissioner finds such insurer or
30 rating organization to be in violation of this subsection he may issue
31 an order requiring the discontinuance of such violation.

1 **SEC. 11. Joint Underwriting or Joint Reinsurance.**

2 1. Every group, association or other organization of insurers which
3 engages in joint underwriting or joint reinsurance, shall be subject to
4 regulation with respect thereto as herein provided, subject, however,
5 with respect to joint underwriting, to all other provisions of this Act
6 and, with respect to joint reinsurance, to sections twelve (12) and six-
7 teen (16) to twenty (20) of this Act.

8 2. If, after a hearing, the commissioner finds that any activity or
9 practice of any such group, association or other organization is unfair
10 or unreasonable or otherwise inconsistent with the provisions of this
11 Act, he may issue a written order specifying in what respects such
12 activity or practice is unfair or unreasonable or otherwise inconsistent
13 with the provisions of this Act, and requiring the discontinuance of
14 such activity or practice.

1 **SEC. 12. Examinations.**

2 The commissioner shall, at least once in five (5) years, make or
3 cause to be made an examination of each rating organization licensed

4 in this state as provided in section six (6) of this Act and he may, as
5 often as he may deem it expedient, make or cause to be made an
6 examination of each advisory organization referred to in section ten
7 (10) of this Act and of each group, association or other organization
8 referred to in section eleven (11) of this Act. The reasonable costs of
9 any such examination shall be paid by the rating organization, ad-
10 visory organization or group, association or other organization ex-
11 amined upon presentation to it of a detailed account of such costs.
12 The officers, manager, agents and employees of such rating organiza-
13 tion, advisory organization, or group, association or other organization
14 may be examined at any time under oath and shall exhibit all books,
15 records, accounts, documents, or agreements governing its method of
16 operation. In lieu of any such examination the commissioner may
17 accept the report of an examination made by the insurance supervisory
18 official of another state, pursuant to the laws of such state.

1 **SEC. 13. Rate Administration.**

2 1. *Recording and Reporting of Loss and Expense Experience.* The
3 commissioner shall promulgate reasonable rules and statistical plans,
4 reasonably adapted to each of the rating systems on file with him,
5 which may be modified from time to time and which shall be used
6 thereafter by each insurer in the recording and reporting of its loss
7 and countrywide expense experience, in order that the experience of
8 all insurers may be made available at least annually in such form and
9 detail as may be necessary to aid him in determining whether rating
10 systems comply with the standards set forth in section three (3) of
11 this Act. Such rules and plans may also provide for the recording and
12 reporting of expense experience items which are specially applicable
13 to this state and are not susceptible of determination by a prorating
14 of countrywide expense experience. In promulgating such rules and
15 plans, the commissioner shall give due consideration to the rating
16 systems on file with him and, in order that such rules and plans may
17 be as uniform as is practicable among the several states, to the rules
18 and to the form of the plans used for such rating systems in other
19 states. No insurer shall be required to record or report its loss ex-
20 perience on a classification basis that is inconsistent with the rating
21 system filed by it. The commissioner may designate one or more rat-
22 ing organizations or other agencies to assist him in gathering such
23 experience and making compilations thereof, and such compilations
24 shall be made available, subject to reasonable rules promulgated by
25 the commissioner, to insurers and rating organizations.

26 2. *Interchange of Rating Plan Data.* Reasonable rules and plans
27 may be promulgated by the commissioner for the interchange of data
28 necessary for the application of rating plans.

29 3. *Consultation with Other States.* In order to further uniform
30 administration of rate regulatory laws, the commissioner and every
31 insurer and rating organization may exchange information and ex-
32 perience data with insurance supervisory officials, insurers and rating
33 organizations in other states and may consult with them with respect
34 to rate making and the application of rating systems.

35 4. *Rules and Regulations.* The commissioner may make reasonable
36 rules and regulations necessary to effect the purposes of this Act.

1 **SEC. 14. False or Misleading Information.**

2 No person or organization shall wilfully withhold information from,
3 or knowingly give false or misleading information to, the commission-
4 er, any statistical agency designated by the commissioner, any rating
5 organization, or any insurer, which will affect the rates or premiums
6 chargeable under this Act. A violation of this section shall subject the
7 one guilty of such violation to the penalties provided in section sixteen
8 (16) of this Act.

1 **SEC. 15. Assigned Risks.**

2 Agreements may be made among insurers with respect to the equi-
3 table apportionment among them of insurance which may be afforded
4 applicants who are in good faith entitled to but who are unable to
5 procure such insurance through ordinary methods and such insurers
6 may agree among themselves on the use of reasonable rate modifica-
7 tions for such insurance, such agreements and rate modifications to be
8 subject to the approval of the commissioner.

1 **SEC. 16. Rebates Prohibited.**

2 No agent shall knowingly charge, demand or receive a premium for
3 any policy of insurance except in accordance with the provisions of
4 this Act. No insurer or employee thereof, and no agent, shall pay,
5 allow, or give, or offer to pay, allow, or give, directly or indirectly, as
6 an inducement to insurance or after insurance has been effected, any
7 rebate, discount, abatement, credit or reduction of the premium named
8 in a policy of insurance, or any special favor or advantage in the divi-
9 dends or other benefits to accrue thereon, or any valuable considera-
10 tion or inducement whatever, not specified in the policy of insurance,
11 except to the extent provided for in an applicable filing. No insured
12 named in a policy of insurance, nor any employee of such insured shall
13 knowingly receive or accept, directly or indirectly, any such rebate,
14 discount, abatement, credit or reduction of premium, or any such
15 special favor or advantage or valuable consideration or inducement.

16 Nothing in this section shall be construed as prohibiting the pay-
17 ment of commissions or other compensation to duly licensed agents,
18 nor as prohibiting any insurer from allowing or returning to its par-
19 ticipating policyholders, members or subscribers, dividends, savings or
20 unabsorbed premium deposits. As used in this section the word "insur-
21 ance" includes suretyship and the word "policy" includes bond.

1 **SEC. 17. Penalties.**

2 The commissioner may, if he finds that any person or organization
3 has violated any provision of this Act, impose a penalty of not more
4 than fifty dollars (\$50) for each such violation, but if he finds such
5 violation to be wilful he may impose a penalty of not more than five
6 hundred dollars (\$500) for each such violation. Such penalties may be
7 in addition to any other penalty provided by law.

8 The commissioner may suspend the license of any rating organiza-
9 tion or insurer which fails to comply with an order of the commission-
10 er within the time limited by such order, or any extension thereof
11 which the commissioner may grant. The commissioner shall not sus-
12 pend the license of any rating organization or insurer for failure to
13 comply with an order until the time prescribed for an appeal there-

14 from has expired or if an appeal has been taken, until such order has
15 been affirmed. The commissioner may determine when a suspension of
16 license shall become effective and it shall remain in effect for the
17 period fixed by him, unless he modifies or rescinds such suspension,
18 or until the order upon which such suspension is based is modified,
19 rescinded or reversed.

20 No penalty shall be imposed and no license shall be suspended or
21 revoked except upon a written order of the commissioner, stating his
22 findings, made after a hearing held upon not less than ten (10) days'
23 written notice to such person or organization specifying the alleged
24 violation.

1 **SEC. 18. Hearing Procedure and Judicial Review.**

2 1. Any insurer or rating organization to which the commissioner
3 has directed an order made without a hearing may, within thirty (30)
4 days after notice to it of such order, make written request to the com-
5 missioner for a hearing thereon. The commissioner shall hear such
6 party or parties within twenty (20) days after receipt of such request
7 and shall give not less than ten (10) days' written notice of the time
8 and place of the hearing. Within fifteen (15) days after such hearing
9 the commissioner shall affirm, reverse or modify his previous action,
10 specifying his reasons therefor. Pending such hearing and decision
11 thereon the commissioner may suspend or postpone the effective date
12 of his previous action.

13 2. Nothing contained in this Act shall require the observance at any
14 hearing of formal rules of pleading or evidence.

15 3. Any order or decision of the commissioner shall be subject to
16 review by writ of certiorari to the district court at the instance of any
17 party in interest.

18 The court shall determine whether the filing of the petition for such
19 writ shall operate as a stay of any such order or decision of the com-
20 missioner. The court may, in disposing of the issue before it, modify,
21 affirm or reverse the order or decision of the commissioner in whole or
22 in part.

1 **SEC. 19. Law Repealed.**

2 1. Chapter five hundred fifteen A (515A) and chapter five hundred
3 fifteen B (515B), Code 1962, are hereby repealed.

4 2. Section five hundred seven B point four (507B.4), Code 1962, sub-
5 section nine (9), is amended by striking therefrom the words and
6 figures "section 515A.16 or 515B.15" and substituting therefor "sec-
7 tion sixteen (16) of this Act".

1 **SEC. 20. Laws Affected.** Compliance with this Act shall not be
2 deemed to be a violation of section five hundred fifteen point one hun-
3 dred thirty-one (515.131), Code 1962.

1 **SEC. 21. Constitutionality.**

2 If any section, subsection, subdivision, paragraph, sentence or clause
3 of this Act is held invalid or unconstitutional, such decision shall not
4 affect the remaining portions of this Act.

Approved April 12, 1965.

CHAPTER 401

COUNTY MUTUAL INSURANCE ASSOCIATIONS

H. F. 13

AN ACT relating to the method of operation and the regulating of county mutual insurance associations; to amend chapter five hundred eighteen (518), Code 1962, relating to mutual, fire, tornado, hailstorm and other assessment insurance associations, thereby making the provisions of said chapter inapplicable to county mutual insurance associations; to enact a chapter of the Code regulating county mutual associations and making provision for their operations, including the classes of business that may be insured, requiring agents to be licensed by the commissioner of insurance, imposing a tax on premiums of county mutual insurance associations, and to amend certain sections of the Code 1962 made necessary by the provisions of this bill.

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

1 SECTION 1. **Incorporation.** Corporations formed to operate as
2 county mutual insurance associations shall be governed by the provi-
3 sions of chapter four hundred ninety-one (491) of the Code, except as
4 modified by the provisions of this chapter.

1 SEC. 2. **Articles—approval.** Each such organization shall present
2 to the commissioner of insurance its articles of incorporation which
3 shall show its name, objects and purposes, the time and place of the
4 annual meeting of the members, and the location of its principal place
5 of business. The commissioner of insurance shall then submit the
6 articles of incorporation to the attorney general for examination, and
7 if found by him to be in accordance with the provisions of this chapter
8 and the constitution and the laws of the state, he shall certify such
9 fact thereon and return the same to said commissioner, and no articles
10 shall be approved by him or recorded unless accompanied by such cer-
11 tificate.

1 SEC. 3. **Certificate—recording.** If the commissioner of insurance
2 approves the articles of incorporation, he shall so certify and the arti-
3 cles with the certificates of approval shall then be recorded and certi-
4 fied by the secretary of state.

1 SEC. 4. **Identification as to type of insurer.** Any association in-
2 corporated under the laws of this state for the purpose of furnishing
3 insurance as provided for in this chapter shall be known as a county
4 mutual insurance association. The words "mutual" and "association"
5 shall be incorporated in and become a part of its name.

1 SEC. 5. **Commencement of business—conditions.** No county mu-
2 tual insurance association shall issue policies until applications for
3 insurance of not less than fifty thousand dollars, representing at least
4 fifty applicants, have been received, and no application for insurance
5 during the period of organization shall exceed two percent of the
6 amount required for organization, any reinsurance taking effect simul-
7 taneously with the policy being deducted in determining such maxi-
8 mum single risk.

1 SEC. 6. **Powers of the members.** Members of the association shall
2 have the power to make or amend articles of incorporation at any
3 membership meeting, provided that notice of such addition or amend-

4 ment has been mailed to each member at least ten days in advance of
5 the meeting in which such proposed action is to be considered, and
6 provided that no amendment shall become effective until approved by
7 the commissioner of insurance and recorded in the office of the secre-
8 tary of state.

1 **SEC. 7. Officers and directors—election.** Officers or directors shall
2 be elected in the manner and for the length of time prescribed in the
3 articles of incorporation.

1 **SEC. 8. Bylaws.** The directors of the association shall have the
2 authority to enact such bylaws and regulations not inconsistent with
3 law as they consider necessary for the regulation and conduct of the
4 business. No change in the bylaws shall have the effect of limiting
5 coverage under existing policies of insurance.

1 **SEC. 9. Eligibility for membership.** The members of the associa-
2 tion shall consist of those persons or organizations insured therein.
3 The words "persons" and "members" as used in this chapter shall be
4 construed to mean trustees, administrators, and all other individuals,
5 public or private corporations or associations. Insurance on the prop-
6 erty of one or more minors may be granted on application of an adult
7 parent, friend or guardian who consents to become a member as repre-
8 senting such minor.

1 **SEC. 10. Territorial limitations.** The territory of any association
2 shall be limited to the county in which its principal place of business
3 is located, and to the counties contiguous thereto, and no coverage
4 shall be placed on property located outside of this territory; provided,
5 however, that the insurance may be extended, if the policy so provides,
6 to cover personal property while temporarily removed to other loca-
7 tions.

1 **SEC. 11. Kinds of insurance.** Any association organized under
2 this chapter is authorized to insure or to accept reinsurance against
3 loss or damage by:

- 4 1. Any peril or perils resulting in physical loss or damage to prop-
5 erty;
- 6 2. Theft of personal property;
- 7 3. Injury, sickness or death of animals and the furnishing of veteri-
8 nary service.

9 Such contracts of insurance shall be subject only to such provisions
10 as are contained in this chapter and shall consist of:

11 An application on blanks furnished by the association and signed by
12 the insured or his representative;

13 A policy issued by the association in accordance with its rules, and
14 approved by the commissioner of insurance.

1 **SEC. 12. Properties to be insured.** County mutual insurance as-
2 sociations are permitted to insure only the following classes of prop-
3 erty:

- 4 1. Farm property, including residences and other farm buildings
5 and all classes of personal property in connection therewith;
- 6 2. Buildings and personal property used in the processing of agri-
7 cultural products in conjunction with a farming operation;

- 8 3. Town, city and suburban residences, including household and per-
9 sonal effects;
10 4. Churches, schools and community buildings.

1 **SEC. 13. Premium charges.** Any association may by action of its
2 board of directors establish premium charges for the purpose of pay-
3 ment of losses and expenses and for the establishment or maintenance
4 of a reserve fund.

5 Any policy shall stand suspended if any default shall be made in the
6 payment of any premium on or before the date specified in a written
7 notice requiring the payment of such premium and mailed to the
8 insured and directed to his last known address not less than thirty
9 days prior to such suspension date. Such notice shall specify the
10 amount and due date of the premium. The association shall in no event
11 be liable for any loss occurring during such period of suspension.

1 **SEC. 14. Reserve fund.** Funds which are not required for the
2 payment of losses and expenses may be held in reserve for future
3 losses and expenses. Such reserve fund may be deposited in banks
4 approved by the board of directors, or at the option of the board of
5 directors may be invested in the classes of securities permitted by
6 section five hundred fifteen point thirty-five (515.35) of the Code;
7 but at the direction of the board of directors and with the consent of
8 the commissioner of insurance, a part of such funds may be invested
9 in a home office building.

1 **SEC. 15. Reports and examinations.** The president or the vice-
2 president and secretary of each association authorized to do business
3 under this chapter shall annually before the first day of March prepare
4 under oath and file with the commissioner of insurance a full, true and
5 complete statement of the condition of such association on the last day
6 of the preceding year. The commissioner of insurance shall prescribe
7 the report forms and shall determine the information and data to be
8 reported.

9 Such associations shall pay the same expenses of any examination
10 made or ordered to be made by the commissioner of insurance and the
11 same fees for the annual reports and annual certificates of authority
12 as are required to be paid by domestic companies organized and doing
13 business under chapter five hundred fifteen (515) of the Code, which
14 certificates shall expire March 31 of the year following the date of
15 issue.

1 **SEC. 16. Qualification of agents.** On and after July 1, 1965, no
2 person, unless certified to the commissioner of insurance as an agent
3 for a county mutual insurance association prior to that date, shall
4 directly or indirectly act as agent, or otherwise, in receiving or pro-
5 curing applications for insurance for any county mutual insurance
6 association, until he has procured from the commissioner of insurance
7 a license authorizing him to act for such association as agent.

8 Each first-time applicant, unless otherwise qualified under chapter
9 five hundred twenty-two (522) of the Code, shall establish qualifica-
10 tion by applying to the commissioner of insurance for an agent's
11 license and by passage of an examination to be administered by the
12 commissioner of insurance. The scope of such an examination shall be

13 limited to the insurance coverages authorized by section eleven (11)
 14 of this Act and the classes of property authorized by section twelve
 15 (12) of this Act. The commissioner of insurance shall have the right
 16 to disqualify any applicant who fails such examination; however, said
 17 applicant shall have the right to apply for re-examination after wait-
 18 ing for a period of not less than thirty days.

19 The commissioner shall require of each first-time applicant an appli-
 20 cation fee of five dollars.

21 Each license shall expire on March 31 following the time of issue.
 22 A fee of fifty cents for each license shall be paid by the county mutual
 23 insurance association.

24 The commissioner of insurance may, for a just and reasonable cause,
 25 cancel the license of such agent after due notice and hearing.

26 The commissioner of insurance may issue a temporary license for a
 27 period of not to exceed six months and for such temporary license may
 28 waive the requirements established herein.

1 **SEC. 17. Reinsurance.** Any county mutual insurance association
 2 may reinsure a part or all of its risks with any association operating
 3 under the provisions of this chapter, or with any other association or
 4 company licensed in this state and authorized to write the kinds of
 5 insurance enumerated in section eleven (11) of this Act.

6 The commissioner of insurance may require any county mutual in-
 7 surance association to obtain reinsurance coverage as provided for in
 8 this section if it appears to the commissioner of insurance that the
 9 perils insured against and the classes of properties insured may seri-
 10 ously endanger the financial position of the association and the security
 11 of its members.

1 **SEC. 18. Premium tax.** After January 1, 1966, every association
 2 doing business under this chapter shall be required to pay to the
 3 treasurer of the state as taxes an amount equal to the following:

4 Two percent of the gross amount of premiums received during the
 5 preceding calendar year, after deducting the amount returned upon
 6 the canceled policies, certificates and rejected applications; and after
 7 deducting premiums paid for windstorm or hail reinsurance on prop-
 8 erties specifically reinsured; provided, however, that the reinsurer of
 9 such windstorm or hail risks shall pay two percent of the gross amount
 10 of reinsurance premiums received upon such risks after deducting the
 11 amounts returned upon canceled policies, certificates and rejected ap-
 12 plications.

1 **SEC. 19. Proof of loss—requirement for reporting.** The insured
 2 shall give immediate written notice to the association of any loss for
 3 which claim is made and shall then furnish a written proof of loss to
 4 the association within sixty days from the time the loss occurred,
 5 unless such time is extended in writing by the association. The proof
 6 of loss shall contain such information as is required by the policy pro-
 7 visions of the association, which information shall be signed and sworn
 8 to by the insured.

1 **SEC. 20. Reporting of livestock losses.** In the event of loss of
 2 livestock, the insured shall give notice to the association in sufficient
 3 time to permit the performance by a licensed veterinarian of a post-

4 mortem examination of the livestock for which claim is made, but in
5 no event later than forty-eight hours from the time of occurrence.

1 **SEC. 21. Reporting of losses of crops by hail.** In the event of loss
2 to growing crops by hail, notice of such loss must be given by mailing
3 to the association a certified letter within ten days from the time such
4 loss or damage occurred.

1 **SEC. 22. Limitation of action.** No action on any loss shall be
2 begun sooner than forty days after proof of loss has been given to the
3 association, and unless commenced within twelve months next after
4 the inception of the loss.

1 **SEC. 23. Cancellation of policies.** Any policy shall be canceled at
2 any time at the request of the insured upon the return of the policy
3 to the home office of the association, and the payment of all premium
4 charges against such policy; or by the association by giving five days'
5 notice of such cancellation. Such service of notice may be made in
6 person, or by mailing such notice by certified mail deposited in the
7 post office and directed to the insured at his post-office address as
8 given in or upon the policy, or to such other address as the insured
9 shall have given to the association in writing. A post office department
10 receipt of certified or registered mail shall be deemed proof of receipt
11 of such notice. If in either case the cash payments shall exceed the
12 amount properly chargeable, the excess will be refunded upon the
13 surrender of the policy to the association at its home office.

1 **SEC. 24.** Section five hundred eighteen point one (518.1), Code
2 1962, subsection three (3), is hereby amended by striking all of such
3 subsection after the word "companies" in line three (3).

1 **SEC. 25.** Section five hundred eighteen point two (518.2), Code
2 1962, is hereby amended by striking from lines three (3) through
3 thirteen (13) inclusive, the comma and the words following the word
4 "chapter" in line three (3) " , doing business only within the county
5 in which is situated the town or city named in its articles of incorpo-
6 ration as its principal place of business, or the counties contiguous
7 thereto, shall, for the purpose of this chapter, be deemed a county
8 mutual assessment association; all other associations operating here-
9 under shall, for the purposes of this chapter, be deemed state mutual
10 assessment associations, and such associations".

1 **SEC. 26.** Section five hundred eighteen point sixteen (518.16), Code
2 1962, is hereby repealed.

1 **SEC. 27.** Section five hundred eighteen point eighteen (518.18),
2 Code 1962, is hereby amended by striking from lines twelve (12)
3 through sixteen (16) thereof, the following words:

4 "The county associations, the state associations, and those doing an
5 exclusive tornado, an exclusive hailstorm, or an exclusive automobile
6 insurance business shall be separately classified in said report".

1 **SEC. 28.** Section five hundred eighteen point thirty-seven (518.37),
2 Code 1962, is hereby repealed.

1 SEC. 29. Section five hundred eighteen point forty-one (518.41),
2 Code 1962, is hereby amended by striking from lines three (3) and
3 four (4) thereof, the words “, other than county mutuals,”.

1 SEC. 30. Section five hundred twenty-two point one (522.1), Code
2 1962, is hereby amended by striking from lines six (6) and seven (7)
3 thereof, the words “county mutuals or”, and adding to said sentence
4 after the comma in line seven (7) the words “except that the licens-
5 ing of persons so acting for county mutuals shall be subject only to
6 the provisions of section sixteen (16) of this Act,”.

1 SEC. 31. Section four hundred thirty-two point one (432.1), Code
2 1962, is amended by striking from line four (4) thereof, the words
3 “county mutual associations”, and by adding to said section after the
4 word “following” in line nine (9) the words “, except that the premium
5 tax applicable to county mutual associations shall be governed by sec-
6 tion eighteen (18) of this Act”.

1 SEC. 32. Section five hundred fifteen point twenty-four (515.24),
2 Code 1962, is hereby amended by adding to line eleven (11) after the
3 word “reinsurance”, the words “except that any company reinsuring
4 windstorm or hail risks written by county mutual associations shall be
5 required to pay a two percent tax on the gross amount of reinsurance
6 premiums received upon such risks”.

1 SEC. 33. Section five hundred eighteen point thirty-five (518.35),
2 Code 1962, is hereby amended by adding to line eleven (11) after the
3 word “reinsurance”, the words “except that any company reinsuring
4 windstorm or hail risks written by county mutual associations shall be
5 required to pay a two percent tax on the gross amount of reinsurance
6 premiums received upon such risks”.

1 SEC. 34. Section five hundred seven point one (507.1), Code 1962,
2 is hereby amended by striking from line five (5) the words “except
3 county mutuals” and substituting in lieu thereof the words “associa-
4 tions subject to the provisions of this Act”.

Approved March 25, 1965.

CHAPTER 402

PROXIES FROM INSURANCE STOCKHOLDERS

H. F. 209

AN ACT relating to the solicitation of proxies from policyholders and stockholders of insurance companies.

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

1 SECTION 1. Sections five hundred twenty-three point two (523.2),
2 five hundred twenty-three point three (523.3), and five hundred
3 twenty-three point four (523.4), Code 1962, are hereby repealed and
4 the following section substituted therefor: “The commissioner of
5 insurance shall promulgate such rules with respect to the solicitation

6 and voting of proxies as will in his opinion best protect the interests
7 of all stockholders or policyholders from whom they are solicited.
8 Any violation of any rule promulgated hereunder shall be deemed a
9 misdemeanor and punishable accordingly.”

Approved February 26, 1965.

CHAPTER 403

INSIDER TRADING OF INSURANCE STOCK

H. F. 210

AN ACT concerning insider trading of domestic stock insurance company equity securities.

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

1 SECTION 1. Every person who is directly or indirectly the bene-
2 ficial owner of more than ten per cent (10%) of any class of any
3 equity security of a domestic stock insurance company, or who is a
4 director or an officer of such company, shall file in the office of the
5 commissioner of insurance on or before the thirty-first day of July,
6 1965, or within ten days after he becomes such beneficial owner, direc-
7 tor or officer a statement, in such form as the commissioner may
8 prescribe, of the amount of all equity securities of such company of
9 which he is the beneficial owner, and within ten days after the close
10 of each calendar month thereafter, if there has been a change in such
11 ownership during such month, shall file in the office of the commis-
12 sioner a statement, in such form as the commissioner may prescribe,
13 indicating his ownership at the close of the calendar month and such
14 changes in his ownership as have occurred during such calendar
15 month.

1 SEC. 2. For the purpose of preventing the unfair use of informa-
2 tion which may have been obtained by such beneficial owner, director
3 or officer by reason of his relationship to such company, any profit
4 realized by him from any purchase and sale, or any sale and purchase,
5 of any equity security of such company within any period of less than
6 six months, unless such security was acquired in good faith in con-
7 nection with a debt previously contracted, shall inure to and be re-
8 coverable by the company, irrespective of any intention on the part
9 of such beneficial owner, director or officer in entering into such
10 transaction of holding the security purchase or of not repurchasing
11 the security sold for a period exceeding six months. Suit to recover
12 such profit may be instituted at law or in equity in any court of com-
13 petent jurisdiction by the company, or by the owner of any security
14 of the company in the name and in behalf of the company if the com-
15 pany shall fail or refuse to bring such suit within sixty days after
16 request or shall fail diligently to prosecute the same thereafter; but
17 no such suit shall be brought more than two years after the date such
18 profit was realized. This section shall not be construed to cover any
19 transaction where such beneficial owner was not such both at the time
20 of the purchase and sale, or the sale and purchase, of the security

21 involved, or any transaction or transactions which the commissioner
22 by rules and regulations may exempt as not comprehended within the
23 purpose of this section.

1 SEC. 3. It shall be unlawful for any such beneficial owner, direc-
2 tor or officer, directly or indirectly, to sell any equity security of such
3 company if the person selling the security or his principal does not
4 own the security sold, or if owning the security, does not deliver it
5 against such sale within twenty days thereafter, or does not within
6 five days after such sale deposit it in the mails or other usual chan-
7 nels of transportation; but no person shall be deemed to have violated
8 this section if he proves that notwithstanding the exercise of good
9 faith he was unable to make such delivery or deposit within such time,
10 or that to do so would cause undue inconvenience or expense.

1 SEC. 4. The provisions of section two (2) of this Act shall not
2 apply to any purchase and sale, or sale and purchase, and the provi-
3 sions of section three (3) of this Act shall not apply to any sale, of an
4 equity security of a domestic stock insurance company not then or
5 theretofore held by him in an investment account, by a dealer in the
6 ordinary course of his business and incident to the establishment or
7 maintenance by him of a primary or secondary market (otherwise
8 than on an exchange as defined in the Securities Exchange Act of
9 1934) for such security. The commissioner may, by such rules and
10 regulations as he deems necessary or appropriate in the public inter-
11 est, define and prescribe terms and conditions with respect to secu-
12 rities held in an investment account and transactions made in the
13 ordinary course of business and incident to the establishment or
14 maintenance of a primary or secondary market.

1 SEC. 5. The provisions of sections one (1), two (2), and three (3)
2 of this Act shall not apply to foreign or domestic arbitrage transac-
3 tions unless made in contravention of such rules and regulations as
4 the commissioner may adopt in order to carry out the purposes of this
5 Act.

1 SEC. 6. The term "equity security" when used in this Act means
2 any stock or similar security; or any security convertible, with or
3 without consideration, into such a security, or carrying any warrant
4 or right to subscribe to or purchase such a security; or any such
5 warrant or right; or any other security which the commissioner shall
6 deem to be of similar nature and consider necessary or appropriate,
7 by such rules and regulations as he may prescribe in the public inter-
8 est or for the protection of investors, to treat as an equity security.

1 SEC. 7. The provisions of sections one (1), two (2), and three (3)
2 of this Act shall not apply to equity securities of a domestic stock
3 insurance company if (a) such securities shall be registered, or shall
4 be required to be registered, pursuant to section twelve (12) of the
5 Securities Exchange Act of 1934, as amended, or if (b) such domes-
6 tic stock insurance company shall not have any class of its equity
7 securities held of record by one hundred or more persons on the last
8 business day of the year next preceding the year in which equity secu-
9 rities of the company would be subject to the provisions of sections

10 one (1), two (2), and three (3) of this Act except for the provisions
11 of this subsection (b).

1 SEC. 8. The commissioner shall have the power to make such rules
2 and regulations as may be necessary for the execution of the functions
3 vested in him by sections one (1) through seven (7) of this Act, and
4 may for such purpose classify domestic stock insurance companies,
5 securities, and other persons or matters within his jurisdiction. No
6 provisions of sections one (1), two (2), and three (3) of this Act
7 imposing any liability shall apply to any act done or omitted in good
8 faith in conformity with any rule or regulation of the commissioner,
9 notwithstanding that such rule or regulation may, after such act or
10 omission, be amended or rescinded or determined by judicial or other
11 authority to be invalid for any reason.

Approved February 26, 1965.

CHAPTER 404

CREDIT UNION FEE

S. F. 248

AN ACT relating to a fee to the superintendent of banking by credit unions.

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

1 SECTION 1. Section five hundred thirty-three point six (533.6),
2 Code 1962, is hereby amended by striking paragraph three (3), sub-
3 section two (2) and inserting in lieu thereof: "Each credit union
4 shall pay to the superintendent of banking a fee for making examina-
5 tions, based on the actual cost of the operation of the credit union
6 division of the department of banking and the proportionate share of
7 administrative expenses in the operation of the department of bank-
8 ing, attributable to credit unions, to be determined by the superin-
9 tendent of banking, in accordance with chapter seventeen A (17A),
10 Code 1962."

1 SEC. 2. The provisions of this Act shall become effective January
2 1, 1966.

Approved April 30, 1965.

CHAPTER 405

DIRECTORS AND OFFICERS OF CREDIT UNIONS

S. F. 247

AN ACT relating to directors and officers of credit unions.

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

1 SECTION 1. Section five hundred thirty-three point nine (533.9),
2 Code 1962, as amended, is hereby amended by striking in lines eight

3 (8) and nine (9) the following: "and an auditing committee of three
4 members" and inserting in lieu thereof "and an auditing committee of
5 not less than three members".

Approved April 30, 1965.

CHAPTER 406

CREDIT UNIONS

S. F. 294

AN ACT relating to loans by credit unions.

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

1 SECTION 1. Section five hundred thirty-three point ten (533.10),
2 Code 1962, is hereby amended by striking in lines fifteen (15) and
3 sixteen (16) the following: "with one hundred thousand dollars or
4 more in assets and".

Approved May 19, 1965.

CHAPTER 407

CREDIT UNION FALSIFICATIONS

S. F. 299

AN ACT to establish penalties for falsification of credit union operations.

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

1 SECTION 1. Chapter five hundred thirty-three (533), Code 1962,
2 is hereby amended by adding the following section:
3 "Any director, officer, agent, employee, or clerk of any credit union
4 who shall knowingly subscribe or make any false statements or false
5 entries in the books thereof, or knowingly subscribe or exhibit false
6 papers with intent to deceive any person authorized to examine its
7 condition, or shall knowingly subscribe and make false reports, or
8 shall knowingly divert the funds of the credit union to other objects
9 than those authorized by law, shall be punished by imprisonment in
10 the penitentiary not more than five (5) years, or in the county jail not
11 more than one (1) year, or by fine of not more than one thousand
12 dollars or by both such fine and imprisonment and be forever after
13 barred from holding any office created by this chapter".

Approved May 24, 1965.

CHAPTER 408

SAVINGS AND LOAN ASSOCIATIONS

H. F. 98

AN ACT to amend the law relating to savings and loan associations so as to bring the requirements of Iowa state chartered associations in line with the federal associations, together with certain supervisory and corrective measures.

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

1 SECTION 1. Section five hundred thirty-four point seventeen
2 (534.17), Code 1962, is amended by striking from the end of subsection
3 one (1) the words "of this state" and inserting in lieu thereof the
4 words "so long as the total investment in such corporation does not
5 exceed five percent of the assets of said association".

1 SEC. 2. Section five hundred thirty-four point nineteen (534.19),
2 Code 1962, is amended as follows:
3 1. By striking from lines seven (7) and eight (8) of subsection six
4 (6) the words "three thousand, five hundred" and inserting in lieu
5 thereof the words "five thousand".
6 2. By striking from line fourteen (14) of subsection six (6) the
7 word "five" and inserting in lieu thereof the word "eight".

1 SEC. 3. Section five hundred thirty-four point nineteen (534.19),
2 Code 1962, is amended by adding thereto the following subsections:
3 "*Service corporations.* Any association shall have the power to
4 organize and own, alone or with any other similar corporation, a
5 service corporation for the purpose of owning and operating automa-
6 tion or record-keeping equipment and other functions for the mutual
7 good of said corporations which the corporations could individually
8 do under their own authority.
9 "*Urban renewal investments.* Any association shall have the
10 power to organize or purchase stock in a corporation for the purpose
11 of lending, owning, or constructing property in urban renewal areas,
12 so long as the total investment in such corporation does not exceed
13 five percent of the assets of said association.
14 "*Educational loans.* Any association is authorized to invest in
15 loan, obligations, and advances of credit (all of which are hereinafter
16 referred to in this subsection as 'loans') made for the purpose of
17 expenses of college or university education, but no association shall
18 make any investment in loans under this paragraph if the principal
19 amount of its investment in such loans, exclusive of any investment
20 which is or which at the time of its making was otherwise authorized,
21 would thereupon exceed five percent of its assets. Such loans may be
22 secured, partly secured, or unsecured, and the association may require
23 a comaker or comakers, insurance, guaranty under a governmental
24 student loan guarantee plan, or other protection against contingencies.
25 The borrower shall certify to the association that the proceeds of the
26 loan are to be used by a full-time student solely for the payment of
27 expenses of college or university education. For the purpose of this
28 subsection, the term 'college or university education' means education
29 at an institution which provides an educational program for which it

30 awards a bachelor's degree, or provides not less than a two-year pro-
31 gram which is acceptable for full credit toward such a degree."

1 SEC. 4. Section five hundred thirty-four point twenty-one
2 (534.21), Code 1962, is amended as follows:

3 1. By striking from line two (2) of subsection two (2) the word
4 "twenty-five" and inserting in lieu thereof the word "thirty".

5 2. By striking from lines three (3) and eleven (11) of subsection
6 three (3) the word "thirty-five" and inserting in lieu thereof the word
7 "forty" in each of said lines.

8 3. By striking from line three (3) of paragraph "a" of subsection
9 four (4) the word "thirty-five" and inserting in lieu thereof the word
10 "forty".

1 SEC. 5. Section five hundred thirty-four point forty-one (534.41),
2 Code 1962, is amended by adding after the period in line eleven (11)
3 of subsection two (2) the following:

4 "Such examiners' salaries shall be fixed by the auditor of state sub-
5 ject to the approval of the comptroller and governor, which salaries
6 shall be commensurate with that in the range of other employees as
7 prescribed by certain classifications in accordance with their experi-
8 ence and qualifications. In addition such examiners shall be reim-
9 bursed for their actual and necessary expense."

1 SEC. 6. Section five hundred thirty-four point forty-one (534.41),
2 Code 1962, is amended by striking subsection five (5) and inserting in
3 lieu thereof the following:

4 "Where the examination is made under the provisions of subsection
5 three (3) of this section, each examiner shall file with the auditor of
6 state an itemized, certified and sworn voucher of his expense for the
7 time such examiner is actually engaged in such examination. On the
8 fifteenth and last days of each month each examiner shall file in tripli-
9 cate with the auditor of state a certified statement of the actual days
10 engaged in such examination. The salaries shall be included in a semi-
11 monthly payroll. Upon approval of the auditor of state the state
12 comptroller is hereby authorized to issue warrants for the payment of
13 said vouchers and salary payments, other than vacation or sick leave,
14 from funds appropriated to the savings and loan division. Repayment
15 to the state shall be made as provided by section five hundred thirty-
16 four point sixty-one (534.61) of the Code, subsection four (4)."

1 SEC. 7. Section five hundred thirty-four point forty-one (534.41),
2 Code 1962, is amended by adding after the period in line fourteen (14)
3 of subsection six (6) the following:

4 "However, any evidence of felonious acts on the part of the officers,
5 directors or employees of such association may be referred by the office
6 of the auditor of state to proper authorities."

1 SEC. 8. Section five hundred thirty-four point forty-two (534.42),
2 Code 1962, is amended by striking all after the word "month" in line
3 fourteen (14) and inserting in lieu thereof the following:

4 " , or by such later date of that month as is authorized by the super-
5 visor of savings and loan associations, which shall in no event be later
6 than the twentieth day of a particular month. If, however, such date

7 falls on a Sunday, holiday, or another business day on which the par-
8 ticular association is normally closed, then money received by the next
9 business day shall earn dividends from the first of that month."

1 SEC. 9. Section five hundred sixty-five A point four (565A.4),
2 Code 1962, is hereby amended by inserting after the word "bank" in
3 line nine (9) of subsection seven (7) the following: "or in share
4 accounts in savings and loan associations".

1 SEC. 10. Section five hundred sixty-five A point one (565A.1),
2 Code 1962, is amended by inserting in line ten (10) of subsection
3 twelve (12) after the comma, the following: "or shares invested in
4 savings and loan associations".

Approved April 13, 1965.

CHAPTER 409

SMALL LOAN CONTRACTS

S. F. 146

AN ACT to increase the maximum amount of small loan under chapter five hundred thirty-six (536), Code 1962, to amend other sections of said chapter, and to amend section five hundred thirty-five point six (535.6), Code 1962, relating to penalties for excessive interest.

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

1 SECTION 1. Section five hundred thirty-five point six (535.6),
2 Code 1962, is hereby amended by adding thereto the following:
3 "Provided, however, this section shall not apply to lawful loans under
4 chapter five hundred thirty-six (536) of the Code."

1 SEC. 2. Section five hundred thirty-six point one (536.1), Code
2 1962, is hereby amended by striking from lines five (5) and six (6)
3 the words "five hundred" and inserting in lieu thereof the words
4 "one thousand (1000)".

1 SEC. 3. Section five hundred thirty-six point twelve (536.12),
2 Code 1962, is hereby amended by striking from lines nine (9) and
3 ten (10) the words "five hundred" and inserting in lieu thereof the
4 words "one thousand (1000)".

1 SEC. 4. Section five hundred thirty-six point thirteen (536.13),
2 Code 1962, is hereby amended as follows:

3 1. By striking from line two (2) of subsection five (5) the words
4 "five hundred" and inserting in lieu thereof the words "one thousand
5 (1000)".

6 2. By striking from line three (3) of subsection six (6) the words
7 "five hundred" and inserting in lieu thereof the words "one thousand
8 (1000)".

1 SEC. 5. Section five hundred thirty-six point fifteen (536.15),
2 Code 1962, is hereby amended as follows:

3 1. By striking from line eight (8) the words "five hundred" and
4 inserting in lieu thereof the words "one thousand (1000)".

5 2. By striking from lines fourteen (14) and fifteen (15) the words
6 "five hundred" and inserting in lieu thereof the words "one thousand
7 (1000)".

1 SEC. 6. Section five hundred thirty-six point sixteen (536.16),
2 Code 1962, is hereby amended by striking from line two (2) the
3 words "five hundred" and inserting in lieu thereof the words "one
4 thousand (1000)".

1 SEC. 7. Section five hundred thirty-six point eighteen (536.18),
2 Code 1962, is hereby amended as follows:

3 1. By striking from line nine (9) the words "five hundred" and
4 inserting in lieu thereof the words "one thousand (1000)".

5 2. By striking from lines eighteen (18) and nineteen (19) the
6 words "five hundred" and inserting in lieu thereof the words "one
7 thousand (1000)".

1 SEC. 8. Section five hundred thirty-six point thirteen (536.13),
2 Code 1962, is hereby amended by striking all of line one (1) of sub-
3 section four (4) thereof and by inserting in lieu thereof the follow-
4 ing: "Beginning July 4, 1965, and under such", and by striking the
5 period at the end of subsection four (4) and inserting a comma in
6 lieu thereof and adding thereto the following: "but not exceeding
7 seven hundred (700) dollars, and one (1) per cent per month on any
8 part of the unpaid principal balance of the loan in excess of seven
9 hundred (700) dollars."

1 SEC. 9. Chapter five hundred thirty-six (536), Code 1962, is
2 hereby amended by adding thereto the following new section:

3 "The final maturity date of loans made by a licensee under this
4 chapter cannot be more than twenty-four (24) months and fifteen
5 (15) days from the date of making such loans if the principal amount
6 of the loan is five hundred (500) dollars or less and if the principal
7 amount of the loan exceeds five hundred (500) dollars, the final matu-
8 rity date cannot be more than thirty-six (36) months and fifteen
9 (15) days from the date such loans are made."

1 SEC. 10. Section five hundred thirty-six point thirteen (536.13),
2 Code 1962, is hereby amended as follows:

3 1. By striking lines five (5), six (6), seven (7), eight (8), nine
4 (9), ten (10), eleven (11) and twelve (12) of subsection six (6) and
5 inserting in lieu thereof the following:

6 "Interest shall not be paid, deducted or received in advance; shall
7 not be compounded; shall be computed only on unpaid principal bal-
8 ances for the number of days actually elapsed and for the purpose of
9 such computations a month shall be any period of thirty (30) con-
10 secutive days, but interest may be precomputed as provided in sub-
11 section seven (7) of this section. If part or all of the consideration
12 for a loan contract is the unpaid principal balance of a prior loan
13 with the same licensee, then the principal amount payable under such
14 loan contract may include the amount due on a precomputed contract

15 after giving the rebate required by subsection seven (7) of this sec-
16 tion. No”.

17 2. By adding the following new subsection seven (7) :

18 “7. Where the contract of loan requires repayment in substantially
19 equal and consecutive monthly installments of principal and interest
20 combined, the licensee may, at the time the loan is made, precompute
21 the interest at the agreed monthly rate on scheduled unpaid principal
22 balances according to the terms of the contract and add such interest
23 to the principal of the loan and include it in the amount of the loan
24 contract, but the principal excluding interest cannot exceed one thou-
25 sand (1000) dollars. Every payment may be applied to the combined
26 total of principal and precomputed interest until the contract is fully
27 paid. All payments made on account of any loan except for default
28 and deferment charges shall be deemed to be applied to the unpaid
29 installments in the order in which they are due. The portion of the
30 precomputed interest applicable to any particular month of the con-
31 tract, as originally scheduled or following a deferment, shall be that
32 proportion of such precomputed interest, excluding any adjustment
33 made for a first installment period of more than one (1) month and
34 any adjustment made for deferment, which the balance of the con-
35 tract scheduled to be outstanding during such month bears to the
36 sum of all monthly balances originally scheduled to be outstanding by
37 the contract. For the purpose of computation of precomputed inter-
38 est, a month shall be that period of time from any date in a month to
39 the corresponding date in the next month, but if there is no such
40 corresponding date then to the last day of the next month and a day
41 shall be considered one-thirtieth ($\frac{1}{30}$) of a month when computation
42 is made for a fraction of a month. All loan contracts made pursuant
43 to this subsection shall be subject to the following adjustments :

44 “a. Notwithstanding the requirement for substantially equal and
45 consecutive monthly installments, the first installment period may
46 exceed one (1) month by as much as fifteen (15) days and the in-
47 terest for each day exceeding one (1) month shall be one-thirtieth
48 ($\frac{1}{30}$) of the interest which would be applicable to a first installment
49 period of one (1) month. The interest for extra days in the first
50 installment period may be added to the first installment and such
51 interest for such extra days shall be excluded in computing any
52 rebate except as provided in paragraph *b* hereof ;

53 “b. If prepayment in full by cash, a new loan, or otherwise occurs
54 before the first installment due date, the interest shall be recomputed
55 at the agreed rate upon the actual unpaid principal balances of the
56 loan for the actual time outstanding by applying the payment, or
57 payments, first to interest at the agreed rate and the remainder to the
58 principal. The amount of interest so computed shall be retained in
59 lieu of all precomputed interest ;

60 “c. If the contract is prepaid in full by cash, a new loan, or other-
61 wise on or after the first installment due date but before the final
62 installment due date, the borrower shall receive a rebate of an
63 amount which shall be not less than that portion of the precomputed
64 interest, excluding any adjustment for a first installment period of
65 more than one (1) month and any default and deferment charges,
66 applicable to the installment periods scheduled to follow the install-
67 ment date nearest the date of prepayment in full. For the purpose

68 of computing the rebate, any prepayment in full made on or before
69 the fifteenth day following an installment date shall be deemed to
70 have been made on the installment date immediately preceding the
71 date of prepayment in full and any prepayment in full made after
72 such fifteenth day shall be deemed to have been made on the install-
73 ment date immediately following the date of prepayment in full. Any
74 default and deferment charges which are due and unpaid may be de-
75 ducted from such rebate. No rebate shall be required for any partial
76 installment prepayment. If judgment is obtained before the final in-
77 stallment date the contract balance shall be reduced by the rebate
78 which would be required for prepayment in full as of the date judg-
79 ment is obtained;

80 "d. If any installment is unpaid in full for seven (7) or more con-
81 secutive days, Sundays and holidays included, after it is due, the
82 licensee may charge and collect a default charge not exceeding an
83 amount equal to the portion of the precomputed interest applicable
84 to the final installment period and a similar amount may be charged
85 and collected for each succeeding full month from such due date that
86 such installment remains wholly unpaid and outstanding. Such de-
87 fault charges may be collected when due or at any time thereafter;

88 "e. If, as of an installment due date, the payment date of all wholly
89 unpaid installments is deferred one (1) or more full months and the
90 maturity of the contract is extended for a corresponding period, the
91 licensee may charge and collect a deferment charge not exceeding the
92 interest applicable to the month preceding the first of the install-
93 ments deferred, multiplied by the number of months in the defer-
94 ment period. The deferment period is that period during which no
95 payment is made or required by reason of such deferment. The de-
96 ferment charge may be collected at the time of deferment or any time
97 thereafter. The portion of the precomputed interest applicable to
98 each deferred balance and installment period following the deferment
99 period shall remain the same as that applicable to such balance and
100 periods under the original contract of loan. No installment on which
101 a default charge has been collected, or on account of which any par-
102 tial payment has been made, shall be deferred or included in the
103 computation of the deferment charge unless such default charge or
104 partial payment is refunded to the borrower or credited to the defer-
105 ment charge. Any payment received at the time of deferment may
106 be applied first to the deferment charge and the remainder, if any,
107 applied to the unpaid balance of the contract; provided, that if such
108 payment is sufficient to pay, in addition to the appropriate deferment
109 charge, any installment which is in default and the applicable default
110 charge, it shall be first so applied and any such installment shall not
111 be deferred or subject to the deferment charge. If a loan is prepaid
112 in full during the deferment period, the borrower shall receive, in
113 addition to the required rebate, a rebate of that portion of the defer-
114 ment charge applicable to any unexpired full month or months of
115 such deferment period; and

116 "f. If two (2) or more full installments are in default for one (1)
117 full month or more at any installment date and if the contract so
118 provides, the licensee may reduce the contract balance by the rebate
119 which would be required for prepayment in full as of such install-
120 ment date and the amount remaining unpaid shall be deemed to be

121 the unpaid principal balance and thereafter in lieu of charging, col-
 122 lecting, receiving and applying interest and charges as provided in
 123 this subsection, interest may be charged, collected, received and ap-
 124 plied at the agreed rate as otherwise provided by this section until
 125 the loan is fully paid."

126 "g. In all cases the loan contract shall show the total interest to be
 127 paid in stated dollar amount, or in terms of simple annual interest,
 128 which shall be separately stated immediately after the stated figure
 129 of the principal in such loan contract."

130 3. The default and deferment charges and rebates referred to
 131 herein are computed on the interest rates authorized herein and such
 132 terms shall not be construed to authorize charges incident to the loan
 133 of money, beyond the rates of interest authorized herein and for the
 134 periods of time authorized in subsection seven (7) of section five
 135 hundred thirty-six point thirteen (536.13) of the Code.

1 SEC. 11. Section five hundred thirty-six point fourteen (536.14),
 2 Code 1962, is hereby amended by striking the "period (.)" in line six
 3 (6) of subsection two (2) and inserting a "semicolon (;)" in lieu
 4 thereof and adding thereto the following: "provided, however, if the
 5 interest has been precomputed the receipt need not be itemized and
 6 no receipt shall be required where payment is made by check or
 7 money order and the full amount of such check or money order is
 8 applied to the loan."

1 SEC. 12. Section five hundred thirty-six point fourteen (536.14),
 2 Code 1962, is hereby amended by adding the following new sentence
 3 at the end of subsection one (1): "When the loan is made pursuant
 4 to subsection seven (7) of section five hundred thirty-six point thir-
 5 teen (536.13) of the Code, the statement shall also contain a notice
 6 that default and deferment charges may be made and that a rebate
 7 of unearned interest may be made if the loan is prepaid prior to
 8 maturity."

1 SEC. 13. Section five hundred thirty-six point fourteen (536.14),
 2 Code 1962, is hereby amended as follows:

3 1. By inserting in line two (2) of subsection four (4) after the
 4 word "security" the words "other than a mortgage".

5 2. By inserting in line four (4) of subsection four (4) after the
 6 word "mortgage" the words "which no longer secures a loan to the
 7 licensee".

1 SEC. 14. Chapter five hundred thirty-six (536), Code 1962, is
 2 hereby amended by adding thereto the following new section:

3 "No licensee shall, directly or indirectly, sell or offer for sale any
 4 insurance in connection with any loan made under this chapter except
 5 as and to the extent authorized by this section. Life, accident and
 6 health insurance, or any of them, may be written by a licensed in-
 7 surance agent upon or in connection with any loan for a term not
 8 extending beyond the final maturity date of the loan contract but
 9 only upon one (1) obligor on any one (1) loan contract.

10 "The amount of life insurance shall at no time exceed the unpaid
 11 balance of principal and interest combined which are scheduled to be
 12 outstanding under the terms of the loan contract or the actual amount
 13 unpaid on the loan contract, whichever is greater.

14 "Accident and health insurance shall provide benefits not in excess
15 of the unpaid balance of principal and interest combined which are
16 scheduled to be outstanding under the terms of the loan contract and
17 the amount of each periodic benefit payment shall not exceed the total
18 amount payable divided by the number of installments and shall pro-
19 vide that if the insured obligor is disabled, as defined in the policy,
20 for a period of more than fourteen (14) days, benefits shall commence
21 as of the first day of disability.

22 "The premium, which shall be the only charge for such insurance,
23 shall not exceed that approved by the commissioner of insurance of
24 the state of Iowa as filed in the office of such commissioner. Such
25 charge, computed at the time the loan is made for the full term of the
26 loan contract on the total amount required to pay principal and in-
27 terest, shall be stated separately in the contract and in the same
28 location in such contract as are the statements of the principal and
29 interest of the loan.

30 "If a borrower procures insurance by or through a licensee, the
31 statement required by section five hundred thirty-six point fourteen
32 (536.14) shall disclose the cost to the borrower and the type of in-
33 surance, and the licensee shall cause to be delivered to the borrower
34 a copy of the policy within fifteen (15) days from the date such
35 insurance is procured. No licensee shall decline new or existing
36 insurance which meets the standards set out herein nor prevent any
37 obligor from obtaining such insurance coverage from other sources.

38 "If the loan contract is prepaid in full by cash, a new loan, or other-
39 wise (except by the insurance) any life, accident and health insur-
40 ance procured by or through a licensee shall be canceled and the un-
41 earned premium shall be refunded. The amount of such refund shall
42 represent at least as great a proportion of the insurance premium or
43 identifiable charge as the sum of the consecutive monthly balances
44 of principal and interest of the loan contract originally scheduled to
45 be outstanding after the installment date nearest the date of pre-
46 payment bears to the sum of all such monthly balances of the loan
47 contract originally scheduled to be outstanding.

48 "Notwithstanding any other provision of this chapter, any gain or
49 advantage to the licensee or to any employee, affiliate, or associate of
50 the licensee from such insurance or the sale or provision thereof shall
51 not be deemed to be additional or further interest or charges in con-
52 nection with such loan; nor shall any of the provisions pertaining to
53 insurance contained in this section be deemed prohibited by any other
54 provision of this chapter."

Approved April 23, 1965.

CHAPTER 410

SMALL LOANS

S. F. 571

AN ACT to correct an error in Senate File one hundred forty-six (146), Acts of the 61st General Assembly relating to small loans legislation.

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

- 1 SECTION 1. Senate File one hundred forty-six (146), Acts 61st
- 2 General Assembly is amended by striking from section eight (8) line
- 3 four (4) the word "under" and inserting in lieu thereof the word
- 4 "until".

Approved May 14, 1965.

CHAPTER 411

WAGE ASSIGNMENTS

H. F. 437

AN ACT to amend section five hundred thirty-six point seventeen (536.17) and section five hundred thirty-nine point four (539.4), Code 1962, relating to wage assignments.

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

- 1 SECTION 1. Section five hundred thirty-six point seventeen
- 2 (536.17), Code 1962, is amended by adding to the first paragraph
- 3 thereof the following:
- 4 "However, no such assignment or order shall be effective or binding
- 5 upon the employer unless the employer has in writing agreed to accept
- 6 and pay said assignment or order."

- 1 SEC. 2. Section five hundred thirty-nine point four (539.4), Code
- 2 1962, is amended by adding to the end thereof the following:
- 3 "Provided, however, that no such assignment or order shall be effec-
- 4 tive or binding upon the employer unless the employer has in writing
- 5 agreed to accept and pay said assignment or order. This Act shall not
- 6 apply to a wage assignment by an employee to an organization which
- 7 represents the employee in labor relations with his employer."

- 1 SEC. 3. This Act being of immediate importance shall become effec-
- 2 tive from and after its passage and publication in The Clinton Herald,
- 3 a newspaper published in Clinton, Iowa and in The Pella Chronicle, a
- 4 newspaper published in Pella, Iowa.

Approved June 2, 1965.

I hereby certify that the foregoing Act, House File 437, was published in The Clinton Herald, Clinton, Iowa, June 7, 1965, and in The Pella Chronicle, Pella, Iowa, June 8, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 412

INDUSTRIAL LOAN COMPANIES

S. F. 132

AN ACT to regulate industrial loan companies, to define and provide for the licensing of such businesses, to specify the powers of industrial loan companies, to prescribe penalties and to provide for the administration and enforcement of this Act.

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

1 SECTION 1. **Title.** This Act may be referred to as the "Iowa In-
2 dustrial Loan Law".

1 SEC. 2. **Definitions.** The following words and terms when used in
2 this Act shall have the following meanings unless the context clearly
3 requires a different meaning:

4 1. "Corporation" shall mean any corporation for pecuniary profit
5 organized under the laws of the state of Iowa;

6 2. "License" shall mean a permit or authorization issued or required
7 under the provisions of this Act to make loans in accordance with this
8 Act at a single location or place of business;

9 3. "Licensee" shall mean a corporation to which a license has been
10 issued;

11 4. "Auditor" shall mean the auditor of the state of Iowa;

12 5. "Industrial Loan Company" shall mean a corporation operating
13 under the provisions of this Act and engaged in the business of loaning
14 money to be repaid in one (1) payment or in weekly, monthly or other
15 periodic installments and the charging, receiving or requiring of inter-
16 est, discount, fees, compensation or charges of whatever nature or kind
17 for the use of such money and for the services to be rendered to the
18 borrower in connection with the loan. The term "Industrial Loan
19 Company" shall not include those businesses specifically exempted in
20 section five (5) of this Act.

1 SEC. 3. **License.** No corporation shall engage in the business of
2 operating an "Industrial Loan Company" in the state of Iowa without
3 first having obtained a license from the auditor of the state of Iowa.

1 SEC. 4. **Limitations.** No license shall be issued to any individual,
2 partnership, non-profit organization or unincorporated association.
3 Not more than one (1) place of business where loans are made shall
4 be maintained under the same license but the auditor may issue more
5 than one (1) license to the same licensee upon compliance, for each
6 such additional license, with all the provisions of this Act governing
7 an original issuance of a license.

1 SEC. 5. **Exemptions.** The provisions of this Act shall not apply to
2 businesses organized or operating as permitted under the authority of
3 any law of this state, or of the United States, relating to banks, trust
4 companies, building and loan associations, savings and loan associa-
5 tions, insurance companies, small loan companies organized under the
6 provisions of chapter five hundred thirty-six (536) of the Code, or
7 credit unions; nor shall the provisions of this Act apply to persons,
8 firms or corporations that make no loans excepting on notes secured
9 by first mortgages on real estate, nor shall the provisions of this Act

10 apply to licensed real estate brokers or salesmen, persons or corpora-
11 tions engaged exclusively in the business of purchasing commodity
12 financing or commercial paper, pawn brokers or persons engaged in
13 the mercantile business. The provisions of this Act shall not apply to
14 loans made to any domestic or foreign corporation.

1 **SEC. 6. Administration.** The auditor of the state of Iowa is here-
2 by invested with the power, authority and duty to supervise the oper-
3 ation of industrial loan companies in the state of Iowa in accordance
4 with the provisions of this Act.

1 **SEC. 7. Application for License.** Applications for licenses to en-
2 gage in the business of operating industrial loan companies shall be in
3 writing on such forms as may be prescribed by the auditor. The appli-
4 cation shall give the name of the corporation, the location where the
5 business is to be conducted, the street address of the place of business,
6 the names and addresses of the officers and directors of the corporation
7 and such other relevant information as the auditor shall require. At
8 the time of making such application the applicant shall pay to the
9 auditor the sum of fifty (50) dollars to cover the cost of the investiga-
10 tion of the applicant. The applicant shall also pay to the auditor the
11 sum of fifty (50) dollars as an annual license fee for the period ending
12 December 31st next following the application; provided that if the
13 license is granted after June 30th in any year, the license fee for the
14 remainder of that year shall be twenty-five (25) dollars and any
15 license fee paid by the applicant in excess of that amount shall be
16 refunded by the auditor.

1 **SEC. 8. Capital Stock Requirement.** The paid in capital stock of
2 any corporation engaged in the business of operating an industrial
3 loan company shall not be less than twenty-five thousand (25,000)
4 dollars when the corporation is transacting business in any city or
5 town having less than twenty-five thousand (25,000) inhabitants ac-
6 cording to the last preceding decennial census. The paid in capital
7 stock of any corporation engaged in the business of operating an in-
8 dustrial loan company in any city having a population of more than
9 twenty-five thousand (25,000) inhabitants according to the last pre-
10 ceeding decennial census shall not be less than fifty thousand (50,000)
11 dollars. The paid in capital stock of any corporation engaged in the
12 business of operating an industrial loan company outside the limits of
13 any incorporated city or town shall not be less than fifty thousand
14 (50,000) dollars. Every corporation engaged in the industrial loan
15 business in the state of Iowa shall have a surplus of not less than ten
16 (10) percent of its paid in capital stock.

1 **SEC. 9. Investigation of Application.** Upon the filing of an appli-
2 cation for a license to engage in the business of operating an industrial
3 loan company, and upon payment of the investigation fee and license
4 fee as required by section seven (7) of this Act, the auditor shall cause
5 an investigation to be made of the facts set forth in the application.
6 If as the result of his preliminary investigation the auditor deems it
7 proper, the auditor may hold a hearing at a time and place designated
8 by him for the purpose of completing his investigation.

1 SEC. 10. **Issuance of License.** If the auditor shall find:

2 1. That the financial responsibility, experience, character and gen-
3 eral fitness of the applicant and of the officers thereof are such as to
4 command the confidence of the community, and to warrant the belief
5 that the business will be operated honestly, fairly and efficiently within
6 the purpose of this Act;

7 2. That a reasonable necessity exists for a new industrial loan com-
8 pany in the community to be served;

9 3. That the applicant has available for the operation of the business
10 at the specified location paid in capital and surplus as required by sec-
11 tion eight (8) of this Act; and

12 4. That the applicant is a corporation organized for pecuniary profit
13 under the laws of the state of Iowa.

14 The auditor shall approve the application and issue to the applicant
15 a license to engage in the industrial loan business in accordance with
16 the provisions of this Act. The auditor shall approve or deny an appli-
17 cation for a license within one hundred twenty (120) days from the
18 date of the filing of such application.

1 SEC. 11. **Denial of License.** If the auditor shall not approve the
2 application, he shall prepare a written denial of the application with a
3 written finding of facts which shall be sent by certified mail to the
4 applicant. Within fifteen (15) days after mailing of notice of the
5 denial of its application, the applicant may file with the auditor a writ-
6 ten demand for a hearing on the application. Upon such demand being
7 made, the auditor must within thirty (30) days hold a formal hearing
8 at his office in Des Moines, Iowa, notice of the time of which hearing
9 shall be given by the auditor to the applicant by mail within fifteen
10 (15) days after the filing of the written demand by the applicant.
11 Notice of the time and place of hearing shall also be given by the
12 auditor to all corporations holding licenses to engage in the industrial
13 loan business in the county where the applicant proposes to establish
14 its business and notice of said time and place of hearing shall be pub-
15 lished pursuant to section six hundred eighteen point fourteen
16 (618.14) of the Code.

17 At the formal hearing after the original denial of the license by the
18 auditor the applicant shall be entitled to present evidence in support
19 of his application. The auditor shall then grant or deny the applica-
20 tion for a license within thirty (30) days from the date of the formal
21 hearing and give notice to the applicant by a decision and finding of
22 facts in writing. If the application for a license is disapproved and a
23 license is denied the auditor shall refund the annual license fee which
24 was required to be deposited by section seven (7) of this Act provid-
25 ing the cost of investigation does not exceed the license fee after the
26 state auditor has deducted the cost of investigation. In no case can
27 the cost of investigation exceed the license fee and if the cost of in-
28 vestigation is less than the license fee, the surplus shall be refunded
29 to the applicant.

30 The decision and finding of facts of the auditor shall not become
31 final if any applicant within thirty (30) days from issuance of such
32 decision and finding of facts, shall appeal to the district court of Polk
33 County, Iowa. The district court shall have power to enter such orders

34 as justice shall require, and shall set aside the decision of the auditor
35 if it is found that:

- 36 1. The auditor acted arbitrarily, capriciously or in excess of his
37 power.
38 2. The decision was obtained by fraud.
39 3. The decision was contrary to law.

1 **SEC. 12. Continuing License — Annual Fee — Change of Location.**

2 Each such license shall remain in full force and effect until surren-
3 dered, revoked, or suspended. Every licensee shall, on or before the
4 second day of January, pay to the auditor the sum of fifty (50) dollars
5 as an annual license fee for the succeeding calendar year. When a
6 licensee shall change its place of business from one location to another
7 in the same city or town it shall at once give written notice thereof
8 to the auditor who shall attach to the license in writing his record of
9 the change and the date thereof, which shall be authority for the oper-
10 ation of such business under such license at the new place of business.

1 **SEC. 13. Books and Records.** Each industrial loan company shall

2 keep such books, accounts and records as will enable the auditor to
3 determine whether or not the licensee is complying with the provisions
4 of this Act. Industrial loan companies shall not be required to pre-
5 serve or keep their records or files for a longer period than eleven (11)
6 years next after the first day of January of the year following the time
7 of the making or filing of such records or files.

1 **SEC. 14. Annual Report.** Each licensee shall annually on or before
2 the fifteenth day of March file with the auditor a report in writing
3 showing the results of the operation of its industrial loan business for
4 the previous calendar year, which report shall contain:

- 5 1. A balance sheet showing all assets and liabilities as of the thirty-
6 first day of December next preceding.
7 2. An operating statement showing income, expenses and net profit
8 for the previous calendar year.
9 3. Such other relevant information as the auditor shall reasonably
10 require.

11 The report shall be verified under oath by the president and secre-
12 tary of the corporation. The auditor shall make and publish annually
13 an analysis and recapitulation of such reports.

1 **SEC. 15. Examination of Licensees.** The auditor or his duly au-

2 thorized representative shall, at least once each year without previous
3 notice, examine and audit the books, accounts and records of each
4 licensee engaged in the industrial loan business as defined by this Act.
5 Any licensee, in lieu of such examination and audit by the auditor or
6 his duly authorized representative, at the option of the auditor, may
7 be audited at the expense of the licensee by a certified public account-
8 ant licensed to practice in the state of Iowa. After receiving such an
9 audit the auditor may make such further examination of the licensee
10 as he may deem necessary. A record of each examination shall be kept
11 in the auditor's office. Such examinations and reports, and other in-
12 formation connected therewith, shall be kept confidential in the office
13 of the auditor and shall not be subject to publication or disclosure to
14 others except as in this chapter provided. Any evidence of criminal

15 acts committed by officers, directors or employees of any industrial
16 loan association shall be reported by the auditor to the proper author-
17 ities. The licensee shall be charged and shall pay the actual costs of the
18 examination.

1 **SEC. 16. Cease and Desist Orders.** Whenever the auditor has rea-
2 sonable cause to believe that any licensee is violating any provision of
3 this Act, he may, after ten (10) days advance written notice, in addi-
4 tion to all actions provided for in this Act, and without prejudice
5 thereto, enter an order requiring such licensee to cease, desist and
6 refrain from such violation. After receipt of the advance written
7 notice as provided above, any licensee, within five (5) days from the
8 receipt of such notice may file with the auditor a written demand for
9 a hearing. Such hearings shall promptly be held in the office of the
10 auditor and no cease and desist order shall be issued until after the
11 hearing during which the licensee shall be entitled to present evidence
12 and the testimony of witnesses.

1 **SEC. 17. Injunctions.** The auditor by counsel of the attorney gen-
2 eral may commence an action in any court of competent jurisdiction,
3 in the name of the state of Iowa as plaintiff on the relation of such
4 auditor to restrain and enjoin any licensee from violating the provi-
5 sions of this Act or to restrain and enjoin any person, co-partnership,
6 firm or corporation from engaging in the business of operating an
7 industrial loan company without obtaining a license as required by this
8 Act.

1 **SEC. 18. Revocation or Suspension of License.** The auditor, upon
2 giving ten (10) days advance written notice to the licensee by certified
3 mail stating his contemplated action and the grounds thereof, and after
4 giving the licensee an opportunity to be heard, may by order in writing
5 suspend or revoke any license issued under the provisions of this Act,
6 if the auditor shall find:

7 1. That the licensee has failed to pay the annual license fee required
8 by this Act.

9 2. That the licensee knowingly has violated any of the provisions of
10 this Act.

11 3. That the licensee has refused to submit to the examination re-
12 quired by this Act.

13 4. That the licensee has neglected or refused for a period of more
14 than thirty (30) days to pay a final judgment rendered against it in
15 the courts of this state.

16 5. That the licensee has become insolvent.

17 No suspension, revocation, relinquishment or expiration of any
18 license shall invalidate, impair or affect the legality of obligations of
19 any pre-existing contracts, or prevent the enforcement and collection
20 thereof; and provided further that any such suspension or revocation
21 shall not become final if any licensee, within thirty (30) days from
22 entry of such order suspending or revoking its license appeals to the
23 district court of Polk County, Iowa.

24 The district court of Polk County, Iowa, shall have the power to
25 enter such order as justice shall require pending the hearing of such
26 appeal, and shall set aside the order or decision of the auditor if it be
27 found that:

- 28 1. The auditor acted arbitrarily, capriciously or in excess of his
29 power.
30 2. The order or decision was obtained by fraud.
31 3. The order or decision is contrary to law.

1 **SEC. 19. Receivership—Liquidation.** If the auditor shall revoke
2 the license of any industrial loan company he shall promptly report
3 the revocation to the attorney general of Iowa who may apply to the
4 district court of the county in which the licensee had conducted its
5 business for the appointment of a receiver to take possession of the
6 assets of the corporation for the purpose of liquidating its affairs.

1 **SEC. 20. Advertising.** No industrial loan company shall advertise,
2 print, display, publish, distribute, broadcast or disseminate in any
3 manner or cause or permit to be advertised, printed, displayed, pub-
4 lished, distributed, or broadcast in any manner whatsoever, any false,
5 misleading or deceptive statements or representations concerning
6 rates, terms or conditions under this chapter. Violations of any of the
7 provisions of this paragraph shall be punishable as provided in section
8 seven hundred thirteen point twenty-four (713.24) of the Code.

1 **SEC. 21. Other Business in Same Office.** A licensee engaged in the
2 business of operating an industrial loan company under the provisions
3 of this Act may not conduct its business within any office, room, suite
4 or place of business in which any other business is engaged in or con-
5 ducted, unless specifically authorized to do so in writing by the auditor
6 upon his finding that the character of the other business is such that
7 its operation by the licensee would not facilitate evasions of this Act
8 or any other statute of the state of Iowa relating to the making of
9 loans.

1 **SEC. 22. Thrift Certificates.** Licensed industrial loan companies
2 may sell thrift certificates, installment thrift certificates, certificates
3 of indebtedness, promissory notes or similar evidences of indebted-
4 ness. The total amount of such thrift certificates, installment thrift
5 certificates, certificates of indebtedness, promissory notes or similar
6 evidences of indebtedness outstanding and in the hands of the general
7 public shall not at any time exceed ten (10) times the total amount of
8 capital, surplus, undivided profits and subordinated debt that gives
9 priority to such securities of the issuing industrial loan company. The
10 sale of such securities shall be subject to the provisions of chapter five
11 hundred two (502) of the Code, and shall not be construed to be
12 exempt therefrom by reason of the provisions of subparagraphs seven
13 (7) and eight (8) of section five hundred two point four (502.4),
14 Code 1962.

1 **SEC. 23. Powers of Industrial Loan Companies.** No industrial loan
2 company licensed under the provisions of this Act shall have the power
3 and authority to:

- 4 1. Charge, receive or collect interest at a rate greater than that
5 authorized by section five hundred thirty-five point two (535.2) of the
6 Code, except that the interest may be computed when the note is made
7 on the full amount of the cash advanced on the loan from the date of
8 the note to the date of the final installment thereof, and the interest so
9 computed may be included in the note, notwithstanding any agreement

10 to pay the entire amount in installments; or the interest may be com-
11 puted on the amount of the note and discounted or collected in advance
12 when the loan is made, notwithstanding any agreement to pay the
13 entire amount in installments. If the note is repayable in other than
14 equal monthly installments, the interest may be an amount computed
15 on the basis of the effective rates permitted as provided above; pro-
16 vided, however, there shall be no compounding of interest and when
17 an interest rate as authorized herein is advertised, or negotiated for
18 with a prospective borrower, with intent that it be computed by either
19 of the two methods authorized herein, they being the "add on" method
20 or the "discount" method, in such case such rate shall be further de-
21 scribed as to the method of computation to be used.

22 2. Charge, receive or collect in advance a service charge in excess of
23 one (1) dollar for each fifty (50) dollars of the amount of the note,
24 nor in excess of a total of forty (40) dollars. The service charge au-
25 thorized by this section shall not be charged, contracted for, collected
26 or received on any loan which is renewed or rewritten within six (6)
27 months of the date of the original note; nor on that part of a new loan
28 made to the same borrower by the same company which is used to
29 discharge a prior loan made to the same borrower by the same com-
30 pany.

31 3. Charge or collect from the borrower or borrowers a delinquency
32 charge in excess of five (5) percent of any installment or portion
33 thereof which is past due and not paid within ten (10) days after its
34 scheduled due date. There shall be only one delinquency charge on any
35 one such installment. Such delinquency charge may be collected when
36 due or at any time thereafter.

37 4. Charge or collect from the borrower or borrowers a deferment
38 charge unless the payment due date on all unpaid installments, on
39 which no delinquency charge has been collected, is deferred sixty (60)
40 days or more, in which event an industrial loan company may charge
41 and collect a deferment charge not in excess of one (1) percent of the
42 balance of the loan at the time of deferment. There shall be only one
43 deferment charge on any one loan.

44 5. Require any borrower to purchase insurance from the lender as
45 a condition for obtaining a loan. However, an industrial loan company
46 may collect from the borrower, at the option of the borrower, and
47 transmit the premiums charged for insuring real or personal property
48 used by the borrower as security for a loan and provided that such
49 insurance is obtained from a licensed insurance agent for an insurance
50 company authorized to do business in Iowa; and the premiums charged
51 for insuring the life of one party on the loan in an amount not to
52 exceed the total amount of the note or contract, including cash ad-
53 vance, interest and service charge, provided that no licensee shall re-
54 quire that the contract of life insurance be outstanding for more than
55 the unpaid balance of the indebtedness and provided that such insur-
56 ance is obtained from a licensed insurance agent for an insurance
57 company authorized to do business in Iowa; and an industrial loan
58 company may receive and transmit the premiums charged for accident
59 and health insurance on the borrower, provided such insurance bears
60 a reasonable relationship to the existing hazards or risk of loss, and
61 the aggregate benefits of which shall not exceed the approximate

62 amount of the contractual payments on the loan outstanding at the
63 time of loss, and provided that such insurance is obtained from a
64 licensed agent for an insurance company authorized to do business in
65 Iowa. However, all life insurance rates in connection with industrial
66 loans shall be subject to the rules and regulations of the insurance
67 commissioner of the state of Iowa.

68 6. Collect from the borrower fees in excess of those actually paid to
69 a public official for recording or filing a mortgage or for satisfying a
70 judgment or lien on any real or personal property securing a loan, how-
71 ever, a licensee may collect the actual cost for the appraisal of real or
72 personal property offered by the borrower as security for a loan, and
73 may collect from the borrower a reasonable attorney's fee paid for an
74 opinion as to the title to real property securing a loan. Industrial loan
75 companies licensed under the provisions of this Act may purchase
76 notes, contract, mortgages, accounts, receivables, leases and securities
77 of a type and kind authorized by the auditor.

78 7. Loan money to any person without setting out in the contract of
79 loan, or by separate statement delivered at the time said loan is made,
80 an itemized list that shall set out separately all interest, discount, fees,
81 compensation or charges made, pertaining to such loan. Such interest
82 or discount shall be expressed in terms of simple annual interest in
83 percentage form or in total dollars computed on the basis that pay-
84 ments on such instrument will be made at the scheduled times; and
85 for a year in case such loan does not have a specified time or times of
86 payment.

1 SEC. 24. No industrial loan and investment company shall induce
2 or permit any person, nor any husband and wife, jointly or severally,
3 to become obligated, directly or contingently or both, under more than
4 one contract of loan at the same time for the purpose of obtaining a
5 higher rate of charge than would be permitted if all of the obligations
6 of such person to such company were consolidated into one obligation.

1 SEC. 25. **Restrictions.** No industrial loan company licensed under
2 this Act shall make any loan of money or property to, or guarantee the
3 obligations of, any of its directors or officers; or loan to any borrower,
4 other than a subsidiary or affiliated corporation, more than twenty
5 (20) percent of its total capital, surplus and undivided profits. No
6 licensee shall make any loan under any other name or at any other
7 place of business than that named in the license.

1 SEC. 26. **Prepayment.** Notwithstanding the provisions of any
2 note or contract to the contrary, a borrower may, at any time, prepay
3 all or any part of the unpaid balance to become payable under any note
4 or installment contract. If the borrower pays the time balance in full,
5 before maturity, or accelerates the monthly or other periodic install-
6 ments, the licensee shall refund to him a portion of the interest. The
7 borrower shall receive for such anticipation of payments a refund in
8 an amount which shall represent at least as great a proportion of the
9 interest as the sum of the periodic time balances after the month in
10 which prepayment is made to the extent of the accelerated install-
11 ments, bears to the sum of all the periodic time balances under the

12 schedule of payments in the original note or installment investment
13 certificate; provided however, that no refund need be paid on the
14 service charge; and provided that if the amount of the refund is less
15 than one (1) dollar no refund need be made, and that no refund for
16 accelerated payments need be made on any installment payment made
17 less than thirty-one (31) days prior to the due date of said installment.

1 **SEC. 27. Existing Industrial Loan Companies.** A corporation, or-
2 ganized under the laws of the state of Iowa shall be issued a license
3 hereunder by the auditor for each established office in this state which
4 on the date this Act becomes effective was engaged in the business of
5 making loans under the provisions of section four hundred twenty-
6 nine point eleven (429.11) of the Code; provided such corporation has
7 received from the auditor an auditor's certificate as required by section
8 four hundred twenty-nine point thirteen (429.13) of the Code. The
9 license referred to in this section shall be issued for each such estab-
10 lished office upon the effective date of this Act, without the notice,
11 investigation, hearing and findings required by sections nine (9), ten
12 (10) and eleven (11) of this Act. On or before January 1, 1966, all
13 existing industrial loan companies shall have the capital and surplus
14 required by section eight (8) of this Act to be eligible for subsequent
15 licensing.

1 **SEC. 28. Penalty.** If any officer, director or agent of any corpora-
2 tion engaged in the business of operating an industrial loan company
3 shall violate any of the provisions of this Act; or if any person indi-
4 vidualy or as a partner, or officer, director or agent of any corporation
5 shall engage in the business of operating an industrial loan company
6 without obtaining the license required by section three (3) of this Act,
7 he shall be guilty of a misdemeanor and upon conviction thereof shall
8 be punishable by a fine of not more than five hundred (500) dollars or
9 by imprisonment in the county jail for not more than six (6) months,
10 or by both such fine and imprisonment.

1 **SEC. 29. Rules and Regulations.** The auditor is hereby authorized
2 and empowered to make such reasonable and relevant rules and regu-
3 lations, not inconsistent herewith, as may be necessary for the enforce-
4 ment of the provisions of this Act.

1 **SEC. 30. Repeal.** Sections four hundred twenty-nine point eleven
2 (429.11), four hundred twenty-nine point twelve (429.12) and four
3 hundred twenty-nine point thirteen (429.13), Code 1962, are hereby
4 repealed.

1 **SEC. 31. Separability.** If any provision, clause or phrase of this
2 Act or the application thereof to any person or circumstances is held
3 invalid such invalidity shall not affect other provisions or applications
4 of this Act which can be given effect without the invalid provisions or
5 application, and to this end the provisions of this Act are declared to
6 be separable.

1 **SEC. 32.** This Act being deemed of immediate importance shall be
2 in full force and effect from and after its publication in The Telegraph-

- 3 Herald, a newspaper published at Dubuque, Iowa, and in The Daily
4 Times, a newspaper published at Davenport, Iowa.

Approved May 20, 1965.

I hereby certify as an amendment to the foregoing certification that the correct names of the newspapers designated to publish Senate File 132, are the Times-Democrat, Davenport, Iowa, and The Telegraph-Herald, Dubuque, Iowa.

GARY L. CAMERON, *Secretary of State.*

I hereby certify that the foregoing Act, Senate File 132, was published in the Times-Democrat, Davenport, Iowa, May 25, 1965, and in The Telegraph-Herald, Dubuque, Iowa, May 27, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 413

UNIFORM COMMERCIAL CODE

S. F. 227

AN ACT to be known as the Uniform Commercial Code, relating to certain commercial transactions in or regarding personal property and contracts and other documents concerning them, including sales, commercial paper, bank deposits and collections, letters of credit, bulk transfers, warehouse receipts, bills of lading, other documents of title, investment securities, and secured transactions, including certain sales of accounts, chattel paper, and contract rights; providing for public notice to third parties in certain circumstances; regulating procedure, evidence and damages in certain court actions involving such transactions, contracts or documents; to make uniform the law with respect thereto; and repealing inconsistent legislation.

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

ARTICLE 1

GENERAL PROVISIONS

PART 1

SHORT TITLE, CONSTRUCTION, APPLICATION AND SUBJECT MATTER OF THE ACT

- 1 SEC. 1101. **Short title.** This Act shall be known and may be cited
2 as Uniform Commercial Code.
- 1 SEC. 1102. **Purposes—rules of construction—variation by agree-**
2 **ment.**
- 3 1. This Act shall be liberally construed and applied to promote its
4 underlying purposes and policies.
- 5 2. Underlying purposes and policies of this Act are
- 6 a. to simplify, clarify and modernize the law governing commercial
7 transactions;
- 8 b. to permit the continued expansion of commercial practices
9 through custom, usage and agreement of the parties;
- 10 c. to make uniform the law among the various jurisdictions.
- 11 3. The effect of provisions of this Act may be varied by agreement,

12 except as otherwise provided in this Act and except that the obliga-
 13 tions of good faith, diligence, reasonableness and care prescribed by
 14 this Act may not be disclaimed by agreement but the parties may by
 15 agreement determine the standards by which the performance of
 16 such obligations is to be measured if such standards are not mani-
 17 festly unreasonable.

18 4. The presence in certain provisions of this Act of the words
 19 "unless otherwise agreed" or words of similar import does not imply
 20 that the effect of other provisions may not be varied by agreement
 21 under subsection 3.

22 5. In this Act unless the context otherwise requires

23 a. words in the singular number include the plural, and in the
 24 plural include the singular;

25 b. words of the masculine gender include the feminine and the
 26 neuter, and when the sense so indicates words of the neuter gender
 27 may refer to any gender.

1 **SEC. 1103. Supplementary general principles of law applicable.**

2 Unless displaced by the particular provisions of this Act, the prin-
 3 ciples of law and equity, including the law merchant and the law
 4 relative to capacity to contract, principal and agent, estoppel, fraud,
 5 misrepresentation, duress, coercion, mistake, bankruptcy, or other
 6 validating or invalidating cause shall supplement its provisions.

1 **SEC. 1104. Construction against implicit repeal.** This Act being

2 a general act intended as a unified coverage of its subject matter, no
 3 part of it shall be deemed to be impliedly repealed by subsequent
 4 legislation if such construction can reasonably be avoided.

1 **SEC. 1105. Territorial application of the Act—parties' power to**
 2 **choose applicable law.**

3 1. Except as provided hereafter in this section, when a transaction
 4 bears a reasonable relation to this state and also to another state or
 5 nation the parties may agree that the law either of this state or of
 6 such other state or nation shall govern their rights and duties. Fail-
 7 ing such agreement this Act applies to transactions bearing an ap-
 8 propriate relation to this state.

9 2. Where one of the following provisions of this Act specifies the
 10 applicable law, that provision governs and a contrary agreement is
 11 effective only to the extent permitted by the law (including the con-
 12 flict of laws rules) so specified:

13 Rights of creditors against sold goods. Section 2402.

14 Applicability of the Article on Bank Deposits and Collections. Sec-
 15 tion 4102.

16 Bulk transfers subject to the Article on Bulk Transfers. Section
 17 6102.

18 Applicability of the Article on Investment Securities. Section 8106.

19 Policy and scope of the Article on Secured Transactions. Sections
 20 9102 and 9103.

1 **SEC. 1106. Remedies to be liberally administered.**

2 1. The remedies provided by this Act shall be liberally adminis-
 3 tered to the end that the aggrieved party may be put in as good a
 4 position as if the other party had fully performed but neither con-

5 sequential or special nor penal damages may be had except as specifi-
6 cally provided in this Act or by other rule of law.

7 2. Any right or obligation declared by this Act is enforceable by
8 action unless the provision declaring it specifies a different and lim-
9 ited effect.

1 **SEC. 1107. Waiver or renunciation of claim or right after breach.**
2 Any claim or right arising out of an alleged breach can be discharged
3 in whole or in part without consideration by a written waiver or
4 renunciation signed and delivered by the aggrieved party.

1 **SEC. 1108. Severability.** If any provision or clause of this Act
2 or application thereof to any person or circumstances is held invalid,
3 such invalidity shall not affect other provisions or applications of the
4 Act which can be given effect without the invalid provision or appli-
5 cation, and to this end the provisions of this Act are declared to be
6 severable.

1 **SEC. 1109. Section captions.** Section captions are parts of this
2 Act.

PART 2

GENERAL DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1 **SEC. 1201. General definitions.** Subject to additional definitions
2 contained in the subsequent Articles of this Act which are applicable
3 to specific Articles or Parts thereof, and unless the context otherwise
4 requires, in this Act:

5 1. "Action" in the sense of a judicial proceeding includes recoup-
6 ment, counterclaim, set-off, suit in equity and any other proceedings
7 in which rights are determined.

8 2. "Aggrieved party" means a party entitled to resort to a remedy.

9 3. "Agreement" means the bargain of the parties in fact as found
10 in their language or by implication from other circumstances includ-
11 ing course of dealing or usage of trade or course of performance as
12 provided in this Act (Sections 1205 and 2208). Whether an agree-
13 ment has legal consequences is determined by the provisions of this
14 Act, if applicable; otherwise by the law of contracts (Section 1103).
15 (Compare "Contract".)

16 4. "Bank" means any person engaged in the business of banking.

17 5. "Bearer" means the person in possession of an instrument, docu-
18 ment of title, or security payable to bearer or indorsed in blank.

19 6. "Bill of lading" means a document evidencing the receipt of
20 goods for shipment issued by a person engaged in the business of
21 transporting or forwarding goods, and includes an airbill. "Airbill"
22 means a document serving for air transportation as a bill of lading
23 does for marine or rail transportation, and includes an air consign-
24 ment note or air waybill.

25 7. "Branch" includes a separately incorporated foreign branch of
26 of a bank.

27 8. "Burden of establishing" a fact means the burden of persuad-
28 ing the triers of fact that the existence of the fact is more probable
29 than its nonexistence.

30 9. "Buyer in ordinary course of business" means a person who in

31 good faith and without knowledge that the sale to him is in violation
32 of the ownership rights or security interest of a third party in the
33 goods buys in ordinary course from a person in the business of sell-
34 ing goods of that kind but does not include a pawnbroker. "Buying"
35 may be for cash or by exchange of other property or on secured or
36 unsecured credit and includes receiving goods or documents of title
37 under a pre-existing contract for sale but does not include a transfer
38 in bulk or as security for or in total or partial satisfaction of a money
39 debt.

40 10. "Conspicuous": A term or clause is conspicuous when it is so
41 written that a reasonable person against whom it is to operate ought
42 to have noticed it. A printed heading in capitals (as: Nonnegotiable
43 Bill of Lading) is conspicuous. Language in the body of a form is
44 "conspicuous" if it is in larger or other contrasting type or color.
45 But in a telegram any stated term is "conspicuous". Whether a term
46 or clause is "conspicuous" or not is for decision by the court.

47 11. "Contract" means the total legal obligation which results from
48 the parties' agreement as affected by this Act and any other appli-
49 cable rules of law. (Compare "Agreement".)

50 12. "Creditor" includes a general creditor, a secured creditor, a
51 lien creditor and any representative of creditors, including an as-
52 signee for the benefit of creditors, a trustee in bankruptcy, a receiver
53 in equity and a legal representative of a decedent's or incompetent's
54 estate.

55 13. "Defendant" includes a person in the position of defendant in
56 a cross-action or counterclaim.

57 14. "Delivery" with respect to instruments, documents of title,
58 chattel paper or securities means voluntary transfer of possession.

59 15. "Document of title" includes bill of lading, dock warrant, dock
60 receipt, warehouse receipt or order for the delivery of goods, and also
61 any other document which in the regular course of business or financ-
62 ing is treated as adequately evidencing that the person in possession
63 of it is entitled to receive, hold and dispose of the document and the
64 goods it covers. To be a document of title a document must purport to
65 be issued by or addressed to a bailee and purport to cover goods in
66 the bailee's possession which are either identified or are fungible por-
67 tions of an identified mass.

68 16. "Fault" means wrongful act, omission or breach.

69 17. "Fungible" with respect to goods or securities means goods or
70 securities of which any unit is, by nature or usage of trade, the
71 equivalent of any other like unit. Goods which are not fungible shall
72 be deemed fungible for the purposes of this Act to the extent that
73 under a particular agreement or document unlike units are treated as
74 equivalents.

75 18. "Genuine" means free of forgery or counterfeiting.

76 19. "Good faith" means honesty in fact in the conduct or transac-
77 tion concerned.

78 20. "Holder" means a person who is in possession of a document
79 of title or an instrument or an investment security drawn, issued or
80 indorsed to him or to his order or to bearer or in blank.

81 21. To "honor" is to pay or to accept and pay, or where a credit

- 82 so engages to purchase or discount a draft complying with the terms
83 of the credit.
- 84 22. "Insolvency proceedings" includes any assignment for the
85 benefit of creditors or other proceedings intended to liquidate or re-
86 habilitate the estate of the person involved.
- 87 23. A person is "insolvent" who either has ceased to pay his debts
88 in the ordinary course of business or cannot pay his debts as they
89 become due or is insolvent within the meaning of the federal bank-
90 ruptcy law.
- 91 24. "Money" means a medium of exchange authorized or adopted
92 by a domestic or foreign government as a part of its currency.
- 93 25. A person has "notice" of a fact when
94 a. he has actual knowledge of it; or
95 b. he has received a notice or notification of it; or
96 c. from all the facts and circumstances known to him at the time
97 in question he has reason to know that it exists. A person "knows"
98 or has "knowledge" of a fact when he has actual knowledge of it.
99 "Discover" or "learn" or a word or phrase of similar import refers to
100 knowledge rather than to reason to know. The time and circum-
101 stances under which a notice or notification may cease to be effective
102 are not determined by this Act.
- 103 26. A person "notifies" or "gives" a notice or notification to an-
104 other by taking such steps as may be reasonably required to inform
105 the other in ordinary course whether or not such other actually comes
106 to know of it. A person "receives" a notice or notification when
107 a. it comes to his attention; or
108 b. it is duly delivered at the place of business through which the
109 contract was made or at any other place held out by him as the place
110 for receipt of such communications.
- 111 27. Notice, knowledge or a notice or notification received by an
112 organization is effective for a particular transaction from the time
113 when it is brought to the attention of the individual conducting that
114 transaction, and in any event from the time when it would have been
115 brought to his attention if the organization had exercised due dili-
116 gence. An organization exercises due diligence if it maintains rea-
117 sonable routines for communicating significant information to the
118 person conducting the transaction and there is reasonable compliance
119 with the routines. Due diligence does not require an individual acting
120 for the organization to communicate information unless such com-
121 munication is part of his regular duties or unless he has reason to
122 know of the transaction and that the transaction would be materially
123 affected by the information.
- 124 28. "Organization" includes a corporation, government or govern-
125 mental subdivision or agency, business trust, estate, trust, partner-
126 ship or association, two or more persons having a joint or common
127 interest, or any other legal or commercial entity.
- 128 29. "Party", as distinct from "third party", means a person who
129 has engaged in a transaction or made an agreement within this Act.
- 130 30. "Person" includes an individual or an organization (See Sec-
131 tion 1102).
- 132 31. "Presumption" or "presumed" means that the trier of fact
133 must find the existence of the fact presumed unless and until evi-

134 dence is introduced which would support a finding of its nonexist-
135 ence.

136 32. "Purchase" includes taking by sale, discount, negotiation, mort-
137 gage, pledge, lien, issue or reissue, gift or any other voluntary trans-
138 action creating an interest in property.

139 33. "Purchaser" means a person who takes by purchase.

140 34. "Remedy" means any remedial right to which an aggrieved
141 party is entitled with or without resort to a tribunal.

142 35. "Representative" includes an agent, an officer of a corporation
143 or association, and a trustee, executor or administrator of an estate,
144 or any other person empowered to act for another.

145 36. "Rights" includes remedies.

146 37. "Security interest" means an interest in personal property or
147 fixtures which secures payment or performance of an obligation. The
148 retention or reservation of title by a seller of goods notwithstanding
149 shipment or delivery to the buyer (Section 2401) is limited in effect
150 to a reservation of a "security interest". The term also includes any
151 interest of a buyer of accounts, chattel paper, or contract rights
152 which is subject to Article 9. The special property interest of a buyer
153 of goods on identification of such goods to a contract for sale under
154 Section 2401 is not a "security interest", but a buyer may also ac-
155 quire a "security interest" by complying with Article 9. Unless a
156 lease or consignment is intended as security, reservation of title
157 thereunder is not a "security interest" but a consignment is in any
158 event subject to the provisions on consignment sales (Section 2326).
159 Whether a lease is intended as security is to be determined by the
160 facts of each case; however, (a) the inclusion of an option to pur-
161 chase does not of itself make the lease one intended for security, and
162 (b) an agreement that upon compliance with the terms of the lease
163 the lessee shall become or has the option to become the owner of the
164 property for no additional consideration or for a nominal considera-
165 tion does makes the lease one intended for security. The term also
166 includes any interest of an owner of farm products whose possession
167 is entrusted to a person engaged in farming operations.

168 38. "Send" in connection with any writing or notice means to de-
169 posit in the mail or deliver for transmission by any other usual means
170 of communication with postage or cost of transmission provided for
171 and properly addressed and in the case of an instrument to an ad-
172 dress specified thereon or otherwise agreed, or if there be none to any
173 address reasonable under the circumstances. The receipt of any writ-
174 ing or notice within the time at which it would have arrived if prop-
175 erly sent has the effect of a proper sending.

176 39. "Signed" includes any symbol executed or adopted by a party
177 with present intention to authenticate a writing.

178 40. "Surety" includes guarantor.

179 41. "Telegram" includes a message transmitted by radio, teletype,
180 cable, any mechanical method of transmission, or the like.

181 42. "Term" means that portion of an agreement which relates to a
182 particular matter.

183 43. "Unauthorized" signature or indorsement means one made
184 without actual, implied or apparent authority and includes a forgery.

185 44. "Value". Except as otherwise provided with respect to nego-

186 tiable instruments and bank collections (Sections 3303, 4208 and
 187 4209) a person gives "value" for rights if he acquires them
 188 a. in return for a binding commitment to extend credit or for the
 189 extension of immediately available credit whether or not drawn upon
 190 and whether or not a charge-back is provided for in the event of
 191 difficulties in collection; or
 192 b. as security for or in total or partial satisfaction of a pre-existing
 193 claim; or
 194 c. by accepting delivery pursuant to a pre-existing contract for
 195 purchase; or
 196 d. generally, in return for any consideration sufficient to support a
 197 simple contract.
 198 45. "Warehouse receipt" means a receipt issued by a person en-
 199 gaged in the business of storing goods for hire.
 200 46. "Written" or "writing" includes printing, typewriting or any
 201 other intentional reduction to tangible form.

1 **SEC. 1202. Prima facie evidence by third party documents.** A
 2 document in due form purporting to be a bill of lading, policy or cer-
 3 tificate of insurance, official weigher's or inspector's certificate, con-
 4 sular invoice, or any other document authorized or required by the
 5 contract to be issued by a third party shall be prima facie evidence
 6 of its own authenticity and genuineness and of the facts stated in
 7 the document by the third party.

1 **SEC. 1203. Obligation of good faith.** Every contract or duty
 2 within this Act imposes an obligation of good faith in its perform-
 3 ance or enforcement.

1 **SEC. 1204. Time—reasonable time—"seasonably".**
 2 1. Whenever this Act requires any action to be taken within a
 3 reasonable time, any time which is not manifestly unreasonable may
 4 be fixed by agreement.
 5 2. What is a reasonable time for taking any action depends on the
 6 nature, purpose and circumstances of such action.
 7 3. An action is taken "seasonably" when it is taken at or within
 8 the time agreed or if no time is agreed at or within a reasonable time.

1 **SEC. 1205. Course of dealing and usage of trade.**
 2 1. A course of dealing is a sequence of previous conduct between
 3 the parties to a particular transaction which is fairly to be regarded
 4 as establishing a common basis of understanding for interpreting
 5 their expressions and other conduct.
 6 2. A usage of trade is any practice or method of dealing having
 7 such regularity of observance in a place, vocation or trade as to jus-
 8 tify an expectation that it will be observed with respect to the trans-
 9 action in question. The existence and scope of such a usage are to be
 10 proved as facts. If it is established that such a usage is embodied in
 11 a written trade code or similar writing the interpretation of the writ-
 12 ing is for the court.
 13 3. A course of dealing between parties and any usage of trade in
 14 the vocation or trade in which they are engaged or of which they are
 15 or should be aware give particular meaning to and supplement or
 16 qualify terms of an agreement.

17 4. The express terms of an agreement and an applicable course of
 18 dealing or usage of trade shall be construed wherever reasonable as
 19 consistent with each other; but when such construction is unreason-
 20 able express terms control both course of dealing and usage of trade
 21 and course of dealing controls usage of trade.

22 5. An applicable usage of trade in the place where any part of per-
 23 formance is to occur shall be used in interpreting the agreement as
 24 to that part of the performance.

25 6. Evidence of a relevant usage of trade offered by one party is not
 26 admissible unless and until he has given the other party such notice
 27 as the court finds sufficient to prevent unfair surprise to the latter.

1 **SEC. 1206. Statute of frauds for kinds of personal property not**
 2 **otherwise covered.**

3 1. Except in the cases described in subsection 2 of this section a
 4 contract for the sale of personal property is not enforceable by way
 5 of action or defense beyond five thousand dollars in amount or value
 6 of remedy unless there is some writing which indicates that a con-
 7 tract for sale has been made between the parties at a defined or
 8 stated price, reasonably identifies the subject matter, and is signed
 9 by the party against whom enforcement is sought or by his author-
 10 ized agent.

11 2. Subsection 1 of this section does not apply to contracts for the
 12 sale of goods (Section 2201) nor of securities (Section 8319) nor to
 13 security agreements (Section 9203).

1 **SEC. 1207. Performance or acceptance under reservation of rights.**

2 A party who with explicit reservation of rights performs or prom-
 3 ises performance or assents to performance in a manner demanded or
 4 offered by the other party does not thereby prejudice the rights re-
 5 served. Such words as "without prejudice", "under protest" or the
 6 like are sufficient.

1 **SEC. 1208. Option to accelerate at will.**

2 A term providing that
 3 one party or his successor in interest may accelerate payment or per-
 4 formance or require collateral or additional collateral "at will" or
 5 "when he deems himself insecure" or in words of similar import shall
 6 be construed to mean that he shall have power to do so only if he in
 7 good faith believes that the prospect of payment or performance is
 8 impaired. The burden of establishing lack of good faith is on the
 party against whom the power has been exercised.

ARTICLE 2

SALES

PART 1

SHORT TITLE, GENERAL CONSTRUCTION AND SUBJECT MATTER

1 **SEC. 2101. Short title.** This Article shall be known and may be
 2 cited as Uniform Commercial Code—Sales.

1 **SEC. 2102. Scope—certain security and other transactions ex-**
 2 **cluded from this Article.** Unless the context otherwise requires,
 3 this Article applies to transactions in goods; it does not apply to any

4 transaction which although in the form of an unconditional contract
 5 to sell or present sale is intended to operate only as a security trans-
 6 action nor does this Article impair or repeal any statute regulating
 7 sales to consumers, farmers or other specified classes of buyers.

1 **SEC. 2103. Definitions and index of definitions.**

2 1. In this Article unless the context otherwise requires

3 a. "Buyer" means a person who buys or contracts to buy goods.

4 b. "Good faith" in the case of a merchant means honesty in fact
 5 and the observance of reasonable commercial standards of fair deal-
 6 ing in the trade.

7 c. "Receipt" of goods means taking physical possession of them.

8 d. "Seller" means a person who sells or contracts to sell goods.

9 2. Other definitions applying to this Article or to specified Parts
 10 thereof, and the sections in which they appear are:

11 "Acceptance". Section 2606.

12 "Banker's credit". Section 2325.

13 "Between merchants". Section 2104.

14 "Cancellation". Section 2106, Sub. 4.

15 "Commercial unit". Section 2105.

16 "Confirmed credit". Section 2325.

17 "Conforming to contract". Section 2106.

18 "Contract for sale". Section 2106.

19 "Cover". Section 2712.

20 "Entrusting". Section 2403.

21 "Financing agency". Section 2104.

22 "Future goods". Section 2105.

23 "Goods". Section 2105.

24 "Identification". Section 2501.

25 "Installment contract". Section 2612.

26 "Letter of Credit". Section 2325.

27 "Lot". Section 2105.

28 "Merchant". Section 2104.

29 "Overseas". Section 2323.

30 "Person in position of seller". Section 2707.

31 "Present sale". Section 2106.

32 "Sale". Section 2106.

33 "Sale on approval". Section 2326.

34 "Sale or return". Section 2326.

35 "Termination". Section 2106.

36 3. The following definitions in other Articles apply to this Article:

37 "Check". Section 3104.

38 "Consignee". Section 7102.

39 "Consignor". Section 7102.

40 "Consumer goods". Section 9109.

41 "Dishonor". Section 3507.

42 "Draft". Section 3104.

43 4. In addition Article 1 contains general definitions and principles
 44 of construction and interpretation applicable throughout this Article.

1 **SEC. 2104. Definitions: "merchant" — "between merchants" —**
 2 **"financing agency".**

3 1. "Merchant" means a person who deals in goods of the kind or

4 otherwise by his occupation holds himself out as having knowledge
5 or skill peculiar to the practices or goods involved in the transaction
6 or to whom such knowledge or skill may be attributed by his employ-
7 ment of an agent or broker or other intermediary who by his occu-
8 pation holds himself out as having such knowledge or skill.

9 2. "Financing agency" means a bank, finance company or other
10 person who in the ordinary course of business makes advances against
11 goods or documents of title or who by arrangement with either the
12 seller or the buyer intervenes in ordinary course to make or collect
13 payment due or claimed under the contract for sale, as by purchas-
14 ing or paying the seller's draft or making advances against it or by
15 merely taking it for collection whether or not documents of title
16 accompany the draft. "Financing agency" includes also a bank or
17 other person who similarly intervenes between persons who are in
18 the position of seller and buyer in respect to the goods (Section 2707).

19 3. "Between merchants" means in any transaction with respect to
20 which both parties are chargeable with the knowledge or skill of
21 merchants.

1 SEC. 2105. **Definitions: transferability — "goods" — "future"**
2 **goods—"lot"—"commercial unit"**.

3 1. "Goods" means all things (including specially manufactured
4 goods) which are movable at the time of identification to the contract
5 for sale other than the money in which the price is to be paid, invest-
6 ment securities (Article 8) and things in action. "Goods" also in-
7 cludes the unborn young of animals and growing crops and other
8 identified things attached to realty as described in the section on
9 goods to be severed from realty (Section 2107).

10 2. Goods must be both existing and identified before any interest
11 in them can pass. Goods which are not both existing and identified
12 are "future" goods. A purported present sale of future goods or of
13 any interest therein operates as a contract to sell.

14 3. There may be a sale of a part interest in existing identified
15 goods.

16 4. An undivided share in an identified bulk of fungible goods is
17 sufficiently identified to be sold although the quantity of the bulk is
18 not determined. Any agreed proportion of such a bulk or any quan-
19 tity thereof agreed upon by number, weight or other measure may
20 to the extent of the seller's interest in the bulk be sold to the buyer
21 who then becomes an owner in common.

22 5. "Lot" means a parcel or a single article which is the subject
23 matter of a separate sale or delivery, whether or not it is sufficient
24 to perform the contract.

25 6. "Commercial unit" means such a unit of goods as by commer-
26 cial usage is a single whole for purposes of sale and division of which
27 materially impairs its character or value on the market or in use. A
28 commercial unit may be a single article (as a machine) or a set of
29 articles (as a suite of furniture or an assortment of sizes) or a quan-
30 tity (as a bale, gross, or carload) or any other unit treated in use or
31 in the relevant market as a single whole.

- 1 **SEC. 2106. Definitions: “contract”—“agreement”—“contract for**
 2 **sale”—“sale”—“present sale”—“conforming” to contract—“termina-**
 3 **tion”—“cancellation”.**
 4 1. In this Article unless the context otherwise requires “contract”
 5 and “agreement” are limited to those relating to the present or future
 6 sale of goods. “Contract for sale” includes both a present sale of
 7 goods and a contract to sell goods at a future time. A “sale” con-
 8 sists in the passing of title from the seller to the buyer for a price
 9 (Section 2401). A “present sale” means a sale which is accomplished
 10 by the making of the contract.
 11 2. Goods or conduct including any part of a performance are “con-
 12 forming” or conform to the contract when they are in accordance
 13 with the obligations under the contract.
 14 3. “Termination” occurs when either party pursuant to a power
 15 created by agreement or law puts an end to the contract otherwise
 16 than for its breach. On “termination” all obligations which are still
 17 executory on both sides are discharged but any right based on prior
 18 breach or performance survives.
 19 4. “Cancellation” occurs when either party puts an end to the con-
 20 tract for breach by the other and its effect is the same as that of
 21 “termination” except that the cancelling party also retains any reme-
 22 dy for breach of the whole contract or any unperformed balance.

- 1 **SEC. 2107. Goods to be severed from realty: recording.**
 2 1. A contract for the sale of timber, minerals or the like or a struc-
 3 ture or its materials to be removed from realty is a contract for the
 4 sale of goods within this Article if they are to be severed by the
 5 seller but until severance a purported present sale thereof which is
 6 not effective as a transfer of an interest in land is effective only as
 7 a contract to sell.
 8 2. A contract for the sale apart from the land of growing crops or
 9 other things attached to realty and capable of severance without
 10 material harm thereto but not described in subsection 1 is a contract
 11 for the sale of goods within this Article whether the subject matter
 12 is to be severed by the buyer or by the seller even though it forms
 13 part of the realty at the time of contracting, and the parties can by
 14 identification effect a present sale before severance.
 15 3. The provisions of this section are subject to any third party
 16 rights provided by the law relating to realty records, and the con-
 17 tract for sale may be executed and recorded as a document transfer-
 18 ring an interest in land and shall then constitute notice to third par-
 19 ties of the buyer’s rights under the contract for sale.

PART 2

FORM, FORMATION AND READJUSTMENT OF CONTRACT

- 1 **SEC. 2201. Formal requirements—statute of frauds.**
 2 1. Except as otherwise provided in this section a contract for the
 3 sale of goods for the price of \$500 or more is not enforceable by way
 4 of action or defense unless there is some writing sufficient to indicate
 5 that a contract for sale has been made between the parties and signed
 6 by the party against whom enforcement is sought or by his author-
 7 ized agent or broker. A writing is not insufficient because it omits or

8 incorrectly states a term agreed upon but the contract is not enforce-
9 able under this paragraph beyond the quantity of goods shown in
10 such writing.

11 2. Between merchants if within a reasonable time a writing in con-
12 firmation of the contract and sufficient against the sender is received
13 and the party receiving it has reason to know its contents, it satisfies
14 the requirements of subsection 1 against such party unless written
15 notice of objection to its contents is given within ten days after it is
16 received.

17 3. A contract which does not satisfy the requirements of subsec-
18 tion 1 but which is valid in other respects is enforceable

19 a. if the goods are to be specially manufactured for the buyer and
20 are not suitable for sale to others in the ordinary course of the seller's
21 business and the seller, before notice of repudiation is received and
22 under circumstances which reasonably indicate that the goods are
23 for the buyer, has made either a substantial beginning of their manu-
24 facture or commitments for their procurement; or

25 b. if the party against whom enforcement is sought admits in his
26 pleading, testimony or otherwise in court that a contract for sale was
27 made, but the contract is not enforceable under this provision beyond
28 the quantity of goods admitted; or

29 c. with respect to goods for which payment has been made and
30 accepted or which have been received and accepted (Section 2606).

1 **SEC. 2202. Final written expression: parol or extrinsic evidence.**
2 Terms with respect to which the confirmatory memoranda of the
3 parties agree or which are otherwise set forth in a writing intended
4 by the parties as a final expression of their agreement with respect
5 to such terms as are included therein may not be contradicted by
6 evidence of any prior agreement or of a contemporaneous oral agree-
7 ment but may be explained or supplemented

8 a. by course of dealing or usage of trade (Section 1205) or by
9 course of performance (Section 2208); and

10 b. by evidence of consistent additional terms unless the court finds
11 the writing to have been intended also as a complete and exclusive
12 statement of the terms of the agreement.

1 **SEC. 2203. Seals inoperative.** The affixing of a seal to a writing
2 evidencing a contract for sale or an offer to buy or sell goods does not
3 constitute the writing a sealed instrument and the law with respect
4 to sealed instruments does not apply to such a contract or offer.

1 **SEC. 2204. Formation in general.**

2 1. A contract for sale of goods may be made in any manner suffi-
3 cient to show agreement, including conduct by both parties which
4 recognizes the existence of such a contract.

5 2. An agreement sufficient to constitute a contract for sale may be
6 found even though the moment of its making is undetermined.

7 3. Even though one or more terms are left open a contract for sale
8 does not fail for indefiniteness if the parties have intended to make a
9 contract and there is a reasonably certain basis for giving an appropri-
10 ate remedy.

1 **SEC. 2205. Firm offers.** An offer by a merchant to buy or sell
2 goods in a signed writing which by its terms gives assurance that it
3 will be held open is not revocable, for lack of consideration, during
4 the time stated or if no time is stated for a reasonable time, but in
5 no event may such period of irrevocability exceed three months; but
6 any such term of assurance on a form supplied by the offeree must be
7 separately signed by the offeror.

1 **SEC. 2206. Offer and acceptance in formation of contract.**

2 1. Unless otherwise unambiguously indicated by the language or
3 circumstances

4 *a.* an offer to make a contract shall be construed as inviting ac-
5 ceptance in any manner and by any medium reasonable in the circum-
6 stances;

7 *b.* an order or other offer to buy goods for prompt or current ship-
8 ment shall be construed as inviting acceptance either by a prompt
9 promise to ship or by the prompt or current shipment of conforming
10 or nonconforming goods, but such a shipment of nonconforming goods
11 does not constitute an acceptance if the seller seasonably notifies the
12 buyer that the shipment is offered only as an accommodation to the
13 buyer.

14 2. Where the beginning of a requested performance is a reasonable
15 mode of acceptance an offeror who is not notified of acceptance within
16 a reasonable time may treat the offer as having lapsed before accept-
17 ance.

1 **SEC. 2207. Additional terms in acceptance or confirmation.**

2 1. A definite and seasonable expression of acceptance or a written
3 confirmation which is sent within a reasonable time operates as an
4 acceptance even though it states terms additional to or different from
5 those offered or agreed upon, unless acceptance is expressly made
6 conditional on assent to the additional or different terms.

7 2. The additional or different terms are to be construed as pro-
8 posals for addition to the contract. Between merchants such terms
9 become part of the contract unless:

10 *a.* the offer expressly limits acceptance to the terms of the offer;

11 *b.* they materially alter it; or

12 *c.* notification of objection to them has already been given or is
13 given within a reasonable time after notice of them is received.

14 3. Conduct by both parties which recognizes the existence of a con-
15 tract is sufficient to establish a contract for sale although the writ-
16 ings of the parties do not otherwise establish a contract. In such case
17 the terms of the particular contract consist of those terms on which
18 the writings of the parties agree, together with any supplementary
19 terms incorporated under any other provisions of this Act.

1 **SEC. 2208. Course of performance or practical construction.**

2 1. Where the contract for sale involves repeated occasions for per-
3 formance by either party with knowledge of the nature of the per-
4 formance and opportunity for objection to it by the other, any course
5 of performance accepted or acquiesced in without objection shall be
6 relevant to determine the meaning of the agreement.

7 2. The express terms of the agreement and any such course of per-
8 formance, as well as any course of dealing and usage of trade, shall
9 be construed whenever reasonable as consistent with each other; but
10 when such construction is unreasonable, express terms shall control
11 course of performance and course of performance shall control both
12 course of dealing and usage of trade (Section 1205).

13 3. Subject to the provisions of the next section on modification and
14 waiver, such course of performance shall be relevant to show a waiver
15 or modification of any term inconsistent with such course of perform-
16 ance.

1 **SEC. 2209. Modification, rescission and waiver.**

2 1. An agreement modifying a contract within this Article needs no
3 consideration to be binding.

4 2. A signed agreement which excludes modification or rescission
5 except by a signed writing cannot be otherwise modified or rescinded,
6 but except as between merchants such a requirement on a form sup-
7 plied by the merchant must be separately signed by the other party.

8 3. The requirements of the statute of frauds section of this Article
9 (Section 2201) must be satisfied if the contract as modified is within
10 its provisions.

11 4. Although an attempt at modification or rescission does not sat-
12 isfy the requirements of subsection 2 or 3 it can operate as a waiver.

13 5. A party who has made a waiver affecting an executory portion
14 of the contract may retract the waiver by reasonable notification
15 received by the other party that strict performance will be required
16 of any term waived, unless the retraction would be unjust in view of
17 a material change of position in reliance on the waiver.

1 **SEC. 2210. Delegation of performance—assignment of rights.**

2 1. A party may perform his duty through a delegate unless other-
3 wise agreed or unless the other party has a substantial interest in
4 having his original promisor perform or control the acts required by
5 the contract. No delegation of performance relieves the party dele-
6 gating of any duty to perform or any liability for breach.

7 2. Unless otherwise agreed all rights of either seller or buyer can
8 be assigned except where the assignment would materially change
9 the duty of the other party, or increase materially the burden or risk
10 imposed on him by his contract, or impair materially his chance of
11 obtaining return performance. A right to damages for breach of the
12 whole contract or a right arising out of the assignor's due perform-
13 ance of his entire obligation can be assigned despite agreement other-
14 wise.

15 3. Unless the circumstances indicate the contrary a prohibition of
16 assignment of "the contract" is to be construed as barring only the
17 delegation to the assignee of the assignor's performance.

18 4. An assignment of "the contract" or of "all my rights under the
19 contract" or an assignment in similar general terms is an assignment
20 of rights and unless the language or the circumstances (as in an
21 assignment for security) indicate the contrary, it is a delegation of
22 performance of the duties of the assignor and its acceptance by the
23 assignee constitutes a promise by him to perform those duties. This

24 promise is enforceable by either the assignor or the other party to
25 the original contract.

26 5. The other party may treat any assignment which delegates per-
27 formance as creating reasonable grounds for insecurity and may
28 without prejudice to his rights against the assignor demand assur-
29 ances from the assignee (Section 2609).

PART 3

GENERAL OBLIGATION AND CONSTRUCTION OF CONTRACT

1 **SEC. 2301. General obligations of parties.** The obligation of the
2 seller is to transfer and deliver and that of the buyer is to accept and
3 pay in accordance with the contract.

1 **SEC. 2302. Unconscionable contract or clause.**

2 1. If the court as a matter of law finds the contract or any clause
3 of the contract to have been unconscionable at the time it was made
4 the court may refuse to enforce the contract, or it may enforce the
5 remainder of the contract without the unconscionable clause, or it
6 may so limit the application of any unconscionable clause as to avoid
7 any unconscionable result.

8 2. When it is claimed or appears to the court that the contract or
9 any clause thereof may be unconscionable the parties shall be afforded
10 a reasonable opportunity to present evidence as to its commercial
11 setting, purpose and effect to aid the court in making the determina-
12 tion.

1 **SEC. 2303. Allocation or division of risks.** Where this Article
2 allocates a risk or a burden as between the parties "unless otherwise
3 agreed", the agreement may not only shift the allocation but may
4 also divide the risk or burden.

1 **SEC. 2304. Price payable in money, goods, realty, or otherwise.**

2 1. The price can be made payable in money or otherwise. If it is
3 payable in whole or in part in goods each party is a seller of the goods
4 which he is to transfer.

5 2. Even though all or part of the price is payable in an interest in
6 realty the transfer of the goods and the seller's obligations with
7 reference to them are subject to this Article, but not the transfer of
8 the interest in realty or the transferor's obligations in connection
9 therewith.

1 **SEC. 2305. Open price term.**

2 1. The parties if they so intend can conclude a contract for sale
3 even though the price is not settled. In such a case the price is a
4 reasonable price at the time for delivery if

5 a. nothing is said as to price; or

6 b. the price is left to be agreed by the parties and they fail to
7 agree; or

8 c. the price is to be fixed in terms of some agreed market or other
9 standard as set or recorded by a third person or agency and it is not
10 so set or recorded.

11 2. A price to be fixed by the seller or by the buyer means a price
12 for him to fix in good faith.

13 3. When a price left to be fixed otherwise than by agreement of
 14 the parties fails to be fixed through fault of one party the other may
 15 at his option treat the contract as cancelled or himself fix a reason-
 16 able price.

17 4. Where, however, the parties intend not to be bound unless the
 18 price be fixed or agreed and it is not fixed or agreed there is no con-
 19 tract. In such a case the buyer must return any goods already re-
 20 ceived or if unable so to do must pay their reasonable value at the
 21 time of delivery and the seller must return any portion of the price
 22 paid on account.

1 **SEC. 2306. Output, requirements and exclusive dealings.**

2 1. A term which measures the quantity by the output of the seller
 3 or the requirements of the buyer means such actual output or re-
 4 quirements as may occur in good faith, except that no quantity un-
 5 reasonably disproportionate to any stated estimate or in the absence
 6 of a stated estimate to any normal or otherwise comparable prior
 7 output or requirements may be tendered or demanded.

8 2. A lawful agreement by either the seller or the buyer for exclu-
 9 sive dealing in the kind of goods concerned imposes unless otherwise
 10 agreed an obligation by the seller to use best efforts to supply the
 11 goods and by the buyer to use best efforts to promote their sale.

1 **SEC. 2307. Delivery in single lot or several lots.** Unless other-
 2 wise agreed all goods called for by a contract for sale must be ten-
 3 dered in a single delivery and payment is due only on such tender but
 4 where the circumstances give either party the right to make or
 5 demand delivery in lots the price if it can be apportioned may be
 6 demanded for each lot.

1 **SEC. 2308. Absence of specified place for delivery.** Unless other-
 2 wise agreed

3 *a.* the place for delivery of goods is the seller's place of business or
 4 if he has none his residence; but

5 *b.* in a contract for sale of identified goods which to the knowledge
 6 of the parties at the time of contracting are in some other place, that
 7 place is the place for their delivery; and

8 *c.* documents of title may be delivered through customary banking
 9 channels.

1 **SEC. 2309. Absence of specific time provisions—notice of termina-**
 2 **tion.**

3 1. The time for shipment or delivery or any other action under a
 4 contract if not provided in this Article or agreed upon shall be a
 5 reasonable time.

6 2. Where the contract provides for successive performances but is
 7 indefinite in duration it is valid for a reasonable time but unless
 8 otherwise agreed may be terminated at any time by either party.

9 3. Termination of a contract by one party except on the happening
 10 of an agreed event requires that reasonable notification be received
 11 by the other party and an agreement dispensing with notification is
 12 invalid if its operation would be unconscionable.

1 **SEC. 2310. Open time for payment or running of credit—author-**
 2 **ity to ship under reservation.** Unless otherwise agreed
 3 *a.* payment is due at the time and place at which the buyer is to
 4 receive the goods even though the place of shipment is the place of
 5 delivery; and
 6 *b.* if the seller is authorized to send the goods he may ship them
 7 under reservation, and may tender the documents of title, but the
 8 buyer may inspect the goods after their arrival before payment is
 9 due unless such inspection is inconsistent with the terms of the con-
 10 tract (Section 2513); and
 11 *c.* if delivery is authorized and made by way of documents of title
 12 otherwise than by subsection *b* then payment is due at the time and
 13 place at which the buyer is to receive the documents regardless of
 14 where the goods are to be received; and
 15 *d.* where the seller is required or authorized to ship the goods on
 16 credit the credit period runs from the time of shipment but post-
 17 dating the invoice or delaying its dispatch will correspondingly delay
 18 the starting of the credit period.

1 **SEC. 2311. Options and cooperation respecting performance.**
 2 1. An agreement for sale which is otherwise sufficiently definite
 3 (subsection 3 of Section 2204) to be a contract is not made invalid
 4 by the fact that it leaves particulars of performance to be specified
 5 by one of the parties. Any such specification must be made in good
 6 faith and within limits set by commercial reasonableness.
 7 2. Unless otherwise agreed specifications relating to assortment of
 8 the goods are at the buyer's option and except as otherwise provided
 9 in subsections 1 *c* and 3 of Section 2319 specifications or arrange-
 10 ments relating to shipment are at the seller's option.
 11 3. Where such specification would materially affect the other
 12 party's performance but is not seasonably made or where one party's
 13 cooperation is necessary to the agreed performance of the other but
 14 is not seasonably forthcoming, the other party in addition to all other
 15 remedies
 16 *a.* is excused for any resulting delay in his own performance; and
 17 *b.* may also either proceed to perform in any reasonable manner or
 18 after the time for a material part of his own performance treat the
 19 failure to specify or to cooperate as a breach by failure to deliver or
 20 accept the goods.

1 **SEC. 2312. Warranty of title and against infringement—buyer's**
 2 **obligation against infringement.**
 3 1. Subject to subsection 2 there is in a contract for sale a warranty
 4 by the seller that
 5 *a.* the title conveyed shall be good, and its transfer rightful; and
 6 *b.* the goods shall be delivered free from any security interest or
 7 other lien or encumbrance of which the buyer at the time of contract-
 8 ing has no knowledge.
 9 2. A warranty under subsection 1 will be excluded or modified only
 10 by specific language or by circumstances which give the buyer reason
 11 to know that the person selling does not claim title in himself or that
 12 he is purporting to sell only such right or title as he or a third person
 13 may have.

14 3. Unless otherwise agreed a seller who is a merchant regularly
 15 dealing in goods of the kind warrants that the goods shall be deliv-
 16 ered free of the rightful claim of any third person by way of in-
 17 fringement or the like but a buyer who furnishes specifications to the
 18 seller must hold the seller harmless against any such claim which
 19 arises out of compliance with the specifications.

1 **SEC. 2313. Express warranties by affirmation, promise, descrip-**
 2 **tion, sample.**

3 1. Express warranties by the seller are created as follows:

4 a. Any affirmation of fact or promise made by the seller to the
 5 buyer which relates to the goods and becomes part of the basis of
 6 the bargain creates an express warranty that the goods shall con-
 7 form to the affirmation or promise.

8 b. Any description of the goods which is made part of the basis of
 9 the bargain creates an express warranty that the goods shall con-
 10 form to the description.

11 c. Any sample or model which is made part of the basis of the
 12 bargain creates an express warranty that the whole of the goods
 13 shall conform to the sample or model.

14 2. It is not necessary to the creation of an express warranty that
 15 the seller use formal words such as "warrant" or "guarantee" or that
 16 he have a specific intention to make a warranty, but an affirmation
 17 merely of the value of the goods or a statement purporting to be
 18 merely the seller's opinion or commendation of the goods does not
 19 create a warranty.

1 **SEC. 2314. Implied warranty: merchantability—usage of trade.**

2 1. Unless excluded or modified (Section 2316), a warranty that the
 3 goods shall be merchantable is implied in a contract for their sale if
 4 the seller is a merchant with respect to goods of that kind. Under
 5 this section the serving for value of food or drink to be consumed
 6 either on the premises or elsewhere is a sale.

7 2. Goods to be merchantable must be at least such as

8 a. pass without objection in the trade under the contract descrip-
 9 tion; and

10 b. in the case of fungible goods, are of fair average quality within
 11 the description; and

12 c. are fit for the ordinary purposes for which such goods are used;
 13 and

14 d. run, within the variations permitted by the agreement, of even
 15 kind, quality and quantity within each unit and among all units in-
 16 volved; and

17 e. are adequately contained, packaged, and labeled as the agree-
 18 ment may require; and

19 f. conform to the promises or affirmations of fact made on the con-
 20 tainer or label if any.

21 3. Unless excluded or modified (Section 2316) other implied war-
 22 ranties may arise from course of dealing or usage of trade.

1 **SEC. 2315. Implied warranty: fitness for particular purpose.**

2 Where the seller at the time of contracting has reason to know any
 3 particular purpose for which the goods are required and that the
 4 buyer is relying on the seller's skill or judgment to select or furnish

5 suitable goods, there is unless excluded or modified under the next
6 section an implied warranty that the goods shall be fit for such pur-
7 pose.

1 **SEC. 2316. Exclusion or modification of warranties.**

2 1. Words or conduct relevant to the creation of an express war-
3 ranty and words or conduct tending to negate or limit warranty shall
4 be construed wherever reasonable as consistent with each other; but
5 subject to the provisions of this Article on parol or extrinsic evi-
6 dence (Section 2202) negation or limitation is inoperative to the
7 extent that such construction is unreasonable.

8 2. Subject to subsection 3, to exclude or modify the implied war-
9 ranty of merchantability or any part of it the language must mention
10 merchantability and in case of a writing must be conspicuous, and
11 to exclude or modify any implied warranty of fitness the exclusion
12 must be by a writing and conspicuous. Language to exclude all im-
13 plied warranties of fitness is sufficient if it states, for example, that
14 "There are no warranties which extend beyond the description on the
15 face hereof."

16 3. Notwithstanding subsection 2

17 a. unless the circumstances indicate otherwise, all implied warran-
18 ties are excluded by expressions like "as is", "with all faults" or other
19 language which in common understanding calls the buyer's attention
20 to the exclusion of warranties and makes plain that there is no implied
21 warranty; and

22 b. when the buyer before entering into the contract has examined
23 the goods or the sample or model as fully as he desired or has refused
24 to examine the goods there is no implied warranty with regard to
25 defects which an examination ought in the circumstances to have re-
26 vealed to him; and

27 c. an implied warranty can also be excluded or modified by course
28 of dealing or course of performance or usage of trade.

29 4. Remedies for breach of warranty can be limited in accordance
30 with the provisions of this Article on liquidation or limitation of dam-
31 ages and on contractual modification of remedy (Sections 2718 and
32 2719).

1 **SEC. 2317. Cumulation and conflict of warranties express or im-**
2 **plied.** Warranties whether express or implied shall be construed as
3 consistent with each other and as cumulative, but if such construc-
4 tion is unreasonable the intention of the parties shall determine which
5 warranty is dominant. In ascertaining that intention the following
6 rules apply:

7 a. Exact or technical specifications displace an inconsistent sample
8 or model or general language of description.

9 b. A sample from an existing bulk displaces inconsistent general
10 language of description.

11 c. Express warranties displace inconsistent implied warranties
12 other than an implied warranty of fitness for a particular purpose.

1 **SEC. 2318. Third party beneficiaries of warranties express or im-**
2 **plied.** A seller's warranty whether express or implied extends to any
3 natural person who is in the family or household of his buyer or who

4 is a guest in his home if it is reasonable to expect that such person
5 may use, consume or be affected by the goods and who is injured in
6 person by breach of the warranty. A seller may not exclude or limit
7 the operation of this section.

1 **SEC. 2319. F.O.B. and F.A.S. terms.**

2 1. Unless otherwise agreed the term F.O.B. (which means "free on
3 board") at a named place, even though used only in connection with
4 the stated price, is a delivery term under which

5 *a.* when the term is F.O.B. the place of shipment, the seller must
6 at that place ship the goods in the manner provided in this Article
7 (Section 2504) and bear the expense and risk of putting them into
8 the possession of the carrier; or

9 *b.* when the term is F.O.B. the place of destination, the seller must
10 at his own expense and risk transport the goods to that place and
11 there tender delivery of them in the manner provided in this Article
12 (Section 2503);

13 *c.* when under either *a* or *b* the term is also F.O.B. vessel, car or
14 other vehicle, the seller must in addition at his own expense and risk
15 load the goods on board. If the term is F.O.B. vessel the buyer must
16 name the vessel and in an appropriate case the seller must comply
17 with the provisions of this Article on the form of bill of lading (Sec-
18 tion 2323).

19 2. Unless otherwise agreed the term F.A.S. vessel (which means
20 "free alongside") at a named port, even though used only in connec-
21 tion with the stated price, is a delivery term under which the seller
22 must

23 *a.* at his own expense and risk deliver the goods alongside the ves-
24 sel in the manner usual in that port or on a dock designated and pro-
25 vided by the buyer; and

26 *b.* obtain and tender a receipt for the goods in exchange for which
27 the carrier is under a duty to issue a bill of lading.

28 3. Unless otherwise agreed in any case falling within subsection 1
29 *a* or *c* or subsection 2 the buyer must seasonably give any needed
30 instructions for making delivery, including when the term is F.A.S.
31 or F.O.B. the loading berth of the vessel and in an appropriate case
32 its name and sailing date. The seller may treat the failure of needed
33 instructions as a failure of cooperation under this Article (Section
34 2311). He may also at his option move the goods in any reasonable
35 manner preparatory to delivery or shipment.

36 4. Under the term F.O.B. vessel or F.A.S. unless otherwise agreed
37 the buyer must make payment against tender of the required docu-
38 ments and the seller may not tender nor the buyer demand delivery
39 of the goods in substitution for the documents.

1 **SEC. 2320. C.I.F. and C. & F. terms.**

2 1. The term C.I.F. means that the price includes in a lump sum the
3 cost of the goods and the insurance and freight to the named destina-
4 tion. The term C. & F. or C.F. means that the price so includes cost
5 and freight to the named destination.

6 2. Unless otherwise agreed and even though used only in connec-
7 tion with the stated price and destination, the term C.I.F. destina-

8 tion or its equivalent requires the seller at his own expense and risk
9 to

10 a. put the goods into the possession of a carrier at the port for
11 shipment and obtain a negotiable bill or bills of lading covering the
12 entire transportation to the named destination; and

13 b. load the goods and obtain a receipt from the carrier (which may
14 be contained in the bill of lading) showing that the freight has been
15 paid or provided for; and

16 c. obtain a policy or certificate of insurance, including any war
17 risk insurance, of a kind and on terms then current at the port of
18 shipment in the usual amount, in the currency of the contract, shown
19 to cover the same goods covered by the bill of lading and providing
20 for payment of loss to the order of the buyer or for the account of
21 whom it may concern; but the seller may add to the price the amount
22 of the premium for any such war risk insurance; and

23 d. prepare an invoice of the goods and procure any other docu-
24 ments required to effect shipment or to comply with the contract;
25 and

26 e. forward and tender with commercial promptness all the docu-
27 ments in due form and with any indorsement necessary to perfect the
28 buyer's rights.

29 3. Unless otherwise agreed the term C. & F. or its equivalent has
30 the same effect and imposes upon the seller the same obligations and
31 risks as a C.I.F. term except the obligation as to insurance.

32 4. Under the term C.I.F. or C. & F. unless otherwise agreed the
33 buyer must make payment against tender of the required documents
34 and the seller may not tender nor the buyer demand delivery of the
35 goods in substitution for the documents.

1 SEC. 2321. C.I.F. or C. & F.—“net landed weights”—“payment on
2 arrival”—warranty of condition on arrival. Under a contract con-
3 taining a term C.I.F. or C. & F. ’

4 1. Where the price is based on or is to be adjusted according to
5 “net landed weights”, “delivered weights”, “out turn” quantity or
6 quality or the like, unless otherwise agreed the seller must reason-
7 ably estimate the price. The payment due on tender of the documents
8 called for by the contract is the amount so estimated, but after final
9 adjustment of the price a settlement must be made with commercial
10 promptness.

11 2. An agreement described in subsection 1 or any warranty of
12 quality or condition of the goods on arrival places upon the seller the
13 risk of ordinary deterioration, shrinkage and the like in transporta-
14 tion but has no effect on the place or time of identification to the
15 contract for sale or delivery or on the passing of the risk of loss.

16 3. Unless otherwise agreed where the contract provides for pay-
17 ment on or after arrival of the goods the seller must before payment
18 allow such preliminary inspection as is feasible; but if the goods are
19 lost delivery of the documents and payment are due when the goods
20 should have arrived.

1 SEC. 2322. Delivery “ex-ship”.

2 1. Unless otherwise agreed a term for delivery of goods “ex-ship”
3 (which means from the carrying vessel) or in equivalent language is

4 not restricted to a particular ship and requires delivery from a ship
 5 which has reached a place at the named port of destination where
 6 goods of the kind are usually discharged.

7 2. Under such a term unless otherwise agreed
 8 a. the seller must discharge all liens arising out of the carriage and
 9 furnish the buyer with a direction which puts the carrier under a
 10 duty to deliver the goods; and
 11 b. the risk of loss does not pass to the buyer until the goods leave
 12 the ship's tackle or are otherwise properly unloaded.

1 SEC. 2323. **Form of bill of lading required in overseas shipment—**
 2 **"overseas".**

3 1. Where the contract contemplates overseas shipment and con-
 4 tains a term C.I.F. or C. & F. or F.O.B. vessel, the seller unless other-
 5 wise agreed must obtain a negotiable bill of lading stating that the
 6 goods have been loaded on board or, in the case of a term C.I.F. or
 7 C. & F., received for shipment.

8 2. Where in a case within subsection 1 a bill of lading has been
 9 issued in a set of parts, unless otherwise agreed if the documents are
 10 not to be sent from abroad the buyer may demand tender of the full
 11 set; otherwise only one part of the bill of lading need be tendered.
 12 Even if the agreement expressly requires a full set

13 a. due tender of a single part is acceptable within the provisions of
 14 this Article on cure of improper delivery (subsection 1 of Section
 15 2508); and

16 b. even though the full set is demanded, if the documents are sent
 17 from abroad the person tendering an incomplete set may nevertheless
 18 require payment upon furnishing an indemnity which the buyer in
 19 good faith deems adequate.

20 3. A shipment by water or by air or a contract contemplating such
 21 shipment is "overseas" insofar as by usage of trade or agreement it
 22 is subject to the commercial, financing or shipping practices charac-
 23 teristic of international deep water commerce.

1 SEC. 2324. **"No arrival, no sale" term.** Under a term "no arrival,
 2 no sale" or terms of like meaning, unless otherwise agreed,

3 a. the seller must properly ship conforming goods and if they
 4 arrive by any means he must tender them on arrival but he assumes
 5 no obligation that the goods will arrive unless he has caused the non-
 6 arrival; and

7 b. where without fault of the seller the goods are in part lost or
 8 have so deteriorated as no longer to conform to the contract or arrive
 9 after the contract time, the buyer may proceed as if there had been
 10 casualty to identified goods (Section 2613).

1 SEC. 2325. **"Letter of credit" term—"confirmed credit".**

2 1. Failure of the buyer seasonably to furnish an agreed letter of
 3 credit is a breach of the contract for sale.

4 2. The delivery to seller of a proper letter of credit suspends the
 5 buyer's obligation to pay. If the letter of credit is dishonored, the
 6 seller may on seasonable notification to the buyer require payment
 7 directly from him.

8 3. Unless otherwise agreed the term "letter of credit" or "banker's
 9 credit" in a contract for sale means an irrevocable credit issued by a

10 financing agency of good repute and, where the shipment is overseas,
 11 of good international repute. The term "confirmed credit" means
 12 that the credit must also carry the direct obligation of such an agency
 13 which does business in the seller's financial market.

1 **SEC. 2326. Sale on approval and sale or return—consignment sales**
 2 **and rights of creditors.**

3 1. Unless otherwise agreed, if delivered goods may be returned by
 4 the buyer even though they conform to the contract, the transaction
 5 is

6 *a.* a "sale on approval" if the goods are delivered primarily for use,
 7 and

8 *b.* a "sale or return" if the goods are delivered primarily for resale.

9 2. Except as provided in subsection 3, goods held on approval are
 10 not subject to the claims of the buyer's creditors until acceptance;
 11 goods held on sale or return are subject to such claims while in the
 12 buyer's possession.

13 3. Where goods are delivered to a person for sale and such person
 14 maintains a place of business at which he deals in goods of the kind
 15 involved, under a name other than the name of the person making
 16 delivery, then with respect to claims of creditors of the person con-
 17 ducting the business the goods are deemed to be on sale or return.
 18 The provisions of this subsection are applicable even though an agree-
 19 ment purports to reserve title to the person making delivery until
 20 payment or resale or uses such words as "on consignment" or "on
 21 memorandum". However, this subsection is not applicable if the
 22 person making delivery

23 *a.* complies with an applicable law providing for a consignor's in-
 24 terest or the like to be evidenced by a sign, or

25 *b.* establishes that the person conducting the business is generally
 26 known by his creditors to be substantially engaged in selling the
 27 goods of others, or

28 *c.* complies with the filing provisions of the Article on Secured
 29 Transactions (Article 9).

30 4. Any "or return" term of a contract for sale is to be treated as
 31 a separate contract for sale within the statute of frauds section of
 32 this Article (Section 2201) and as contradicting the sale aspect of
 33 the contract within the provisions of this Article on parol or extrinsic
 34 evidence (Section 2202).

1 **SEC. 2327. Special incidents of sale on approval and sale or return.**

2 1. Under a sale on approval unless otherwise agreed

3 *a.* although the goods are identified to the contract the risk of loss
 4 and the title do not pass to the buyer until acceptance; and

5 *b.* use of the goods consistent with the purpose of trial is not ac-
 6 ceptance but failure seasonably to notify the seller of election to
 7 return the goods is acceptance, and if the goods conform to the con-
 8 tract acceptance of any part is acceptance of the whole; and

9 *c.* after due notification of election to return, the return is at the
 10 seller's risk and expense but a merchant buyer must follow any rea-
 11 sonable instructions.

12 2. Under a sale or return unless otherwise agreed

13 *a.* the option to return extends to the whole or any commercial unit

14 of the goods while in substantially their original condition, but must
 15 be exercised seasonably; and
 16 b. the return is at the buyer's risk and expense.

1 **SEC. 2328. Sale by auction.**

2 1. In a sale by auction if goods are put up in lots each lot is the
 3 subject of a separate sale.

4 2. A sale by auction is complete when the auctioneer so announces
 5 by the fall of the hammer or in other customary manner. Where a
 6 bid is made while the hammer is falling in acceptance of a prior bid
 7 the auctioneer may in his discretion reopen the bidding or declare
 8 the goods sold under the bid on which the hammer was falling.

9 3. Such a sale is with reserve unless the goods are in explicit terms
 10 put up without reserve. In an auction with reserve the auctioneer
 11 may withdraw the goods at any time until he announces completion
 12 of the sale. In an auction without reserve, after the auctioneer calls
 13 for bids on an article or lot, that article or lot cannot be withdrawn
 14 unless no bid is made within a reasonable time. In either case a bid-
 15 der may retract his bid until the auctioneer's announcement of com-
 16 pletion of the sale, but a bidder's retraction does not revive any
 17 previous bid.

18 4. If the auctioneer knowingly receives a bid on the seller's behalf
 19 or the seller makes or procures such a bid, and notice has not been
 20 given that liberty for such bidding is reserved, the buyer may at his
 21 option avoid the sale or take the goods at the price of the last good
 22 faith bid prior to the completion of the sale. This subsection shall not
 23 apply to any bid at a forced sale.

PART 4

TITLE, CREDITORS AND GOOD FAITH PURCHASERS

1 **SEC. 2401. Passing of title — reservation for security — limited**
 2 **application of this section.** Each provision of this Article with re-
 3 gard to the rights, obligations and remedies of the seller, the buyer,
 4 purchasers or other third parties applies irrespective of title to the
 5 goods except where the provision refers to such title. Insofar as situ-
 6 ations are not covered by the other provisions of this Article and
 7 matters concerning title become material the following rules apply:

8 1. Title to goods cannot pass under a contract for sale prior to
 9 their identification to the contract (Section 2501), and unless other-
 10 wise explicitly agreed the buyer acquires by their identification a
 11 special property as limited by this Act. Any retention or reservation
 12 by the seller of the title (property) in goods shipped or delivered to
 13 the buyer is limited in effect to a reservation of a security interest.
 14 Subject to these provisions and to the provisions of the Article on
 15 Secured Transactions (Article 9), title to goods passes from the seller
 16 to the buyer in any manner and on any conditions explicitly agreed
 17 on by the parties.

18 2. Unless otherwise explicitly agreed title passes to the buyer at
 19 the time and place at which the seller completes his performance with
 20 reference to the physical delivery of the goods, despite any reserva-
 21 tion of a security interest and even though a document of title is to
 22 be delivered at a different time or place; and in particular and despite

23 any reservation of a security interest by the bill of lading
 24 a. if the contract requires or authorizes the seller to send the goods
 25 to the buyer but does not require him to deliver them at destination,
 26 title passes to the buyer at the time and place of shipment; but
 27 b. if the contract requires delivery at destination, title passes on
 28 tender there.
 29 3. Unless otherwise explicitly agreed where delivery is to be made
 30 without moving the goods,
 31 a. if the seller is to deliver a document of title, title passes at the
 32 time when and the place where he delivers such documents; or
 33 b. if the goods are at the time of contracting already identified and
 34 no documents are to be delivered, title passes at the time and place
 35 of contracting.
 36 4. A rejection or other refusal by the buyer to receive or retain the
 37 goods, whether or not justified, or a justified revocation of acceptance
 38 revests title to the goods in the seller. Such revesting occurs by oper-
 39 ation of law and is not a "sale".

1 **SEC. 2402. Rights of seller's creditors against sold goods.**

2 1. Except as provided in subsections 2 and 3, rights of unsecured
 3 creditors of the seller with respect to goods which have been identi-
 4 fied to a contract for sale are subject to the buyer's rights to recover
 5 the goods under this Article (Sections 2502 and 2716).

6 2. A creditor of the seller may treat a sale or an identification of
 7 goods to a contract for sale as void if as against him a retention of
 8 possession by the seller is fraudulent under any rule of law of the
 9 state where the goods are situated, except that retention of posses-
 10 sion in good faith and current course of trade by a merchant-seller
 11 for a commercially reasonable time after a sale or identification is not
 12 fraudulent.

13 3. Nothing in this Article shall be deemed to impair the rights of
 14 creditors of the seller

15 a. under the provisions of the Article on Secured Transactions
 16 (Article 9); or

17 b. where identification to the contract or delivery is made not in
 18 current course of trade but in satisfaction of or as security for a pre-
 19 existing claim for money, security or the like and is made under cir-
 20 cumstances which under any rule of law of the state where the goods
 21 are situated would apart from this Article constitute the transaction
 22 a fraudulent transfer voidable preference.

1 **SEC. 2403. Power to transfer — good faith purchase of goods —**
 2 **"entrusting".**

3 1. A purchaser of goods acquires all title which his transferor had
 4 or had power to transfer except that a purchaser of a limited interest
 5 acquires rights only to the extent of the interest purchased. A person
 6 with voidable title has power to transfer a good title to a good faith
 7 purchaser for value. When goods have been delivered under a trans-
 8 action of purchase the purchaser has such power even though

9 a. the transferor was deceived as to the identity of the purchaser,
 10 or

11 b. the delivery was in exchange for a check which is later dishon-
 12 ored, or

13 c. it was agreed that the transaction was to be a "cash sale", or
 14 d. the delivery was procured through fraud punishable as larcenous
 15 under the criminal law.

16 2. Any entrusting of possession of goods to a merchant who deals
 17 in goods of that kind gives him power to transfer all rights of the
 18 entruster to a buyer in ordinary course of business. However, any
 19 entrusting of farm products to a person engaged in farming opera-
 20 tions shall not give the farmer the power to transfer all rights of the
 21 entruster to a buyer in the ordinary course of business if the en-
 22 truster perfects a security interest as provided in Article 9.

23 3. "Entrusting" includes any delivery and any acquiescence in re-
 24 tention of possession regardless of any condition expressed between
 25 the parties to the delivery or acquiescence and regardless of whether
 26 the procurement of the entrusting or the possessor's disposition of
 27 the goods have been such as to be larcenous under the criminal law.

28 4. The rights of other purchasers of goods and of lien creditors are
 29 governed by the Articles on Secured Transactions (Article 9), Bulk
 30 Transfers (Article 6) and Documents of Title (Article 7).

PART 5

PERFORMANCE

1 SEC. 2501. Insurable interest in goods—manner of identification 2 of goods.

3 1. The buyer obtains a special property and an insurable interest
 4 in goods by identification of existing goods as goods to which the
 5 contract refers even though the goods so identified are nonconform-
 6 ing and he has an option to return or reject them. Such identification
 7 can be made at any time and in any manner explicitly agreed to by
 8 the parties. In the absence of explicit agreement identification occurs

9 a. when the contract is made if it is for the sale of goods already
 10 existing and identified;

11 b. If the contract is for the sale of future goods other than those
 12 described in paragraph c, when goods are shipped, marked or other-
 13 wise designated by the seller as goods to which the contract refers;

14 c. when the crops are planted or otherwise become growing crops
 15 or the young are conceived if the contract is for the sale of unborn
 16 young to be born within twelve months after contracting or for the
 17 sale of crops to be harvested within twelve months or the next nor-
 18 mal harvest season after contracting whichever is longer.

19 2. The seller retains an insurable interest in goods so long as title
 20 to or any security interest in the goods remains in him and where the
 21 identification is by the seller alone he may until default or insolvency
 22 or notification to the buyer that the identification is final substitute
 23 other goods for those identified.

24 3. Nothing in this section impairs any insurable interest recognized
 25 under any other statute or rule of law.

1 SEC. 2502. Buyer's right to goods on seller's insolvency.

2 1. Subject to subsection 2 and even though the goods have not been
 3 shipped a buyer who has paid a part or all of the price of goods in
 4 which he has a special property under the provisions of the immedi-

5 ately preceding section may on making and keeping good a tender of
6 any unpaid portion of their price recover them from the seller if the
7 seller is insolvent at the time of receipt of the first installment on
8 their price or becomes insolvent within ten days thereafter.
9 2. If the identification creating his special property has been made
10 by the buyer he acquires the right to recover the goods only if they
11 conform to the contract for sale.

1 **SEC. 2503. Manner of seller's tender of delivery.**

2 1. Tender of delivery requires that the seller put and hold conform-
3 ing goods at the buyer's disposition and give the buyer any notifica-
4 tion reasonably necessary to enable him to take delivery. The man-
5 ner, time and place for tender are determined by the agreement and
6 this Article, and in particular

7 *a.* tender must be at a reasonable hour, and if it is of goods they
8 must be kept available for the period reasonably necessary to enable
9 the buyer to take possession; but

10 *b.* unless otherwise agreed the buyer must furnish facilities rea-
11 sonably suited to the receipt of the goods.

12 2. Where the case is within the next section respecting shipment
13 tender requires that the seller comply with its provisions.

14 3. Where the seller is required to deliver at a particular destination
15 tender requires that he comply with subsection 1 and also in any
16 appropriate case tender documents as described in subsections 4 and
17 5 of this section.

18 4. Where goods are in the possession of a bailee and are to be
19 delivered without being moved

20 *a.* tender requires that the seller either tender a negotiable docu-
21 ment of title covering such goods or procure acknowledgment by the
22 bailee of the buyer's right to possession of the goods; but

23 *b.* tender to the buyer of a nonnegotiable document of title or of a
24 written direction to the bailee to deliver is sufficient tender unless
25 the buyer seasonably objects, and receipt by the bailee of notification
26 of the buyer's rights fixes those rights as against the bailee and all
27 third persons; but risk of loss of the goods and of any failure by the
28 bailee to honor the nonnegotiable document of title or to obey the
29 direction remains on the seller until the buyer has had a reasonable
30 time to present the document or direction, and a refusal by the bailee
31 to honor the document or to obey the direction defeats the tender.

32 5. Where the contract requires the seller to deliver documents

33 *a.* he must tender all such documents in correct form except as
34 provided in this Article with respect to bills of lading in a set (sub-
35 section 2 of Section 2323); and

36 *b.* tender through customary banking channels is sufficient and
37 dishonor of a draft accompanying the documents constitutes non-
38 acceptance or rejection.

1 **SEC. 2504. Shipment by seller.** Where the seller is required or
2 authorized to send the goods to the buyer and the contract does not
3 require him to deliver them at a particular destination, then unless
4 otherwise agreed he must

5 *a.* put the goods in the possession of such a carrier and make such
6 a contract for their transportation as may be reasonable having re-

7 gard to the nature of the goods and other circumstances of the case;
8 and

9 *b.* obtain and promptly deliver or tender in due form any document
10 necessary to enable the buyer to obtain possession of the goods or
11 otherwise required by the agreement or by usage of trade; and

12 *c.* promptly notify the buyer of the shipment.

13 Failure to notify the buyer under paragraph *c* or to make a proper
14 contract under paragraph *a* is a ground for rejection only if material
15 delay or loss ensues.

1 **SEC. 2505. Seller's shipment under reservation.**

2 1. Where the seller has identified goods to the contract by or before
3 shipment:

4 *a.* his procurement of a negotiable bill of lading to his own order
5 or otherwise reserves in him a security interest in the goods. His pro-
6 curement of the bill to the order of a financing agency or of the buyer
7 indicates in addition only the seller's expectation of transferring that
8 interest to the person named.

9 *b.* a nonnegotiable bill of lading to himself or his nominee reserves
10 possession of the goods as security but except in a case of conditional
11 delivery (subsection 2 of Section 2507) a nonnegotiable bill of lading
12 naming the buyer as consignee reserves no security interest even
13 though the seller retains possession of the bill of lading.

14 2. When shipment by the seller with reservation of a security in-
15 terest is in violation of the contract for sale it constitutes an improper
16 contract for transportation within the preceding section but impairs
17 neither the rights given to the buyer by shipment and identification
18 of the goods to the contract nor the seller's powers as a holder of a
19 negotiable document.

1 **SEC. 2506. Rights of financing agency.**

2 1. A financing agency by paying or purchasing for value a draft
3 which relates to a shipment of goods acquires to the extent of the
4 payment or purchase and in addition to its own rights under the
5 draft and any document of title securing it any rights of the shipper
6 in the goods including the right to stop delivery and the shipper's
7 right to have the draft honored by the buyer.

8 2. The right to reimbursement of a financing agency which has in
9 good faith honored or purchased the draft under commitment to or
10 authority from the buyer is not impaired by subsequent discovery
11 of defects with reference to any relevant document which was ap-
12 parently regular on its face.

1 **SEC. 2507. Effect of seller's tender—delivery on condition.**

2 1. Tender of delivery is a condition to the buyer's duty to accept
3 the goods and, unless otherwise agreed, to his duty to pay for them.
4 Tender entitles the seller to acceptance of the goods and to payment
5 according to the contract.

6 2. Where payment is due and demanded on the delivery to the
7 buyer of goods or documents of title, his right as against the seller
8 to retain or dispose of them is conditional upon his making the pay-
9 ment due.

1 **SEC. 2508. Cure by seller of improper tender or delivery—replac-**
 2 **ment.**

- 3 1. Where any tender or delivery by the seller is rejected because
 4 nonconforming and the time for performance has not yet expired,
 5 the seller may seasonably notify the buyer of his intention to cure
 6 and may then within the contract time make a conforming delivery.
 7 2. Where the buyer rejects a nonconforming tender which the
 8 seller had reasonable grounds to believe would be acceptable with or
 9 without money allowance the seller may if he seasonably notifies the
 10 buyer have a further reasonable time to substitute a conforming
 11 tender.

1 **SEC. 2509. Risk of loss in the absence of breach.**

- 2 1. Where the contract requires or authorizes the seller to ship the
 3 goods by carrier
 4 *a.* If it does not require him to deliver them at a particular desti-
 5 nation, the risk of loss passes to the buyer when the goods are duly
 6 delivered to the carrier even though the shipment is under reserva-
 7 tion (Section 2505); but
 8 *b.* If it does require him to deliver them at a particular destination
 9 and the goods are there duly tendered while in the possession of the
 10 carrier, the risk of loss passes to the buyer when the goods are there
 11 duly so tendered as to enable the buyer to take delivery.
 12 2. Where the goods are held by a bailee to be delivered without
 13 being moved, the risk of loss passes to the buyer
 14 *a.* on his receipt of a negotiable document of title covering the
 15 goods; or
 16 *b.* on acknowledgment by the bailee of the buyer's right to posses-
 17 sion of the goods; or
 18 *c.* after his receipt of a nonnegotiable document of title or other
 19 written direction to deliver, as provided in subsection 4 *b* of Section
 20 2503.
 21 3. In any case not within subsection 1 or 2, the risk of loss passes
 22 to the buyer on his receipt of the goods if the seller is a merchant;
 23 otherwise the risk passes to the buyer on tender of delivery.
 24 4. The provisions of this section are subject to contrary agreement
 25 of the parties and to the provisions of this Article on sale on approval
 26 (Section 2327) and on effect of breach on risk of loss (Section 2510).

1 **SEC. 2510. Effect of breach on risk of loss.**

- 2 1. Where a tender or delivery of goods so fails to conform to the
 3 contract as to give a right of rejection the risk of their loss remains
 4 on the seller until cure or acceptance.
 5 2. Where the buyer rightfully revokes acceptance he may to the
 6 extent of any deficiency in his effective insurance coverage treat the
 7 risk of loss as having rested on the seller from the beginning.
 8 3. Where the buyer as to conforming goods already identified to
 9 the contract for sale repudiates or is otherwise in breach before risk
 10 of their loss has passed to him, the seller may to the extent of any
 11 deficiency in his effective insurance coverage treat the risk of loss as
 12 resting on the buyer for a commercially reasonable time.

1 **SEC. 2511. Tender of payment by buyer—payment by check.**

2 1. Unless otherwise agreed tender of payment is a condition to the
3 seller's duty to tender and complete any delivery.

4 2. Tender of payment is sufficient when made by any means or in
5 any manner current in the ordinary course of business unless the
6 seller demands payment in legal tender and gives any extension of
7 time reasonably necessary to procure it.

8 3. Subject to the provisions of this Act on the effect of an instru-
9 ment on an obligation (Section 3802), payment by check is condi-
10 tional and is defeated as between the parties by dishonor of the check
11 on due presentment.

1 **SEC. 2512. Payment by buyer before inspection.**

2 1. Where the contract requires payment before inspection noncon-
3 formity of the goods does not excuse the buyer from so making pay-
4 ment unless

5 *a.* the nonconformity appears without inspection; or
6 *b.* despite tender of the required documents the circumstances
7 would justify injunction against honor under the provisions of this
8 Act (Section 5114).

9 2. Payment pursuant to subsection 1 does not constitute an ac-
10 ceptance of goods or impair the buyer's right to inspect or any of his
11 remedies.

1 **SEC. 2513. Buyer's right to inspection of goods.**

2 1. Unless otherwise agreed and subject to subsection 3, where
3 goods are tendered or delivered or identified to the contract for sale,
4 the buyer has a right before payment or acceptance to inspect them
5 at any reasonable place and time and in any reasonable manner.
6 When the seller is required or authorized to send the goods to the
7 buyer, the inspection may be after their arrival.

8 2. Unless otherwise agreed expenses of inspection must be borne
9 by the buyer but may be recovered from the seller if the goods do not
10 conform and are rejected.

11 3. Unless otherwise agreed and subject to the provisions of this
12 Article on C.I.F. contracts (subsection 3 of Section 2321), the buyer
13 is not entitled to inspect the goods before payment of the price when
14 the contract provides

15 *a.* for delivery "C.O.D." or on other like terms; or
16 *b.* for payment against documents of title, except where such pay-
17 ment is due only after the goods are to become available for inspec-
18 tion.

19 4. A place or method of inspection fixed by the parties is presumed
20 to be exclusive but unless otherwise expressly agreed it does not post-
21 pone identification or shift the place for delivery or for passing the
22 risk of loss. If compliance becomes impossible, inspection shall be as
23 provided in this section unless the place or method fixed was clearly
24 intended as an indispensable condition failure of which avoids the
25 contract.

1 **SEC. 2514. When documents deliverable on acceptance—when on**
2 **payment.** Unless otherwise agreed documents against which a draft
3 is drawn are to be delivered to the drawee on acceptance of the draft

4 if it is payable more than three days after presentment; otherwise,
5 only on payment.

1 **SEC. 2515. Preserving evidence of goods in dispute.** In further-
2 ance of the adjustment of any claim or dispute

3 *a.* either party on reasonable notification to the other and for the
4 purpose of ascertaining the facts and preserving evidence has the
5 right to inspect, test and sample the goods including such of them as
6 may be in the possession or control of the other; and

7 *b.* the parties may agree to a third party inspection or survey to
8 determine the conformity or condition of the goods and may agree
9 that the findings shall be binding upon them in any subsequent liti-
10 gation or adjustment.

PART 6

BREACH, REPUDIATION AND EXCUSE

1 **SEC. 2601. Buyer's rights on improper delivery.** Subject to the
2 provisions of this Article on breach in installment contracts (Section
3 2612) and unless otherwise agreed under the sections on contractual
4 limitations of remedy (Sections 2718 and 2719), if the goods or the
5 tender of delivery fail in any respect to conform to the contract, the
6 buyer may

7 *a.* reject the whole; or

8 *b.* accept the whole; or

9 *c.* accept any commercial unit or units and reject the rest.

1 **SEC. 2602. Manner and effect of rightful rejection.**

2 1. Rejection of goods must be within a reasonable time after their
3 delivery or tender. It is ineffective unless the buyer seasonably noti-
4 fies the seller.

5 2. Subject to the provisions of the two following sections on re-
6 jected goods (Sections 2603 and 2604),

7 *a.* after rejection any exercise of ownership by the buyer with
8 respect to any commercial unit is wrongful as against the seller; and

9 *b.* if the buyer has before rejection taken physical possession of
10 goods in which he does not have a security interest under the provi-
11 sions of this Article (subsection 3 of Section 2711), he is under a
12 duty after rejection to hold them with reasonable care at the seller's
13 disposition for a time sufficient to permit the seller to remove them;
14 but

15 *c.* the buyer has no further obligations with regard to goods right-
16 fully rejected.

17 3. The seller's rights with respect to goods wrongfully rejected are
18 governed by the provisions of this Article on Seller's remedies in
19 general (Section 2703).

1 **SEC. 2603. Merchant buyer's duties as to rightfully rejected
2 goods.**

3 1. Subject to any security interest in the buyer (subsection 3 of
4 Section 2711), when the seller has no agent or place of business at
5 the market of rejection a merchant buyer is under a duty after re-
6 jection of goods in his possession or control to follow any reasonable
7 instructions received from the seller with respect to the goods and in

8 the absence of such instructions to make reasonable efforts to sell
 9 them for the seller's account if they are perishable or threaten to
 10 decline in value speedily. Instructions are not reasonable if on de-
 11 mand indemnity for expenses is not forthcoming.

12 2. When the buyer sells goods under subsection 1, he is entitled to
 13 reimbursement from the seller or out of the proceeds for reasonable
 14 expenses of caring for and selling them, and if the expenses include
 15 no selling commission then to such commission as is usual in the trade
 16 or if there is none to a reasonable sum not exceeding ten percent on
 17 the gross proceeds.

18 3. In complying with this section the buyer is held only to good
 19 faith and good faith conduct hereunder is neither acceptance nor con-
 20 version nor the basis of an action for damages.

1 **SEC. 2604. Buyer's options as to salvage of rightfully rejected**
 2 **goods.** Subject to the provisions of the immediately preceding sec-
 3 tion on perishables if the seller gives no instructions within a reason-
 4 able time after notification of rejection the buyer may store the
 5 rejected goods for the seller's account or reship them to him or resell
 6 them for the seller's account with reimbursement as provided in the
 7 preceding section. Such action is not acceptance or conversion.

1 **SEC. 2605. Waiver of buyer's objections by failure to particular-**
 2 **ize.**

3 1. The buyer's failure to state in connection with rejection a partic-
 4 lar defect which is ascertainable by reasonable inspection pre-
 5 cludes him from relying on the unstated defect to justify rejection or
 6 to establish breach

7 a. where the seller could have cured it if stated seasonably; or
 8 b. between merchants when the seller has after rejection made a
 9 request in writing for a full and final written statement of all defects
 10 on which the buyer proposes to rely.

11 2. Payment against documents made without reservation of rights
 12 precludes recovery of the payment for defects apparent on the face
 13 of the documents.

1 **SEC. 2606. What constitutes acceptance of goods.**

2 1. Acceptance of goods occurs when the buyer
 3 a. after a reasonable opportunity to inspect the goods signifies to
 4 the seller that the goods are conforming or that he will take or retain
 5 them in spite of their nonconformity; or

6 b. fails to make an effective rejection (subsection 1 of Section
 7 2602), but such acceptance does not occur until the buyer has had a
 8 reasonable opportunity to inspect them; or

9 c. does any act inconsistent with the seller's ownership; but if
 10 such act is wrongful as against the seller it is an acceptance only if
 11 ratified by him.

12 2. Acceptance of a part of any commercial unit is acceptance of
 13 that entire unit.

1 **SEC. 2607. Effect of acceptance—notice of breach—burden of es-**
 2 **tablishing breach after acceptance—notice of claim or litigation to**
 3 **person answerable over.**

4 1. The buyer must pay at the contract rate for any goods accepted.

5 2. Acceptance of goods by the buyer precludes rejection of the
6 goods accepted and if made with knowledge of a nonconformity can-
7 not be revoked because of it unless the acceptance was on the reason-
8 able assumption that the nonconformity would be seasonably cured
9 but acceptance does not of itself impair any other remedy provided
10 by this Article for nonconformity.

11 3. Where a tender has been accepted

12 a. the buyer must within a reasonable time after he discovers or
13 should have discovered any breach notify the seller of breach or be
14 barred from any remedy; and

15 b. if the claim is one for infringement or the like (subsection 3 of
16 Section 2312) and the buyer is sued as a result of such a breach he
17 must so notify the seller within a reasonable time after he receives
18 notice of the litigation or be barred from any remedy over for lia-
19 bility established by the litigation.

20 4. The burden is on the buyer to establish any breach with respect
21 to the goods accepted.

22 5. Where the buyer is sued for breach of a warranty or other obli-
23 gation for which his seller is answerable over

24 a. he may give his seller written notice of the litigation. If the
25 notice states that the seller may come in and defend and that if the
26 seller does not do so he will be bound in any action against him by his
27 buyer by any determination of fact common to the two litigations,
28 then unless the seller after reasonable receipt of the notice does come
29 in and defend he is so bound.

30 b. if the claim is one for infringement or the like (subsection 3 of
31 Section 2312) the original seller may demand in writing that his
32 buyer turn over to him control of the litigation including settlement
33 or else be barred from any remedy over and if he also agrees to bear
34 all expense and to satisfy any adverse judgment, then unless the
35 buyer after reasonable receipt of the demand does turn over control
36 the buyer is so barred.

37 6. The provisions of subsections 3, 4 and 5 apply to any obligation
38 of a buyer to hold the seller harmless against infringement or the like
39 (subsection 3 of Section 2312).

1 **SEC. 2608. Revocation of acceptance in whole or in part.**

2 1. The buyer may revoke his acceptance of a lot or commercial unit
3 whose nonconformity substantially impairs its value to him if he has
4 accepted it

5 a. on the reasonable assumption that its nonconformity would be
6 cured and it has not been seasonably cured; or

7 b. without discovery of such nonconformity if his acceptance was
8 reasonably induced either by the difficulty of discovery before ac-
9 ceptance or by the seller's assurances.

10 2. Revocation of acceptance must occur within a reasonable time
11 after the buyer discovers or should have discovered the ground for it
12 and before any substantial change in condition of the goods which is
13 not caused by their own defects. It is not effective until the buyer
14 notifies the seller of it.

15 3. A buyer who so revokes has the same rights and duties with
16 regard to the goods involved as if he had rejected them.

1 **SEC. 2609. Right to adequate assurance of performance.**

2 1. A contract for sale imposes an obligation on each party that the
3 other's expectation of receiving due performance will not be impaired.
4 When reasonable grounds for insecurity arise with respect to the per-
5 formance of either party the other may in writing demand adequate
6 assurance of due performance and until he receives such assurance
7 may if commercially reasonable suspend any performance for which
8 he has not already received the agreed return.

9 2. Between merchants the reasonableness of grounds for insecurity
10 and the adequacy of any assurance offered shall be determined ac-
11 cording to commercial standards.

12 3. Acceptance of any improper delivery or payment does not preju-
13 dice the aggrieved party's right to demand adequate assurance of
14 future performance.

15 4. After receipt of a justified demand failure to provide within a
16 reasonable time not exceeding thirty days such assurance of due per-
17 formance as is adequate under the circumstances of the particular
18 case is a repudiation of the contract.

1 **SEC. 2610. Anticipatory repudiation.** When either party repudi-
2 ates the contract with respect to a performance not yet due the loss
3 of which will substantially impair the value of the contract to the
4 other, the aggrieved party may

5 a. for a commercially reasonable time await performance by the
6 repudiating party; or

7 b. resort to any remedy for breach (Section 2703 or Section 2711),
8 even though he has notified the repudiating party that he would
9 await the latter's performance and has urged retraction; and

10 c. in either case suspend his own performance or proceed in ac-
11 cordance with the provisions of this Article on the seller's right to
12 identify goods to the contract notwithstanding breach or to salvage
13 unfinished goods (Section 2704).

1 **SEC. 2611. Retraction of anticipatory repudiation.**

2 Until the repudiating party's next performance is due he can
3 retract his repudiation unless the aggrieved party has since the re-
4 pudiation cancelled or materially changed his position or otherwise
5 indicated that he considers the repudiation final.

6 2. Retraction may be by any method which clearly indicates to the
7 aggrieved party that the repudiating party intends to perform, but
8 must include any assurance justifiably demanded under the provisions
9 of this Article (Section 2609).

10 3. Retraction reinstates the repudiating party's rights under the
11 contract with due excuse and allowance to the aggrieved party for any
12 delay occasioned by the repudiation.

1 **SEC. 2612. "Installment contract"—breach.**

2 1. An "installment contract" is one which requires or authorizes
3 the delivery of goods in separate lots to be separately accepted, even
4 though the contract contains a clause "each delivery is a separate
5 contract" or its equivalent.

6 2. The buyer may reject any installment which is nonconforming
7 if the nonconformity substantially impairs the value of that install-
8 ment and cannot be cured or if the nonconformity is a defect in the

9 required documents; but if the nonconformity does not fall within
10 subsection 3 and the seller gives adequate assurance of its cure the
11 buyer must accept that installment.

12 3. Whenever nonconformity or default with respect to one or more
13 installments substantially impairs the value of the whole contract
14 there is a breach of the whole. But the aggrieved party reinstates
15 the contract if he accepts a nonconforming installment without sea-
16 sonably notifying of cancellation or if he brings an action with re-
17 spect only to past installments or demands performance as to future
18 installments.

1 SEC. 2613. **Casualty to identified goods.** Where the contract re-
2 quires for its performance goods identified when the contract is made,
3 and the goods suffer casualty without fault of either party before the
4 risk of loss passes to the buyer, or in a proper case under a "no
5 arrival, no sale" term (Section 2324) then

6 a. if the loss is total the contract is avoided; and
7 b. if the loss is partial or the goods have so deteriorated as no
8 longer to conform to the contract the buyer may nevertheless demand
9 inspection and at his option either treat the contract as avoided or
10 accept the goods with due allowance from the contract price for the
11 deterioration or the deficiency in quantity but without further right
12 against the seller.

1 SEC. 2614. **Substituted performance.**

2 1. Where without fault of either party the agreed berthing, load-
3 ing, or unloading facilities fail or an agreed type of carrier becomes
4 unavailable or the agreed manner of delivery otherwise becomes com-
5 mercially impracticable but a commercially reasonable substitute is
6 available, such substitute performance must be tendered and ac-
7 cepted.

8 2. If the agreed means or manner of payment fails because of do-
9 mestic or foreign governmental regulation, the seller may withhold
10 or stop delivery unless the buyer provides a means or manner of pay-
11 ment which is commercially a substantial equivalent. If delivery has
12 already been taken, payment by the means or in the manner provided
13 by the regulation discharges the buyer's obligation unless the regula-
14 tion is discriminatory, oppressive or predatory.

1 SEC. 2615. **Excuse by failure of presupposed conditions.** Except
2 so far as a seller may have assumed a greater obligation and subject
3 to the preceding section on substituted performance:

4 a. Delay in delivery or nondelivery in whole or in part by a seller
5 who complies with paragraphs *b* and *c* is not a breach of his duty
6 under a contract for sale if performance as agreed has been made
7 impracticable by the occurrence of a contingency the nonoccurrence
8 of which was a basic assumption on which the contract was made or
9 by compliance in good faith with any applicable foreign or domestic
10 governmental regulation or order whether or not it later proves to be
11 invalid.

12 b. Where the causes mentioned in paragraph *a* affect only a part
13 of the seller's capacity to perform, he must allocate production and
14 deliveries among his customers but may at his option include regular

15 customers not then under contract as well as his own requirements
 16 for further manufacture. He may so allocate in any manner which
 17 is fair and reasonable.

18 *c.* The seller must notify the buyer seasonably that there will be
 19 delay or nondelivery and, when allocation is required under paragraph
 20 *b.*, of the estimated quota thus made available for the buyer.

1 **SEC. 2616. Procedure on notice claiming excuse.**

2 1. Where the buyer receives notification of a material or indefinite
 3 delay or an allocation justified under the preceding section he may by
 4 written notification to the seller as to any delivery concerned, and
 5 where the prospective deficiency substantially impairs the value of
 6 the whole contract under the provisions of this Article relating to
 7 breach of installment contracts (Section 2612), then also as to the
 8 whole,

9 *a.* terminate and thereby discharge any unexecuted portion of the
 10 contract; or

11 *b.* modify the contract by agreeing to take his available quota in
 12 substitution.

13 2. If after receipt of such notification from the seller the buyer
 14 fails so to modify the contract within a reasonable time not exceed-
 15 ing thirty days the contract lapses with respect to any deliveries
 16 affected.

PART 7

REMEDIES

1 **SEC. 2701. Remedies for breach of collateral contracts not im-**
 2 **paired.** Remedies for breach of any obligation or promise collateral
 3 or ancillary to a contract for sale are not impaired by the provisions
 4 of this Article.

1 **SEC. 2702. Seller's remedies on discovery of buyer's insolvency.**

2 1. Where the seller discovers the buyer to be insolvent he may
 3 refuse delivery except for cash including payment for all goods there-
 4 tofore delivered under the contract, and stop delivery under this
 5 Article (Section 2705).

6 2. Where the seller discovers that the buyer has received goods on
 7 credit while insolvent he may reclaim the goods upon demand made
 8 within ten days after the receipt, but if misrepresentation of solvency
 9 has been made to the particular seller in writing within three months
 10 before delivery the ten-day limitation does not apply. Except as pro-
 11 vided in this subsection the seller may not base a right to reclaim
 12 goods on the buyer's fraudulent or innocent misrepresentation of
 13 solvency or of intent to pay.

14 3. The seller's right to reclaim under subsection 2 is subject to the
 15 rights of a buyer in ordinary course or other good faith purchaser or
 16 lien creditor under this Article (Section 2403). Successful reclama-
 17 tion of goods excludes all other remedies with respect to them.

1 **SEC. 2703. Seller's remedies in general.** Where the buyer wrong-
 2 fully rejects or revokes acceptance of goods or fails to make a pay-
 3 ment due on or before delivery or repudiates with respect to a part or
 4 the whole, then with respect to any goods directly affected and, if the

5 breach is of the whole contract (Section 2612), then also with respect
6 to the whole undelivered balance, the aggrieved seller may
7 *a.* withhold delivery of such goods;
8 *b.* stop delivery by any bailee as hereafter provided (Section 2705);
9 *c.* proceed under the next section respecting goods still unidentified
10 to the contract;
11 *d.* resell and recover damages as hereafter provided (Section
12 2706);
13 *e.* recover damages for nonacceptance (Section 2708) or in a proper
14 case the price (Section 2709);
15 *f.* cancel.

1 **SEC. 2704. Seller's right to identify goods to the contract notwith-**
2 **standing breach or to salvage unfinished goods.**

3 1. An aggrieved seller under the preceding section may
4 *a.* identify to the contract conforming goods not already identified
5 if at the time he learned of the breach they are in his possession or
6 control;
7 *b.* treat as the subject of resale goods which have demonstrably
8 been intended for the particular contract even though those goods
9 are unfinished.
10 2. Where the goods are unfinished an aggrieved seller may in the
11 exercise of reasonable commercial judgment for the purposes of
12 avoiding loss and of effective realization either complete the manu-
13 facture and wholly identify the goods to the contract or cease manu-
14 facture and resell for scrap or salvage value or proceed in any other
15 reasonable manner.

1 **SEC. 2705. Seller's stoppage of delivery in transit or otherwise.**

2 1. The seller may stop delivery of goods in the possession of a car-
3 rier or other bailee when he discovers the buyer to be insolvent (Sec-
4 tion 2702) and may stop delivery of carload, truckload, planeload or
5 larger shipments of express or freight when the buyer repudiates or
6 fails to make a payment due before delivery or if for any other
7 reason the seller has a right to withhold or reclaim the goods.
8 2. As against such buyer the seller may stop delivery until
9 *a.* receipt of the goods by the buyer; or
10 *b.* acknowledgment to the buyer by any bailee of the goods except
11 a carrier that the bailee holds the goods for the buyer; or
12 *c.* such acknowledgment to the buyer by a carrier by reshipment or
13 as warehouseman; or
14 *d.* negotiation to the buyer of any negotiable document of title
15 covering the goods.
16 3. *a.* To stop delivery the seller must so notify as to enable the
17 bailee by reasonable diligence to prevent delivery of the goods.
18 *b.* After such notification the bailee must hold and deliver the
19 goods according to the directions of the seller but the seller is liable
20 to the bailee for any ensuing charges or damages.
21 *c.* If a negotiable document of title has been issued for goods the
22 bailee is not obliged to obey a notification to stop until surrender of
23 the document.
24 *d.* A carrier who has issued a nonnegotiable bill of lading is not

25 obliged to obey a notification to stop received from a person other
26 than the consignor.

1 **SEC. 2706. Seller's resale including contract for resale.**

2 1. Under the conditions stated in Section 2703 on seller's remedies,
3 the seller may resell the goods concerned or the undelivered balance
4 thereof. Where the resale is made in good faith and in a commer-
5 cially reasonable manner the seller may recover the difference be-
6 tween the resale price and the contract price together with any inci-
7 dental damages allowed under the provisions of this Article (Section
8 2710), but less expenses saved in consequence of the buyer's breach.

9 2. Except as otherwise provided in subsection 3 or unless other-
10 wise agreed resale may be at public or private sale including sale by
11 way of one or more contracts to sell or of identification to an existing
12 contract of the seller. Sale may be as a unit or in parcels and at any
13 time and place and on any terms but every aspect of the sale includ-
14 ing the method, manner, time, place and terms must be commercially
15 reasonable. The resale must be reasonably identified as referring to
16 the broken contract, but it is not necessary that the goods be in exist-
17 ence or that any or all of them have been identified to the contract
18 before the breach.

19 3. Where the resale is at private sale the seller must give the buyer
20 reasonable notification of his intention to resell.

21 4. Where the resale is at public sale

22 a. only identified goods can be sold except where there is a recog-
23 nized market for a public sale of futures in goods of the kind; and

24 b. it must be made at a usual place or market for public sale if one
25 is reasonably available and except in the case of goods which are
26 perishable or threaten to decline in value speedily the seller must
27 give the buyer reasonable notice of the time and place of the resale;
28 and

29 c. if the goods are not to be within the view of those attending the
30 sale the notification of sale must state the place where the goods are
31 located and provide for their reasonable inspection by prospective
32 bidders; and

33 d. the seller may buy.

34 5. A purchaser who buys in good faith at a resale takes the goods
35 free of any rights of the original buyer even though the seller fails to
36 comply with one or more of the requirements of this section.

37 6. The seller is not accountable to the buyer for any profit made on
38 any resale. A person in the position of a seller (Section 2707) or a
39 buyer who has rightfully rejected or justifiably revoked acceptance
40 must account for any excess over the amount of his security interest,
41 as hereinafter defined (subsection 3 of Section 2711).

1 **SEC. 2707. "Person in the position of a seller".**

2 1. A "person in the position of a seller" includes as against a prin-
3 cipal an agent who has paid or become responsible for the price of
4 goods on behalf of his principal or anyone who otherwise holds a
5 security interest or other right in goods similar to that of a seller.

6 2. A person in the position of a seller may as provided in this
7 Article withhold or stop delivery (Section 2705) and resell (Section
8 2706) and recover incidental damages (Section 2710).

1 **SEC. 2708. Seller's damages for nonacceptance or repudiation.**

2 1. Subject to subsection 2 and to the provisions of this Article with
3 respect to proof of market price (Section 2723), the measure of dam-
4 ages for nonacceptance or repudiation by the buyer is the difference
5 between the market price at the time and place for tender and the
6 unpaid contract price together with any incidental damages provided
7 in this Article (Section 2710), but less expenses saved in consequence
8 of the buyer's breach.

9 2. If the measure of damages provided in subsection 1 is inade-
10 quate to put the seller in as good a position as performance would
11 have done then the measure of damages is the profit (including
12 reasonable overhead) which the seller would have made from full
13 performance by the buyer, together with any incidental damages
14 provided in this Article (Section 2710), due allowance for costs rea-
15 sonably incurred and due credit for payments or proceeds of resale.

1 **SEC. 2709. Action for the price.**

2 1. When the buyer fails to pay the price as it becomes due the
3 seller may recover, together with any incidental damages under the
4 next section, the price

5 a. of goods accepted or of conforming goods lost or damaged within
6 a commercially reasonable time after risk of their loss has passed to
7 the buyer; and

8 b. of goods identified to the contract if the seller is unable after
9 reasonable effort to resell them at a reasonable price or the circum-
10 stances reasonably indicate that such effort will be unavailing.

11 2. Where the seller sues for the price he must hold for the buyer
12 any goods which have been identified to the contract and are still in
13 his control except that if resale becomes possible he may resell them
14 at any time prior to the collection of the judgment. The net proceeds
15 of any such resale must be credited to the buyer and payment of the
16 judgment entitles him to any goods not resold.

17 3. After the buyer has wrongfully rejected or revoked acceptance
18 of the goods or has failed to make a payment due or has repudiated
19 (Section 2610), a seller who is held not entitled to the price under this
20 section shall nevertheless be awarded damages for nonacceptance
21 under the preceding section.

1 **SEC. 2710. Seller's incidental damages.** Incidental damages to an
2 aggrieved seller include any commercially reasonable charges, ex-
3 penses or commissions incurred in stopping delivery, in the transpor-
4 tation, care and custody of goods after the buyer's breach, in connec-
5 tion with return or resale of the goods or otherwise resulting from
6 the breach.

1 **SEC. 2711. Buyer's remedies in general—buyer's security interest
2 in rejected goods.**

3 1. Where the seller fails to make delivery or repudiates or the
4 buyer rightfully rejects or justifiably revokes acceptance then with
5 respect to any goods involved, and with respect to the whole if the
6 breach goes to the whole contract (Section 2612), the buyer may can-
7 cel and whether or not he has done so may in addition to recovering
8 so much of the price as has been paid

9 a. "cover" and have damages under the next section as to all the
10 goods affected whether or not they have been identified to the con-
11 tract; or

12 b. recover damages for nondelivery as provided in this Article (Sec-
13 tion 2713).

14 2. Where the seller fails to deliver or repudiates the buyer may
15 also

16 a. if the goods have been identified recover them as provided in
17 this Article (Section 2502); or

18 b. in a proper case obtain specific performance or replevy the goods
19 as provided in this Article (Section 2716).

20 3. On rightful rejection or justifiable revocation of acceptance a
21 buyer has a security interest in goods in his possession or control for
22 any payments made on their price and any expenses reasonably in-
23 curred in their inspection, receipt, transportation, care and custody
24 and may hold such goods and resell them in like manner as an ag-
25 grievéd seller (Section 2706).

1 **SEC. 2712. "Cover"—buyer's procurement of substitute goods.**

2 1. After a breach within the preceding section the buyer may
3 "cover" by making in good faith and without unreasonable delay any
4 reasonable purchase of or contract to purchase goods in substitution
5 for those due from the seller.

6 2. The buyer may recover from the seller as damages the difference
7 between the cost of cover and the contract price together with any
8 incidental or consequential damages as hereinafter defined (Section
9 2715), but less expenses saved in consequence of the seller's breach.

10 3. Failure of the buyer to effect cover within this section does not
11 bar him from any other remedy.

1 **SEC. 2713. Buyer's damages for nondelivery or repudiation.**

2 1. Subject to the provisions of this Article with respect to proof of
3 market price (Section 2723), the measure of damages for nondeli-
4 very or repudiation by the seller is the difference between the market
5 price at the time when the buyer learned of the breach and the con-
6 tract price together with any incidental and consequential damages
7 provided in this Article (Section 2715), but less expenses saved in
8 consequence of the seller's breach.

9 2. Market price is to be determined as of the place for tender or,
10 in cases of rejection after arrival or revocation of acceptance, as of
11 the place of arrival.

1 **SEC. 2714. Buyer's damages for breach in regard to accepted**
2 **goods.**

3 1. Where the buyer has accepted goods and given notification (sub-
4 section 3 of Section 2607) he may recover as damages for any non-
5 conformity of tender the loss resulting in the ordinary course of
6 events from the seller's breach as determined in any manner which
7 is reasonable.

8 2. The measure of damages for breach of warranty is the difference
9 at the time and place of acceptance between the value of the goods
10 accepted and the value they would have had if they had been as war-
11 ranted, unless special circumstances show proximate damages of a
12 different amount.

13 3. In a proper case any incidental and consequential damages under
14 the next section may also be recovered.

1 **SEC. 2715. Buyer's incidental and consequential damages.**

2 1. Incidental damages resulting from the seller's breach include
3 expenses reasonably incurred in inspection, receipt, transportation
4 and care and custody of goods rightfully rejected, any commercially
5 reasonable charges, expenses or commissions in connection with ef-
6 fecting cover and any other reasonable expense incident to the delay
7 or other breach.

8 2. Consequential damages resulting from the seller's breach in-
9 clude

10 a. any loss resulting from general or particular requirements and
11 needs of which the seller at the time of contracting had reason to
12 know and which could not reasonably be prevented by cover or other-
13 wise; and

14 b. injury to person or property proximately resulting from any
15 breach of warranty.

1 **SEC. 2716. Buyer's right to specific performance or replevin.**

2 1. Specific performance may be decreed where the goods are unique
3 or in other proper circumstances.

4 2. The decree for specific performance may include such terms and
5 conditions as to payment of the price, damages, or other relief as the
6 court may deem just.

7 3. The buyer has a right of replevin for goods identified to the con-
8 tract if after reasonable effort he is unable to effect cover for such
9 goods or the circumstances reasonably indicate that such effort will
10 be unavailing or if the goods have been shipped under reservation
11 and satisfaction of the security interest in them has been made or
12 tendered.

1 **SEC. 2717. Deduction of damages from the price.** The buyer on
2 notifying the seller of his intention to do so may deduct all or any
3 part of the damages resulting from any breach of the contract from
4 any part of the price still due under the same contract.

1 **SEC. 2718. Liquidation or limitation of damages—deposits.**

2 1. Damages for breach by either party may be liquidated in the
3 agreement but only at an amount which is reasonable in the light of
4 the anticipated or actual harm caused by the breach, the difficulties
5 of proof of loss, and the inconvenience or nonfeasibility of otherwise
6 obtaining an adequate remedy. A term fixing unreasonably large
7 liquidated damages is void as a penalty.

8 2. Where the seller justifiably withholds delivery of goods because
9 of the buyer's breach, the buyer is entitled to restitution of any
10 amount by which the sum of his payments exceeds

11 a. the amount to which the seller is entitled by virtue of terms
12 liquidating the seller's damages in accordance with subsection 1, or

13 b. in the absence of such terms, twenty percent of the value of the
14 total performance for which the buyer is obligated under the contract
15 or \$500, whichever is smaller.

16 3. The buyer's right to restitution under subsection 2 is subject to
17 offset to the extent that the seller establishes

18 a. a right to recover damages under the provisions of this Article
19 other than subsection 1, and

20 b. the amount or value of any benefits received by the buyer direct-
21 ly or indirectly by reason of the contract.

22 4. Where a seller has received payment in goods their reasonable
23 value or the proceeds of their resale shall be treated as payments for
24 the purposes of subsection 2; but if the seller has notice of the
25 buyer's breach before reselling goods received in part performance,
26 his resale is subject to the conditions laid down in this Article on
27 resale by an aggrieved seller (Section 2706).

1 **SEC. 2719. Contractual modification or limitation of remedy.**

2 1. Subject to the provisions of subsections 2 and 3 of this section
3 and of the preceding section on liquidation and limitation of damages,

4 a. the agreement may provide for remedies in addition to or in
5 substitution for those provided in this Article and may limit or alter
6 the measure of damages recoverable under this Article, as by limit-
7 ing the buyer's remedies to return of the goods and repayment of the
8 price or to repair and replacement of nonconforming goods or parts;
9 and

10 b. resort to a remedy as provided is optional unless the remedy is
11 expressly agreed to be exclusive, in which case it is the sole remedy.

12 2. Where circumstances cause an exclusive or limited remedy to
13 fail of its essential purpose, remedy may be had as provided in this
14 Act.

15 3. Consequential damages may be limited or excluded unless the
16 limitation or exclusion is unconscionable. Limitation of consequential
17 damages for injury to the person in the case of consumer goods is
18 prima facie unconscionable but limitation of damages where the loss
19 is commercial is not.

1 **SEC. 2720. Effect of "cancellation" or "rescission" on claims for**

2 **antecedent breach.** Unless the contrary intention clearly appears,
3 expressions of "cancellation" or "rescission" of the contract or the
4 like shall not be construed as a renunciation or discharge of any claim
5 in damages for an antecedent breach.

1 **SEC. 2721. Remedies for fraud.** Remedies for material misrepresen-

2 tation or fraud include all remedies available under this Article
3 for nonfraudulent breach. Neither rescission or a claim for rescission
4 of the contract for sale nor rejection or return of the goods shall bar
5 or be deemed inconsistent with a claim for damages or other remedy.

1 **SEC. 2722. Who can sue third parties for injury to goods.** Where
2 a third party so deals with goods which have been identified to a con-
3 tract for sale as to cause actionable injury to a party to that contract

4 a. a right of action against the third party is in either party to the
5 contract for sale who has title to or a security interest or a special
6 property or an insurable interest in the goods; and if the goods have
7 been destroyed or converted a right of action is also in the party who
8 either bore the risk of loss under the contract for sale or has since
9 the injury assumed that risk as against the other;

10 b. if at the time of the injury the party plaintiff did not bear the
11 risk of loss as against the other party to the contract for sale and

12 there is no arrangement between them for disposition of the recovery, his suit or settlement is, subject to his own interest, as a fiduciary
 13 for the other party to the contract;
 14
 15 c. either party may with the consent of the other sue for the benefit of whom it may concern.
 16

1 **SEC. 2723. Proof of market price: time and place.**

2 1. If an action based on anticipatory repudiation comes to trial
 3 before the time for performance with respect to some or all of the
 4 goods, any damages based on market price (Section 2708 or Section
 5 2713) shall be determined according to the price of such goods pre-
 6 vailing at the time when the aggrieved party learned of the repudia-
 7 tion.

8 2. If evidence of a price prevailing at the times or places described
 9 in this Article is not readily available the price prevailing within any
 10 reasonable time before or after the time described or at any other
 11 place which in commercial judgment or under usage of trade would
 12 serve as a reasonable substitute for the one described may be used,
 13 making any proper allowance for the cost of transporting the goods
 14 to or from such other place.

15 3. Evidence of a relevant price prevailing at a time or place other
 16 than the one described in this Article offered by one party is not ad-
 17 missible unless and until he has given the other party such notice as
 18 the court finds sufficient to prevent unfair surprise.

1 **SEC. 2724. Admissibility of market quotations.** Whenever the
 2 prevailing price or value of any goods regularly bought and sold in
 3 any established commodity market is in issue, reports in official pub-
 4 lications or trade journals or in newspapers or periodicals of general
 5 circulation published as the reports of such market shall be admis-
 6 sible in evidence. The circumstances of the preparation of such a
 7 report may be shown to affect its weight but not its admissibility.

1 **SEC. 2725. Statute of limitations in contracts for sale.**

2 1. By the original agreement the parties may reduce the period of
 3 limitation to not less than one year but may not extend it.

4 2. A cause of action accrues when the breach occurs, regardless of
 5 the aggrieved party's lack of knowledge of the breach. A breach of
 6 warranty occurs when tender of delivery is made, except that where
 7 a warranty explicitly extends to future performance of the goods and
 8 discovery of the breach must await the time of such performance the
 9 cause of action accrues when the breach is or should have been dis-
 10 covered.

11 3. Where an action commenced within the time limited by law or
 12 by agreement as provided in subsection 1 is so terminated as to leave
 13 available a remedy by another action for the same breach such other
 14 action may be commenced after the expiration of the time limited
 15 and within six months after the termination of the first action unless
 16 the termination resulted from voluntary discontinuance or from dis-
 17 missal for failure or neglect to prosecute.

18 4. This section does not alter the law on tolling of the statute of
 19 limitations nor does it apply to causes of action which have accrued
 20 before this Act becomes effective.

ARTICLE 3
COMMERCIAL PAPER

PART 1

SHORT TITLE, FORM AND INTERPRETATION

- 1 **SEC. 3101. Short title.** This Article shall be known and may be
2 cited as Uniform Commercial Code—Commercial Paper.
- 1 **SEC. 3102. Definitions and index of definitions.**
2 1. In this Article unless the context otherwise requires
3 *a.* “Issue” means the first delivery of an instrument to a holder or
4 a remitter.
5 *b.* An “order” is a direction to pay and must be more than an
6 authorization or request. It must identify the person to pay with
7 reasonable certainty. It may be addressed to one or more such per-
8 sons jointly or in the alternative but not in succession.
9 *c.* A “promise” is an undertaking to pay and must be more than an
10 acknowledgment of an obligation.
11 *d.* “Secondary party” means a drawer or endorser.
12 *e.* “Instrument” means a negotiable instrument.
13 2. Other definitions applying to this Article and the sections in
14 which they appear are:
15 “Acceptance”. Section 3410.
16 “Accommodation party”. Section 3415.
17 “Alteration”. Section 3407.
18 “Certificate of deposit”. Section 3104.
19 “Certification”. Section 3411.
20 “Check”. Section 3104.
21 “Definite time”. Section 3109.
22 “Dishonor”. Section 3507.
23 “Draft”. Section 3104.
24 “Holder in due course”. Section 3302.
25 “Negotiation”. Section 3202.
26 “Note”. Section 3104.
27 “Notice of dishonor”. Section 3508.
28 “On demand”. Section 3108.
29 “Presentment”. Section 3504.
30 “Protest”. Section 3509.
31 “Restrictive Indorsement”. Section 3205.
32 “Signature”. Section 3401.
33 3. The following definitions in other Articles apply to this Article:
34 “Account”. Section 4104.
35 “Banking Day”. Section 4104.
36 “Clearing house”. Section 4104.
37 “Collecting bank”. Section 4105.
38 “Customer”. Section 4104.
39 “Depositary Bank”. Section 4105.
40 “Documentary Draft”. Section 4104.
41 “Intedmediary Bank”. Section 4105.
42 “Item”. Section 4104.
43 “Midnight deadline”. Section 4104.
44 “Payor bank”. Section 4105.

45 4. In addition Article 1 contains general definitions and principles
46 of construction and interpretation applicable throughout this Article.

1 **SEC. 3103. Limitations on scope of Article.**

2 1. This Article does not apply to money, documents of title or
3 securities as defined in Section 8102.

4 2. The provisions of this Article are subject to the provisions of
5 the Article on Bank Deposits and Collections (Article 4) and Secured
6 Transactions (Article 9).

1 **SEC. 3104. Form of negotiable instruments—"draft"—"check"—**
2 **"certificate of deposit"—"note".**

3 1. Any writing to be a negotiable instrument within this Article
4 must

5 a. be signed by the maker or drawer; and

6 b. contain an unconditional promise or order to pay a sum certain
7 in money and no other promise, order, obligation or power given by
8 the maker or drawer except as authorized by this Article; and

9 c. be payable on demand or at a definite time; and

10 d. be payable to order or to bearer.

11 2. A writing which complies with the requirements of this section
12 is

13 a. a "draft" ("bill of exchange") if it is an order;

14 b. a "check" if it is a draft drawn on a bank and payable on de-
15 mand;

16 c. a "certificate of deposit" if it is an acknowledgment by a bank
17 of receipt of money with an engagement to repay it;

18 d. a "note" if it is a promise other than a certificate of deposit.

19 3. As used in other Articles of this Act, and as the context may
20 require, the terms "draft", "check", "certificate of deposit" and
21 "note" may refer to instruments which are not negotiable within this
22 Article as well as to instruments which are so negotiable.

1 **SEC. 3105. When promise or order unconditional.**

2 1. A promise or order otherwise unconditional is not made condi-
3 tional by the fact that the instrument

4 a. is subject to implied or constructive conditions; or

5 b. states its consideration, whether performed or promised, or the
6 transaction which gave rise to the instrument, or that the promise or
7 order is made or the instrument matures in accordance with or "as
8 per" such transaction; or

9 c. refers to or states that it arises out of a separate agreement or
10 refers to a separate agreement for rights as to prepayment or ac-
11 celeration; or

12 d. states that it is drawn under a letter of credit; or

13 e. states that it is secured, whether by mortgage, reservation of
14 title or otherwise; or

15 f. indicates a particular account to be debited or any other fund or
16 source from which reimbursement is expected; or

17 g. is limited to payment out of a particular fund or the proceeds of
18 a particular source, if the instrument is issued by a government or
19 governmental agency or unit; or

20 h. is limited to payment out of the entire assets of a partnership,

21 unincorporated association, trust or estate by or on behalf of which
22 the instrument is issued.

23 2. A promise or order is not unconditional if the instrument

24 a. states that it is subject to or governed by any other agreement;

25 or

26 b. states that it is to be paid only out of a particular fund or source

27 except as provided in this section.

1 **SEC. 3106. Sum certain.**

2 1. The sum payable is a sum certain even though it is to be paid

3 a. with stated interest or by stated installments; or

4 b. with stated different rates of interest before and after default or

5 a specified date; or

6 c. with a stated discount or addition if paid before or after the date

7 fixed for payment; or

8 d. with exchange or less exchange, whether at a fixed rate or at the

9 current rate; or

10 e. with costs of collection or an attorney's fee or both upon default.

11 2. Nothing in this section shall validate any term which is other-

12 wise illegal.

1 **SEC. 3107. Money.**

2 1. An instrument is payable in money if the medium of exchange

3 in which it is payable is money at the time the instrument is made.

4 An instrument payable in "currency" or "current funds" is payable

5 in money.

6 2. A promise or order to pay a sum stated in a foreign currency is

7 for a sum certain in money and, unless a different medium of pay-

8 ment is specified in the instrument, may be satisfied by payment of

9 that number of dollars which the stated foreign currency will pur-

10 chase at the buying sight rate for that currency on the day on which

11 the instrument is payable or, if payable on demand, on the day of

12 demand. If such an instrument specifies a foreign currency as the

13 medium of payment the instrument is payable in that currency.

1 **SEC. 3108. Payable on demand.** Instruments payable on demand

2 include those payable at sight or on presentation and those in which

3 no time for payment is stated.

1 **SEC. 3109. Definite time.**

2 1. An instrument is payable at a definite time if by its terms it is

3 payable

4 a. on or before a stated date or at a fixed period after a stated date;

5 or

6 b. at a fixed period after sight; or

7 c. at a definite time subject to any acceleration; or

8 d. at a definite time subject to extension at the option of the holder,

9 or to extension to a further definite time at the option of the maker

10 or acceptor or automatically upon or after a specified act or event.

11 2. An instrument which by its terms is otherwise payable only

12 upon an act or event uncertain as to time of occurrence is not payable

13 at a definite time even though the act or event has occurred.

1 **SEC. 3110. Payable to order.**

2 1. An instrument is payable to order when by its terms it is pay-

- 3 able to the order or assigns of any person therein specified with rea-
 4 sonable certainty, or to him or his order, or when it is conspicuously
 5 designated on its face as "exchange" or the like and names a payee.
 6 It may be payable to the order of
 7 *a.* the maker or drawer; or
 8 *b.* the drawee; or
 9 *c.* a payee who is not maker, drawer or drawee; or
 10 *d.* two or more payees together or in the alternative; or
 11 *e.* an estate, trust or fund, in which case it is payable to the order
 12 of the representative of such estate, trust or fund or his successors;
 13 or
 14 *f.* an office, or an officer by his title as such in which case it is pay-
 15 able to the principal but the incumbent of the office or his successors
 16 may act as if he or they were the holder; or
 17 *g.* a partnership or unincorporated association, in which case it is
 18 payable to the partnership or association and may be indorsed or
 19 transferred by any person thereto authorized.
 20 2. An instrument not payable to order is not made so payable by
 21 such words as "payable upon return of this instrument properly in-
 22 dorsed."
 23 3. An instrument made payable both to order and to bearer is pay-
 24 able to order unless the bearer words are handwritten or typewritten.

1 **SEC. 3111. Payable to bearer.** An instrument is payable to bear-
 2 er when by its terms it is payable to
 3 *a.* bearer or the order of bearer; or
 4 *b.* a specified person or bearer; or
 5 *c.* "cash" or the order of "cash", or any other indication which does
 6 not purport to designate a specific payee.

1 **SEC. 3112. Terms and omissions not affecting negotiability.**
 2 1. The negotiability of an instrument is not affected by
 3 *a.* the omission of a statement of any consideration or of the place
 4 where the instrument is drawn or payable; or
 5 *b.* a statement that collateral has been given to secure obligations
 6 either on the instrument or otherwise of an obligor on the instrument
 7 or that in case of default on those obligations the holder may realize
 8 on or dispose of the collateral; or
 9 *c.* a promise or power to maintain or protect collateral or to give
 10 additional collateral; or
 11 *d.* a term authorizing a confession of judgment on the instrument
 12 if it is not paid when due; or
 13 *e.* a term purporting to waive the benefit of any law intended for
 14 the advantage or protection of any obligor; or
 15 *f.* a term in a draft providing that the payee by indorsing or cash-
 16 ing it acknowledges full satisfaction of an obligation of the drawer;
 17 or
 18 *g.* a statement in a draft drawn in a set of parts (Section 3801) to
 19 the effect that the order is effective only if no other part has been
 20 honored.
 21 2. Nothing in this section shall validate any term which is other-
 22 wise illegal.

1 **SEC. 3113. Seal.** An instrument otherwise negotiable is within
2 this Article even though it is under a seal.

1 **SEC. 3114. Date, antedating, postdating.**

2 1. The negotiability of an instrument is not affected by the fact
3 that it is undated, antedated or postdated.

4 2. Where an instrument is antedated or postdated the time when
5 it is payable is determined by the stated date if the instrument is pay-
6 able on demand or at a fixed period after date.

7 3. Where the instrument or any signature thereon is dated, the
8 date is presumed to be correct.

1 **SEC. 3115. Incomplete instruments.**

2 1. When a paper whose contents at the time of signing show that
3 it is intended to become an instrument is signed while still incomplete
4 in any necessary respect it cannot be enforced until completed, but
5 when it is completed in accordance with authority given it is effec-
6 tive as completed.

7 2. If the completion is unauthorized the rules as to material alter-
8 ation apply (Section 3407), even though the paper was not delivered
9 by the maker or drawer; but the burden of establishing that any
10 completion is unauthorized is on the party so asserting.

1 **SEC. 3116. Instruments payable to two or more persons.** An in-
2 strument payable to the order of two or more persons

3 *a.* if in the alternative is payable to any one of them and may be
4 negotiated, discharged or enforced by any of them who has posses-
5 sion of it;

6 *b.* if not in the alternative is payable to all of them and may be
7 negotiated, discharged or enforced only by all of them.

1 **SEC. 3117. Instruments payable with words of description.** An
2 instrument made payable to a named person with the addition of
3 words describing him

4 *a.* as agent or officer of a specified person is payable to his principal
5 but the agent or officer may act as if he were the holder;

6 *b.* as any other fiduciary for a specified person or purpose is pay-
7 able to the payee and may be negotiated, discharged or enforced by
8 him;

9 *c.* in any other manner is payable to the payee unconditionally and
10 the additional words are without effect on subsequent parties.

1 **SEC. 3118. Ambiguous terms and rules of construction.** The fol-
2 lowing rules apply to every instrument:

3 *a.* Where there is doubt whether the instrument is a draft or a
4 note the holder may treat it as either. A draft drawn on the drawer
5 is effective as a note.

6 *b.* Handwritten terms control typewritten and printed terms, and
7 typewritten control printed.

8 *c.* Words control figures except that if the words are ambiguous
9 figures control.

10 *d.* Unless otherwise specified a provision for interest means inter-
11 est at the judgment rate at the place of payment from the date of the
12 instrument, or if it is undated from the date of issue.

13 *e.* Unless the instrument otherwise specifies two or more persons
 14 who sign as maker, acceptor or drawer or indorser and as a part of
 15 the same transaction are jointly and severally liable even though the
 16 instrument contains such words as "I promise to pay."

17 *f.* Unless otherwise specified consent to extension authorizes a
 18 single extension for not longer than the original period. A consent
 19 to extension, expressed in the instrument, is binding on secondary
 20 parties and accommodation makers. A holder may not exercise his
 21 option to extend an instrument over the objection of a maker or
 22 acceptor or other party who in accordance with Section 3604 tenders
 23 full payment when the instrument is due.

1 **SEC. 3119. Other writings affecting instrument.**

2 1. As between the obligor and his immediate obligee or any trans-
 3 feree the terms of an instrument may be modified or affected by any
 4 other written agreement executed as a part of the same transaction,
 5 except that a holder in due course is not affected by any limitation of
 6 his rights arising out of the separate written agreement if he had no
 7 notice of the limitation when he took the instrument.

8 2. A separate agreement does not affect the negotiability of an
 9 instrument.

1 **SEC. 3120. Instruments "payable through" bank.** An instrument
 2 which states that it is "payable through" a bank or the like desig-
 3 nates that bank as a collecting bank to make presentment but does
 4 not of itself authorize the bank to pay the instrument.

1 **SEC. 3121. Instruments payable at bank.** A note or acceptance
 2 which states that it is payable at a bank is not of itself an order or
 3 authorization to the bank to pay it.

1 **SEC. 3122. Accrual of cause of action.**

2 1. A cause of action against a maker or an acceptor accrues
 3 *a.* in the case of a time instrument on the day after maturity;
 4 *b.* in the case of a demand instrument upon its date or, if no date
 5 is stated, on the date of issue.

6 2. A cause of action against the obligor of a demand or time cer-
 7 tificate of deposit accrues upon demand, but demand on a time certi-
 8 ficate may not be made until on or after the date of maturity.

9 3. A cause of action against a drawer of a draft or an indorser of
 10 any instrument accrues upon demand following dishonor of the in-
 11 strument. Notice of dishonor is a demand.

12 4. Unless an instrument provides otherwise, interest runs at the
 13 rate provided by law for a judgment

14 *a.* in the case of a maker, acceptor or other primary obligor of a
 15 demand instrument, from the date of demand;

16 *b.* in all other cases from the date of accrual of the cause of action.

PART 2

TRANSFER AND NEGOTIATION

1 **SEC. 3201. Transfer—right to indorsement.**

2 1. Transfer of an instrument vests in the transferee such rights as
 3 the transferor has therein, except that a transferee who has himself

4 been a party to any fraud or illegality affecting the instrument or
5 who as a prior holder had notice of a defense or claim against it can-
6 not improve his position by taking from a later holder in due course.

7 2. A transfer of a security interest in an instrument vests the fore-
8 going rights in the transferee to the extent of the interest trans-
9 ferred.

10 3. Unless otherwise agreed any transfer for value of an instrument
11 not then payable to bearer gives the transferee the specifically en-
12 forceable right to have the unqualified indorsement of the transferor.
13 Negotiation takes effect only when the indorsement is made and until
14 that time there is no presumption that the transferee is the owner.

1 **SEC. 3202. Negotiation.**

2 1. Negotiation is the transfer of an instrument in such form that
3 the transferee becomes a holder. If the instrument is payable to
4 order it is negotiated by delivery with any necessary indorsement;
5 if payable to bearer it is negotiated by delivery.

6 2. An indorsement must be written by or on behalf of the holder
7 and on the instrument or on a paper so firmly affixed thereto as to
8 become a part thereof.

9 3. An indorsement is effective for negotiation only when it conveys
10 the entire instrument or any unpaid residue. If it purports to be of
11 less it operates only as a partial assignment.

12 4. Words of assignment, condition, waiver, guaranty, limitation or
13 disclaimer of liability and the like accompanying an indorsement do
14 not affect its character as an indorsement.

1 **SEC. 3203. Wrong or misspelled name.** Where an instrument is
2 made payable to a person under a misspelled name or one other than
3 his own he may indorse in that name or his own or both; but signa-
4 ture in both names may be required by a person paying or giving
5 value for the instrument.

1 **SEC. 3204. Special indorsement—blank indorsement.**

2 1. A special indorsement specifies the person to whom or to whose
3 order it makes the instrument payable. Any instrument specially
4 indorsed becomes payable to the order of the special indorsee and
5 may be further negotiated only by his indorsement.

6 2. An indorsement in blank specifies no particular indorsee and
7 may consist of a mere signature. An instrument payable to order and
8 indorsed in blank becomes payable to bearer and may be negotiated
9 by delivery alone until specially indorsed.

10 3. The holder may convert a blank indorsement into a special in-
11 dorsement by writing over the signature of the indorser in blank any
12 contract consistent with the character of the indorsement.

1 **SEC. 3205. Restrictive indorsements.** An indorsement is restric-
2 tive which either

- 3 *a.* is conditional; or
4 *b.* purports to prohibit further transfer of the instrument; or
5 *c.* includes the words "for collection", "for deposit", "pay any
6 bank", or like terms signifying a purpose of deposit or collection; or
7 *d.* otherwise states that it is for the benefit or use of the indorser
8 or of another person.

1 **SEC. 3206. Effect of restrictive indorsement.**

2 1. No restrictive indorsement prevents further transfer or negoti-
3 ation of the instrument.

4 2. An intermediary bank, or a payor bank which is not the deposi-
5 tary bank, is neither given notice nor otherwise affected by a restric-
6 tive indorsement of any person except the bank's immediate trans-
7 feror or the person presenting for payment.

8 3. Except for an intermediary bank, any transferee under an in-
9 dorsement which is conditional or includes the words "for collection",
10 "for deposit", "pay any bank", or like terms (subparagraphs *a* and *c*
11 of Section 3205) must pay or apply any value given by him for or on
12 the security of the instrument consistently with the indorsement and
13 to the extent that he does so he becomes a holder for value. In addi-
14 tion such transferee is a holder in due course if he otherwise complies
15 with the requirements of Section 3302 on what constitutes a holder
16 in due course.

17 4. The first taker under an indorsement for the benefit of the in-
18 dorser or another person (subparagraph *d* of Section 3205) must pay
19 or apply any value given by him for or on the security of the instru-
20 ment consistently with the indorsement and to the extent that he
21 does so he becomes a holder for value. In addition such taker is a
22 holder in due course if he otherwise complies with the requirements
23 of Section 3302 on what constitutes a holder in due course. A later
24 holder for value is neither given notice nor otherwise affected by such
25 restrictive indorsement unless he has knowledge that a fiduciary or
26 other person has negotiated the instrument in any transaction for his
27 own benefit or otherwise in breach of duty (subsection 2 of Section
28 3304).

1 **SEC. 3207. Negotiation effective although it may be rescinded.**

2 1. Negotiation is effective to transfer the instrument although the
3 negotiation is

4 *a.* made by an infant, a corporation exceeding its powers, or any
5 other person without capacity; or

6 *b.* obtained by fraud, duress or mistake of any kind; or

7 *c.* part of an illegal transaction; or

8 *d.* made in breach of duty.

9 2. Except as against a subsequent holder in due course such negoti-
10 ation is in an appropriate case subject to rescission, the declaration of
11 a constructive trust or any other remedy permitted by law.

1 **SEC. 3208. Reacquisition.** Where an instrument is returned to
2 or reacquired by a prior party he may cancel any indorsement which
3 is not necessary to his title and reissue or further negotiate the
4 instrument, but any intervening party is discharged as against the
5 reacquiring party and subsequent holders not in due course and if
6 his indorsement has been cancelled is discharged as against subse-
7 quent holders in due course as well.

PART 3

RIGHTS OF A HOLDER

1 **SEC. 3301. Rights of a holder.** The holder of an instrument
2 whether or not he is the owner may transfer or negotiate it and,

3 except as otherwise provided in Section 3603 on payment or satisfac-
4 tion, discharge it or enforce payment in his own name.

1 **SEC. 3302. Holder in due course.**

2 1. A holder in due course is a holder who takes the instrument

3 a. for value; and

4 b. in good faith; and

5 c. without notice that it is overdue or has been dishonored or of
6 any defense against or claim to it on the part of any person.

7 2. A payee may be a holder in due course.

8 3. A holder does not become a holder in due course of an instru-
9 ment:

10 a. by purchase of it at judicial sale or by taking it under legal
11 process; or

12 b. by acquiring it in taking over an estate; or

13 c. by purchasing it as part of a bulk transaction not in regular
14 course of business of the transferor.

15 4. A purchaser of a limited interest can be a holder in due course
16 only to the extent of the interest purchased.

1 **SEC. 3303. Taking for value.** A holder takes the instrument for
2 value

3 a. to the extent that the agreed consideration has been performed
4 or that he acquires a security interest in or a lien on the instrument
5 otherwise than by legal process; or

6 b. when he takes the instrument in payment of or as security for
7 an antecedent claim against any person whether or not the claim is
8 due; or

9 c. when he gives a negotiable instrument for it or makes an ir-
10 revocable commitment to a third person.

1 **SEC. 3304. Notice to purchaser.**

2 1. The purchaser has notice of a claim or defense if

3 a. the instrument is so incomplete, bears such visible evidence of
4 forgery or alteration, or is otherwise so irregular as to call into
5 question its validity, terms or ownership or to create an ambiguity
6 as to the party to pay; or

7 b. the purchaser has notice that the obligation of any party is void-
8 able in whole or in part, or that all parties have been discharged.

9 2. The purchaser has notice of a claim against the instrument
10 when he has knowledge that a fiduciary has negotiated the instru-
11 ment in payment of or as security for his own debt or in any transac-
12 tion for his own benefit or otherwise in breach of duty.

13 3. The purchaser has notice that an instrument is overdue if he has
14 reason to know

15 a. that any part of the principal amount is overdue or that there
16 is an uncured default in payment of another instrument of the same
17 series; or

18 b. that acceleration of the instrument has been made; or

19 c. that he is taking a demand instrument after demand has been
20 made or more than a reasonable length of time after its issue. A
21 reasonable time for a check drawn and payable within the states and
22 territories of the United States and the District of Columbia is pre-
23 sumed to be thirty days.

- 24 4. Knowledge of the following facts does not of itself give the pur-
 25 chaser notice of a defense or claim
 26 a. that the instrument is antedated or postdated;
 27 b. that it was issued or negotiated in return for an executory prom-
 28 ise or accompanied by a separate agreement, unless the purchaser has
 29 notice that a defense or claim has arisen from the terms thereof;
 30 c. that any party has signed for accommodation;
 31 d. that an incomplete instrument has been completed, unless the
 32 purchaser has notice of any improper completion;
 33 e. that any person negotiating the instrument is or was a fiduciary;
 34 f. that there has been default in payment of interest on the instru-
 35 ment or in payment of any other instrument, except one of the same
 36 series.
- 37 5. The filing or recording of a document does not of itself consti-
 38 tute notice within the provisions of this Article to a person who would
 39 otherwise be a holder in due course.
- 40 6. To be effective notice must be received at such time and in such
 41 manner as to give a reasonable opportunity to act on it.

1 **SEC. 3305. Rights of a holder in due course.** To the extent that
 2 a holder is a holder in due course he takes the instrument free from
 3 1. all claims to it on the part of any person; and
 4 2. all defenses of any party to the instrument with whom the hold-
 5 er has not dealt except
 6 a. infancy, to the extent that it is a defense to a simple contract;
 7 and
 8 b. such other incapacity, or duress, or illegality of the transaction,
 9 as renders the obligation of the party a nullity; and
 10 c. such misrepresentation as has induced the party to sign the in-
 11 strument with neither knowledge nor reasonable opportunity to obtain
 12 knowledge of its character or its essential terms; and
 13 d. discharge in insolvency proceedings; and
 14 e. any other discharge of which the holder has notice when he
 15 takes the instrument.

1 **SEC. 3306. Rights of one not holder in due course.** Unless he has
 2 the rights of a holder in due course any person takes the instrument
 3 subject to
 4 a. all valid claims to it on the part of any person; and
 5 b. all defenses of any party which would be available in an action
 6 on a simple contract; and
 7 c. the defenses of want or failure of consideration, nonperformance
 8 of any condition precedent, nondelivery, or delivery for a special pur-
 9 pose (Section 3408); and
 10 d. the defense that he or a person through whom he holds the in-
 11 strument acquired it by theft, or that payment or satisfaction to such
 12 holder would be inconsistent with the terms of a restrictive indorse-
 13 ment. The claim of any third person to the instrument is not other-
 14 wise available as a defense to any party liable thereon unless the third
 15 person himself defends the action for such party.

1 **SEC. 3307. Burden of establishing signatures, defenses and due**
 2 **course.**
 3 1. Unless specifically denied in the pleadings each signature on an

- 4 instrument is admitted. When the effectiveness of a signature is put
 5 in issue
 6 *a.* the burden of establishing it is on the party claiming under the
 7 signature; but
 8 *b.* the signature is presumed to be genuine or authorized except
 9 where the action is to enforce the obligation of a purported signer
 10 who has died or become incompetent before proof is required.
 11 2. When signatures are admitted or established, production of the
 12 instrument entitles a holder to recover on it unless the defendant
 13 establishes a defense.
 14 3. After it is shown that a defense exists a person claiming the
 15 rights of a holder in due course has the burden of establishing that
 16 he or some person under whom he claims is in all respects a holder in
 17 due course.

PART 4

LIABILITY OF PARTIES

- 1 **SEC. 3401. Signature.**
 2 1. No person is liable on an instrument unless his signature appears
 3 thereon.
 4 2. A signature is made by use of any name, including any trade or
 5 assumed name, upon an instrument, or by any word or mark used in
 6 lieu of a written signature.
- 1 **SEC. 3402. Signature in ambiguous capacity.** Unless the instru-
 2 ment clearly indicates that a signature is made in some other capacity
 3 it is an indorsement.
- 1 **SEC. 3403. Signature by authorized representative.**
 2 1. A signature may be made by an agent or other representative,
 3 and his authority to make it may be established as in other cases of
 4 representation. No particular form of appointment is necessary to
 5 establish such authority.
 6 2. An authorized representative who signs his own name to an in-
 7 strument
 8 *a.* is personally obligated if the instrument neither names the per-
 9 son represented nor shows that the representative signed in a repre-
 10 sentative capacity;
 11 *b.* except as otherwise established between the immediate parties,
 12 is personally obligated if the instrument names the person repre-
 13 sented but does not show that the representative signed in a repre-
 14 sentative capacity, or if the instrument does not name the person
 15 represented but does show that the representative signed in a repre-
 16 sentative capacity.
 17 3. Except as otherwise established the name of an organization
 18 preceded or followed by the name and office of an authorized individ-
 19 ual is a signature made in a representative capacity.
- 1 **SEC. 3404. Unauthorized signatures.**
 2 1. Any unauthorized signature is wholly inoperative as that of the
 3 person whose name is signed unless he ratifies it or is precluded from
 4 denying it; but it operates as the signature of the unauthorized

5 signer in favor of any person who in good faith pays the instrument
6 or takes it for value.

7 2. Any unauthorized signature may be ratified for all purposes of
8 this Article. Such ratification does not of itself affect any rights of
9 the person ratifying against the actual signer.

1 **SEC. 3405. Impostors—signature in name of payee.**

2 1. An indorsement by any person in the name of a named payee is
3 effective if

4 a. an impostor by use of the mails or otherwise has induced the
5 maker or drawer to issue the instrument to him or his confederate in
6 the name of the payee; or

7 b. a person signing as or on behalf of a maker or drawer intends
8 the payee to have no interest in the instrument; or

9 c. an agent or employee of the maker or drawer has supplied him
10 with the name of the payee intending the latter to have no such in-
11 terest.

12 2. Nothing in this section shall affect the criminal or civil liability
13 of the person so indorsing.

1 **SEC. 3406. Negligence contributing to alteration or unauthorized**

2 **signature.** Any person who by his negligence substantially con-
3 tributes to a material alteration of the instrument or to the making
4 of an unauthorized signature is precluded from asserting the altera-
5 tion or lack of authority against a holder in due course or against a
6 drawee or other payor who pays the instrument in good faith and in
7 accordance with the reasonable commercial standards of the drawee's
8 or payor's business.

1 **SEC. 3407. Alteration.**

2 1. Any alteration of an instrument is material which changes the
3 contract of any party thereto in any respect, including any such
4 change in

5 a. the number or relations of the parties; or

6 b. an incomplete instrument, by completing it otherwise than as
7 authorized; or

8 c. the writing as signed, by adding to it or by removing any part
9 of it.

10 2. As against any person other than a subsequent holder in due
11 course

12 a. alteration by the holder which is both fraudulent and material
13 discharges any party whose contract is thereby changed unless that
14 party assents or is precluded from asserting the defense;

15 b. no other alteration discharges any party and the instrument
16 may be enforced according to its original tenor, or as to incomplete
17 instruments according to the authority given.

18 3. A subsequent holder in due course may in all cases enforce the
19 instrument according to its original tenor, and when an incomplete
20 instrument has been completed, he may enforce it as completed.

1 **SEC. 3408. Consideration.** Want or failure of consideration is a
2 defense as against any person not having the rights of a holder in
3 due course (Section 3305), except that no consideration is necessary
4 for an instrument or obligation thereon given in payment of or as

5 security for an antecedent obligation of any kind. Nothing in this
6 section shall be taken to displace any statute outside this Act under
7 which a promise is enforceable notwithstanding lack or failure of con-
8 sideration. Partial failure of consideration is a defense pro tanto
9 whether or not the failure is in an ascertained or liquidated amount.

1 **SEC. 3409. Draft not an assignment.**

2 1. A check or other draft does not of itself operate as an assign-
3 ment of any funds in the hands of the drawee available for its pay-
4 ment, and the drawee is not liable on the instrument until he accepts
5 it.

6 2. Nothing in this section shall affect any liability in contract, tort
7 or otherwise arising from any letter of credit or other obligation or
8 representation which is not an acceptance.

1 **SEC. 3410. Definition and operation of acceptance.**

2 1. Acceptance is the drawee's signed engagement to honor the
3 draft as presented. It must be written on the draft, and may consist
4 of his signature alone. It becomes operative when completed by de-
5 livery or notification.

6 2. A draft may be accepted although it has not been signed by the
7 drawer or is otherwise incomplete or is overdue or has been dis-
8 honored.

9 3. Where the draft is payable at a fixed period after sight and the
10 acceptor fails to date his acceptance the holder may complete it by
11 supplying a date in good faith.

1 **SEC. 3411. Certification of a check.**

2 1. Certification of a check is acceptance. Where a holder procures
3 certification the drawer and all prior indorsers are discharged.

4 2. Unless otherwise agreed a bank has no obligation to certify a
5 check.

6 3. A bank may certify a check before returning it for lack of proper
7 indorsement. If it does so the drawer is discharged.

1 **SEC. 3412. Acceptance varying draft.**

2 1. Where the drawee's proffered acceptance in any manner varies
3 the draft as presented the holder may refuse the acceptance and
4 treat the draft as dishonored in which case the drawee is entitled to
5 have his acceptance cancelled.

6 2. The terms of the draft are not varied by an acceptance to pay
7 at any particular bank or place in the United States, unless the ac-
8 ceptance states that the draft is to be paid only at such bank or place.

9 3. Where the holder assents to an acceptance varying the terms of
10 the draft each drawer and indorser who does not affirmatively assent
11 is discharged.

1 **SEC. 3413. Contract of maker, drawer and acceptor.**

2 1. The maker or acceptor engages that he will pay the instrument
3 according to its tenor at the time of his engagement or as completed
4 pursuant to Section 3115 on incomplete instruments.

5 2. The drawer engages that upon dishonor of the draft and any
6 necessary notice of dishonor or protest he will pay the amount of the
7 draft to the holder or to any indorser who takes it up. The drawer
8 may disclaim this liability by drawing without recourse.

9 3. By making, drawing or accepting the party admits as against all
10 subsequent parties including the drawee the existence of the payee
11 and his then capacity to indorse.

1 **SEC. 3414. Contract of indorser—order of liability.**

2 1. Unless the indorsement otherwise specifies (as by such words as
3 “without recourse”) every indorser engages that upon dishonor and
4 any necessary notice of dishonor and protest he will pay the instru-
5 ment according to its tenor at the time of his indorsement to the
6 holder or to any subsequent indorser who takes it up, even though
7 the indorser who takes it up was not obligated to do so.

8 2. Unless they otherwise agree indorsers are liable to one another
9 in the order in which they indorse, which is presumed to be the order
10 in which their signatures appear on the instrument.

1 **SEC. 3415. Contract of accommodation party.**

2 1. An accommodation party is one who signs the instrument in any
3 capacity for the purpose of lending his name to another party to it.

4 2. When the instrument has been taken for value before it is due
5 the accommodation party is liable in the capacity in which he has
6 signed even though the taker knows of the accommodation.

7 3. As against a holder in due course and without notice of the ac-
8 commodation oral proof of the accommodation is not admissible to
9 give the accommodation party the benefit of discharges dependent on
10 his character as such. In other cases the accommodation character
11 may be shown by oral proof.

12 4. An indorsement which shows that it is not in the chain of title
13 is notice of its accommodation character.

14 5. An accommodation party is not liable to the party accommo-
15 dated, and if he pays the instrument has a right of recourse on the
16 instrument against such party.

1 **SEC. 3416. Contract of guarantor.**

2 1. “Payment guaranteed” or equivalent words added to a signature
3 mean that the signer engages that if the instrument is not paid when
4 due he will pay it according to its tenor without resort by the holder
5 to any other party.

6 2. “Collection guaranteed” or equivalent words added to a signa-
7 ture mean that the signer engages that if the instrument is not paid
8 when due he will pay it according to its tenor, but only after the
9 holder has reduced his claim against the maker or acceptor to judg-
10 ment and execution has been returned unsatisfied, or after the maker
11 or acceptor has become insolvent or it is otherwise apparent that it
12 is useless to proceed against him.

13 3. Words of guaranty which do not otherwise specify guarantee
14 payment.

15 4. No words of guaranty added to the signature of a sole maker or
16 acceptor affect his liability on the instrument. Such words added to
17 the signature of one of two or more makers or acceptors create a
18 presumption that the signature is for the accommodation of the
19 others.

20 5. When words of guaranty are used presentment, notice of dis-
21 honor and protest are not necessary to charge the user.

22 6. Any guaranty written on the instrument is enforceable notwith-
23 standing any statute of frauds.

1 **SEC. 3417. Warranties on presentment and transfer.**

2 1. Any person who obtains payment or acceptance and any prior
3 transferor warrants to a person who in good faith pays or accepts
4 that

5 *a.* he has a good title to the instrument or is authorized to obtain
6 payment or acceptance on behalf of one who has a good title; and

7 *b.* he has no knowledge that the signature of the maker or drawer
8 is unauthorized, except that this warranty is not given by a holder
9 in due course acting in good faith

10 *i.* to a maker with respect to the maker's own signature; or

11 *ii.* to a drawer with respect to the drawer's own signature, whether
12 or not the drawer is also the drawee; or

13 *iii.* to an acceptor of a draft if the holder in due course took the
14 draft after the acceptance or obtained the acceptance without knowl-
15 edge that the drawer's signature was unauthorized; and

16 *c.* the instrument has not been materially altered, except that this
17 warranty is not given by a holder in due course acting in good faith

18 *i.* to the maker of a note; or

19 *ii.* to the drawer of a draft whether or not the drawer is also the
20 drawee; or

21 *iii.* to the acceptor of a draft with respect to an alteration made
22 prior to the acceptance if the holder in due course took the draft after
23 the acceptance, even though the acceptance provided "payable as
24 originally drawn" or equivalent terms; or

25 *iv.* to the acceptor of a draft with respect to an alteration made
26 after the acceptance.

27 2. Any person who transfers an instrument and receives consider-
28 ation warrants to his transferee and if the transfer is by indorsement
29 to any subsequent holder who takes the instrument in good faith
30 that

31 *a.* he has a good title to the instrument or is authorized to obtain
32 payment or acceptance on behalf of one who has a good title and the
33 transfer is otherwise rightful; and

34 *b.* all signatures are genuine or authorized; and

35 *c.* the instrument has not been materially altered; and

36 *d.* no defense of any party is good against him; and

37 *e.* he has no knowledge of any insolvency proceeding instituted
38 with respect to the maker or acceptor or the drawer of an unaccepted
39 instrument.

40 3. By transferring "without recourse" the transferor limits the
41 obligation stated in subsection 2 *d* to a warranty that he has no
42 knowledge of such a defense.

43 4. A selling agent or broker who does not disclose the fact that he
44 is acting only as such gives the warranties provided in this section,
45 but if he makes such disclosure warrants only his good faith and
46 authority.

1 **SEC. 3418. Finality of payment or acceptance.** Except for recov-
2 ery of bank payments as provided in the Article on Bank Deposits
3 and Collections (Article 4) and except for liability for breach of

4 warranty on presentment under the preceding section, payment or
5 acceptance of any instrument is final in favor of a holder in due
6 course, or a person who has in good faith changed his position in
7 reliance on the payment.

1 **SEC. 3419. Conversion of instrument—innocent representative.**

2 1. An instrument is converted when

3 *a.* a drawee to whom it is delivered for acceptance refuses to return
4 it on demand; or

5 *b.* any person to whom it is delivered for payment refuses on de-
6 mand either to pay or to return it; or

7 *c.* it is paid on a forged indorsement.

8 2. In an action against a drawee under subsection 1 the measure of
9 the drawee's liability is the face amount of the instrument. In any
10 other action under subsection 1 the measure of liability is presumed to
11 be the face amount of the instrument.

12 3. Subject to the provisions of this Act concerning restrictive in-
13 dorsements a representative, including a depository or collecting
14 bank, who has in good faith and in accordance with the reasonable
15 commercial standards applicable to the business of such representa-
16 tive dealt with an instrument or its proceeds on behalf of one who
17 was not the true owner is not liable in conversion or otherwise to the
18 true owner beyond the amount of any proceeds remaining in his
19 hands.

20 4. An intermediary bank or payor bank which is not a depository
21 bank is not liable in conversion solely by reason of the fact that pro-
22 ceeds of an item indorsed restrictively (Sections 3205 and 3206) are
23 not paid or applied consistently with the restrictive indorsement of
24 an indorser other than its immediate transferor.

PART 5

PRESENTMENT, NOTICE OF DISHONOR AND PROTEST

1 **SEC. 3501. When presentment, notice of dishonor, and protest**
2 **necessary or permissible.**

3 1. Unless excused (Section 3511) presentment is necessary to
4 charge secondary parties as follows:

5 *a.* presentment for acceptance is necessary to charge the drawer
6 and indorsers of a draft where the draft so provides, or is payable
7 elsewhere than at the residence or place of business of the drawee,
8 or its date of payment depends upon such presentment. The holder
9 may at his option present for acceptance any other draft payable at
10 a stated date;

11 *b.* presentment for payment is necessary to charge any indorser;

12 *c.* in the case of any drawer, the acceptor of a draft payable at a
13 bank or the maker of a note payable at a bank, presentment for pay-
14 ment is necessary, but failure to make presentment discharges such
15 drawer, acceptor or maker only as stated in Section 3502 subsection

16 1 *b.*

17 2. Unless excused (Section 3511)

18 *a.* notice of any dishonor is necessary to charge any indorser;

19 *b.* in the case of any drawer, the acceptor of a draft payable at a
20 bank or the maker of a note payable at a bank, notice of any dishonor

21 is necessary, but failure to give such notice discharges such drawer,
22 acceptor or maker only as stated in Section 3502 subsection 1 *b*.

23 3. Unless excused (Section 3511) protest of any dishonor is neces-
24 sary to charge the drawer and indorsers of any draft which on its
25 face appears to be drawn or payable outside of the states, territories,
26 dependencies and possessions of the United States, the District of
27 Columbia and the Commonwealth of Puerto Rico. The holder may at
28 his option make protest of any dishonor of any other instrument and
29 in the case of a foreign draft may on insolvency of the acceptor
30 before maturity make protest for better security.

31 4. Notwithstanding any provision of this section, neither present-
32 ment nor notice of dishonor nor protest is necessary to charge an
33 indorser who has indorsed an instrument after maturity.

1 **SEC. 3502. Unexcused delay—discharge.**

2 1. Where without excuse any necessary presentment or notice of
3 dishonor is delayed beyond the time when it is due

4 *a.* any indorser is discharged; and

5 *b.* any drawer or the acceptor of a draft payable at a bank or the
6 maker of a note payable at a bank who because the drawee or payor
7 bank becomes insolvent during the delay is deprived of funds main-
8 tained with the drawee or payor bank to cover the instrument may
9 discharge his liability by written assignment to the holder of his
10 rights against the drawee or payor bank in respect of such funds, but
11 such drawer, acceptor or maker is not otherwise discharged.

12 2. Where without excuse a necessary protest is delayed beyond the
13 time when it is due any drawer or indorser is discharged.

1 **SEC. 3503. Time of presentment.**

2 1. Unless a different time is expressed in the instrument the time
3 for any presentment is determined as follows:

4 *a.* Where an instrument is payable at or a fixed period after a
5 stated date any presentment for acceptance must be made on or
6 before the date it is payable;

7 *b.* where an instrument is payable after sight it must either be
8 presented for acceptance or negotiated within a reasonable time after
9 date or issue whichever is later;

10 *c.* where an instrument shows the date on which it is payable pre-
11 sentment for payment is due on that date;

12 *d.* where an instrument is accelerated presentment for payment is
13 due within a reasonable time after the acceleration;

14 *e.* with respect to the liability of any secondary party presentment
15 for acceptance or payment of any other instrument is due within a
16 reasonable time after such party becomes liable thereon.

17 2. A reasonable time for presentment is determined by the nature
18 of the instrument, any usage of banking or trade and the facts of the
19 particular case. In the case of an uncertified check which is drawn
20 and payable within the United States and which is not a draft drawn
21 by a bank the following are presumed to be reasonable periods within
22 which to present for payment or to initiate bank collection:

23 *a.* with respect to the liability of the drawer, thirty days after date
24 or issue whichever is later; and

25 *b.* with respect to the liability of an indorser, seven days after his
26 indorsement.

27 3. Where any presentment is due on a day which is not a full busi-
 28 ness day for either the person making presentment or the party to
 29 pay or accept, presentment is due on the next following day which is
 30 a full business day for both parties.

31 4. Presentment to be sufficient must be made at a reasonable hour,
 32 and if at a bank during its banking day.

1 **SEC. 3504. How presentment made.**

2 1. Presentment is a demand for acceptance or payment made upon
 3 the maker, acceptor, drawee or other payor by or on behalf of the
 4 holder.

5 2. Presentment may be made

6 a. by mail, in which event the time of presentment is determined
 7 by the time of receipt of the mail; or

8 b. through a clearing house; or

9 c. at the place of acceptance or payment specified in the instrument
 10 or if there be none at the place of business or residence of the party
 11 to accept or pay. If neither the party to accept or pay nor anyone
 12 authorized to act for him is present or accessible at such place pre-
 13 sentment is excused.

14 3. It may be made

15 a. to any one of two or more makers, acceptors, drawees or other
 16 payors; or

17 b. to any person who has authority to make or refuse the accept-
 18 ance or payment.

19 4. A draft accepted or a note made payable at a bank in the United
 20 States must be presented at such bank.

21 5. In the cases described in Section 4210 presentment may be made
 22 in the manner and with the result stated in that section.

1 **SEC. 3505. Rights of party to whom presentment is made.**

2 1. The party to whom presentment is made may without dishonor
 3 require

4 a. exhibition of the instrument; and

5 b. reasonable identification of the person making presentment and
 6 evidence of his authority to make it if made for another; and

7 c. that the instrument be produced for acceptance or payment at a
 8 place specified in it, or if there be none at any place reasonable in the
 9 circumstances; and

10 d. a signed receipt on the instrument for any partial or full pay-
 11 ment and its surrender upon full payment.

12 2. Failure to comply with any such requirement invalidates the
 13 presentment but the person presenting has a reasonable time in which
 14 to comply and the time for acceptance or payment runs from the time
 15 of compliance.

1 **SEC. 3506. Time allowed for acceptance or payment.**

2 1. Acceptance may be deferred without dishonor until the close of
 3 the next business day following presentment. The holder may also in
 4 a good faith effort to obtain acceptance and without either dishonor
 5 of the instrument or discharge of secondary parties allow postpone-
 6 ment of acceptance for an additional business day.

7 2. Except as a longer time is allowed in the case of documentary
 8 drafts drawn under a letter of credit, and unless an earlier time is

9 agreed to by the party to pay, payment of an instrument may be
10 deferred without dishonor pending reasonable examination to deter-
11 mine whether it is properly payable, but payment must be made in
12 any event before the close of business on the day of presentment.

1 **SEC. 3507. Dishonor—holder's right of recourse—term allowing**
2 **re-presentation.**

- 3 1. An instrument is dishonored when
4 a. a necessary or optional presentment is duly made and due accept-
5 ance or payment is refused or cannot be obtained within the pre-
6 scribed time or in case of bank collections the instrument is season-
7 ably returned by the midnight deadline (Section 4301); or
8 b. presentment is excused and the instrument is not duly accepted
9 or paid.
10 2. Subject to any necessary notice of dishonor and protest, the
11 holder has upon dishonor and immediate right of recourse against
12 the drawers and indorsers.
13 3. Return of an instrument for lack of proper indorsement is not
14 dishonor.
15 4. A term in a draft or an indorsement thereof allowing a stated
16 time for re-presentation in the event of any dishonor of the draft by
17 nonacceptance if a time draft or by nonpayment if a sight draft gives
18 the holder as against any secondary party bound by the term an
19 option to waive the dishonor without affecting the liability of the
20 secondary party and he may present again up to the end of the stated
21 time.

1 **SEC. 3508. Notice of dishonor.**

- 2 1. Notice of dishonor may be given to any person who may be liable
3 on the instrument by or on behalf of the holder or any party who has
4 himself received notice, or any other party who can be compelled to
5 pay the instrument. In addition an agent or bank in whose hands the
6 instrument is dishonored may give notice to his principal or customer
7 or to another agent or bank from which the instrument was received.
8 2. Any necessary notice must be given by a bank before its mid-
9 night deadline and by any other person before midnight of the third
10 business day after dishonor or receipt of notice of dishonor.
11 3. Notice may be given in any reasonable manner. It may be oral
12 or written and in any terms which identify the instrument and state
13 that it has been dishonored. A misdescription which does not mislead
14 the party notified does not vitiate the notice. Sending the instrument
15 bearing a stamp, ticket or writing stating that acceptance or payment
16 has been refused or sending a notice of debit with respect to the in-
17 strument is sufficient.
18 4. Written notice is given when sent although it is not received.
19 5. Notice to one partner is notice to each although the firm has
20 been dissolved.
21 6. When any party is in insolvency proceedings instituted after the
22 issue of the instrument notice may be given either to the party or to
23 the representative of his estate.
24 7. When any party is dead or incompetent notice may be sent to
25 his last known address or given to his personal representative.
26 8. Notice operates for the benefit of all parties who have rights on
27 the instrument against the party notified.

1 **SEC. 3509. Protest—noting for protest.**

2 1. A protest is a certificate of dishonor made under the hand and
3 seal of a United States consul or vice consul or a notary public or
4 other person authorized to certify dishonor by the law of the place
5 where dishonor occurs. It may be made upon information satisfac-
6 tory to such person.

7 2. The protest must identify the instrument and certify either that
8 due presentment has been made or the reason why it is excused and
9 that the instrument has been dishonored by nonacceptance or non-
10 payment.

11 3. The protest may also certify that notice of dishonor has been
12 given to all parties or to specified parties.

13 4. Subject to subsection 5 any necessary protest is due by the time
14 that notice of dishonor is due.

15 5. If, before protest is due, an instrument has been noted for pro-
16 test by the officer to make protest, the protest may be made at any
17 time thereafter as of the date of the noting.

1 **SEC. 3510. Evidence of dishonor and notice of dishonor.** The fol-
2 lowing are admissible as evidence and create a presumption of dis-
3 honor and of any notice of dishonor therein shown:

4 a. a document regular in form as provided in the preceding section
5 which purports to be a protest;

6 b. the purported stamp or writing of the drawee, payor bank or
7 presenting bank on the instrument or accompanying it stating that
8 acceptance or payment has been refused for reasons consistent with
9 dishonor;

10 c. Any book or record of the drawee, payor bank, or any collecting
11 bank kept in the usual course of business which shows dishonor, even
12 though there is no evidence of who made the entry.

1 **SEC. 3511. Waived or excused presentment, protest or notice of
2 dishonor or delay therein.**

3 1. Delay in presentment, protest or notice of dishonor is excused
4 when the party is without notice that it is due or when the delay is
5 caused by circumstances beyond his control and he exercises reason-
6 able diligence after the cause of the delay ceases to operate.

7 2. Presentment or notice or protest as the case may be is entirely
8 excused when

9 a. the party to be charged has waived it expressly or by implica-
10 tion either before or after it is due; or

11 b. such party has himself dishonored the instrument or has coun-
12 termanded payment or otherwise has no reason to expect or right to
13 require that the instrument be accepted or paid; or

14 c. by reasonable diligence the presentment or protest cannot be
15 made or the notice given.

16 3. Presentment is also entirely excused when

17 a. the maker, acceptor or drawee of any instrument except a docu-
18 mentary draft is dead or in insolvency proceedings instituted after
19 the issue of the instrument; or

20 b. acceptance or payment is refused but not for want of proper
21 presentment.

22 4. Where a draft has been dishonored by nonacceptance a later pre-

23 sentment for payment and any notice of dishonor and protest for
 24 nonpayment are excused unless in the meantime the instrument has
 25 been accepted.

26 5. A waiver of protest is also a waiver of presentment and of notice
 27 of dishonor even though protest is not required.

28 6. Where a waiver of presentment or notice or protest is embodied
 29 in the instrument itself it is binding upon all parties; but where it
 30 is written above the signature of an indorser it binds him only.

PART 6

DISCHARGE

1 SEC. 3601. Discharge of parties.

2 1. The extent of the discharge of any party from liability on an
 3 instrument is governed by the sections on

4 a. payment or satisfaction (Section 3603); or

5 b. tender of payment (Section 3604); or

6 c. cancellation or renunciation (Section 3605); or

7 d. impairment of right of recourse or of collateral (Section 3606);

8 or

9 e. reacquisition of the instrument by a prior party (Section 3208);

10 or

11 f. fraudulent and material alteration (Section 3407); or

12 g. certification of a check (Section 3411); or

13 h. acceptance varying a draft (Section 3412); or

14 i. unexcused delay in presentment or notice of dishonor or protest
 15 (Section 3502).

16 2. Any party is also discharged from his liability on an instrument
 17 to another party by any other act or agreement with such party
 18 which would discharge his simple contract for the payment of money.

19 3. The liability of all parties is discharged when any party who has

20 himself no right of action or recourse on the instrument

21 a. reacquires the instrument in his own right; or

22 b. is discharged under any provision of this Article, except as

23 otherwise provided with respect to discharge for impairment of re-
 24 course or of collateral (Section 3606).

1 SEC. 3602. Effect of discharge against holder in due course. No

2 discharge of any party provided by this Article is effective against a

3 subsequent holder in due course unless he has notice thereof when he

4 takes the instrument.

1 SEC. 3603. Payment or satisfaction.

2 1. The liability of any party is discharged to the extent of his pay-
 3 ment or satisfaction to the holder even though it is made with knowl-

4 edge of a claim of another person to the instrument unless prior to

5 such payment or satisfaction the person making the claim either

6 supplies indemnity deemed adequate by the party seeking the dis-
 7 charge or enjoins payment or satisfaction by order of a court of com-

8 petent jurisdiction in an action in which the adverse claimant and the
 9 holder are parties. This subsection does not, however, result in the

10 discharge of the liability
 11 a. of a party who in bad faith pays or satisfies a holder who ac-
 12 quired the instrument by theft or who (unless having the rights of a

13 holder in due course) holds through one who so acquired it; or
 14 *b.* of a party (other than an intermediary bank or a payor bank
 15 which is not a depositary bank) who pays or satisfies the holder of
 16 an instrument which has been restrictively indorsed in a manner not
 17 consistent with the terms of such restrictive indorsement.
 18 2. Payment or satisfaction may be made with the consent of the
 19 holder by any person including a stranger to the instrument. Sur-
 20 render of the instrument to such a person gives him the rights of a
 21 transferee (Section 3201).

1 **SEC. 3604. Tender of payment.**

2 1. Any party making tender of full payment to a holder when or
 3 after it is due is discharged to the extent of all subsequent liability
 4 for interest, costs and attorney's fees.
 5 2. The holder's refusal of such tender wholly discharges any party
 6 who has a right of recourse against the party making the tender.
 7 3. Where the maker or acceptor of an instrument payable other-
 8 wise than on demand is able and ready to pay at every place of pay-
 9 ment specified in the instrument when it is due, it is equivalent to
 10 tender.
 11 4. Tender shall be made as provided by Section five hundred thirty-
 12 eight point five (538.5) of the Code.

1 **SEC. 3605. Cancellation and renunciation.**

2 1. The holder of an instrument may even without consideration
 3 discharge any party
 4 *a.* in any manner apparent on the face of the instrument or the
 5 indorsement, as by intentionally cancelling the instrument or the
 6 party's signature by destruction or mutilation, or by striking out the
 7 party's signature; or
 8 *b.* by renouncing his rights by a writing signed and delivered or by
 9 surrender of the instrument to the party to be discharged.
 10 2. Neither cancellation nor renunciation without surrender of the
 11 instrument affects the title thereto.

1 **SEC. 3606. Impairment of recourse or of collateral.**

2 1. The holder discharges any party to the instrument to the extent
 3 that without such party's consent the holder
 4 *a.* without express reservation of rights releases or agrees not to
 5 sue any person against whom the party has to the knowledge of the
 6 holder a right of recourse or agrees to suspend the right to enforce
 7 against such person the instrument or collateral or otherwise dis-
 8 charges such person, except that failure or delay in effecting any
 9 required presentment, protest or notice of dishonor with respect to
 10 any such person does not discharge any party as to whom present-
 11 ment, protest or notice of dishonor is effective or unnecessary; or
 12 *b.* unjustifiably impairs any collateral for the instrument given by
 13 or on behalf of the party or any person against whom he has a right
 14 of recourse.
 15 2. By express reservation of rights against a party with a right of
 16 recourse the holder preserves
 17 *a.* all his rights against such party as of the time when the instru-
 18 ment was originally due; and

- 19 *b.* the right of the party to pay the instrument as of that time;
 20 and
 21 *c.* all rights of such party to recourse against others.

PART 7

ADVICE ON INTERNATIONAL SIGHT DRAFT

1 **SEC. 3701. Letter of advice of international sight draft.**

2 1. A "letter of advice" is a drawer's communication to the drawee
 3 that a described draft has been drawn.

4 2. Unless otherwise agreed when a bank receives from another
 5 bank a letter of advice of an international sight draft the drawee
 6 bank may immediately debit the drawer's account and stop the run-
 7 ning of interest pro tanto. Such a debit and any resulting credit to
 8 any account covering outstanding drafts leaves in the drawer full
 9 power to stop payment or otherwise dispose of the amount and cre-
 10 ates no trust or interest in favor of the holder.

11 3. Unless otherwise agreed and except where a draft is drawn
 12 under a credit issued by the drawee, the drawee of an international
 13 sight draft owes the drawer no duty to pay an unadvised draft but
 14 if it does so and the draft is genuine, may appropriately debit the
 15 drawer's account.

PART 8

MISCELLANEOUS

1 **SEC. 3801. Drafts in a set.**

2 1. Where a draft is drawn in a set of parts, each of which is num-
 3 bered and expressed to be an order only if no other part has been
 4 honored, the whole of the parts constitutes one draft but a taker of
 5 any part may become a holder in due course of the draft.

6 2. Any person who negotiates, indorses or accepts a single part of
 7 a draft drawn in a set thereby becomes liable to any holder in due
 8 course of that part as if it were the whole set, but as between differ-
 9 ent holders in due course to whom different parts have been negoti-
 10 ated the holder whose title first accrues has all rights to the draft
 11 and its proceeds.

12 3. As against the drawee the first presented part of a draft drawn
 13 in a set is the part entitled to payment, or if a time draft to accept-
 14 ance and payment. Acceptance of any subsequently presented part
 15 renders the drawee liable thereon under subsection 2. With respect
 16 both to a holder and to the drawer payment of a subsequently pre-
 17 sented part of a draft payable at sight has the same effect as pay-
 18 ment of a check notwithstanding an effective stop order (Section
 19 4407).

20 4. Except as otherwise provided in this section, where any part of
 21 a draft in a set is discharged by payment or otherwise the whole draft
 22 is discharged.

1 **SEC. 3802. Effect of instrument on obligation for which it is
 2 given.**

3 1. Unless otherwise agreed where an instrument is taken for an
 4 underlying obligation

- 5 a. the obligation is pro tanto discharged if a bank is drawer, maker
6 or acceptor of the instrument and there is no recourse on the instru-
7 ment against the underlying obligor; and
- 8 b. in any other case the obligation is suspended pro tanto until the
9 instrument is due or if it is payable on demand until its presentment.
10 If the instrument is dishonored action may be maintained on either
11 the instrument or the obligation; discharge of the underlying obligor
12 on the instrument also discharges him on the obligation.
- 13 2. The taking in good faith of a check which is not postdated does
14 not of itself so extend the time on the original obligation as to dis-
15 charge a surety.

1 **SEC. 3803. Notice to third party.** Where a defendant is sued for
2 breach of an obligation for which a third person is answerable over
3 under this Article he may give the third person written notice of the
4 litigation, and the person notified may then give similar notice to any
5 other person who is answerable over to him under this Article. If the
6 notice states that the person notified may come in and defend and
7 that if the person notified does not do so he will in any action against
8 him by the person giving the notice be bound by any determination
9 of fact common to the two litigations, then unless after reasonable
10 receipt of the notice the person notified does come in and defend he
11 is so bound.

1 **SEC. 3804. Lost, destroyed or stolen instruments.** The owner of
2 an instrument which is lost, whether by destruction, theft or other-
3 wise, may maintain an action in his own name and recover from any
4 party liable thereon upon due proof of his ownership, the facts which
5 prevent his production of the instrument and its terms. The court
6 may require security indemnifying the defendant against loss by
7 reason of further claims on the instrument.

1 **SEC. 3805. Instruments not payable to order or to bearer.** This
2 Article applies to any instrument whose terms do not preclude trans-
3 fer and which is otherwise negotiable within this Article but which
4 is not payable to order or to bearer, except that there can be no holder
5 in due course of such an instrument.

ARTICLE 4

BANK DEPOSITS AND COLLECTIONS

PART 1

GENERAL PROVISIONS AND DEFINITIONS

1 **SEC. 4101. Short title.** This Article shall be known and may be
2 cited as Uniform Commercial Code—Bank Deposits and Collections.

1 **SEC. 4102. Applicability.**

2 1. To the extent that items within this Article are also within the
3 scope of Articles 3 and 8, they are subject to the provisions of those
4 Articles. In the event of conflict the provisions of this Article govern
5 those of Article 3 but the provisions of Article 8 govern those of this
6 Article.

7 2. The liability of a bank for action or nonaction with respect to

8 any item handled by it for purposes of presentment, payment or col-
9 lection is governed by the law of the place where the bank is located.

1 **SEC. 4103. Variation by agreement—measure of damages—cer-**
2 **tain action constituting ordinary care.**

3 1. The effect of the provisions of this Article may be varied by
4 agreement except that no agreement can disclaim a bank's responsi-
5 bility for its own lack of good faith or failure to exercise ordinary
6 care or can limit the measure of damages for such lack or failure;
7 but the parties may by agreement determine the standards by which
8 such responsibility is to be measured if such standards are not mani-
9 festly unreasonable.

10 2. Federal Reserve regulations and operating letters, clearing
11 house rules, and the like, have the effect of agreements under sub-
12 section 1, whether or not specifically assented to by all parties inter-
13 ested in items handled.

14 3. Action or nonaction approved by this Article or pursuant to
15 Federal Reserve regulations or operating letters constitutes the exer-
16 cise of ordinary care and, in the absence of special instructions,
17 action or nonaction consistent with clearing house rules and the like
18 or with a general banking usage not disapproved by this Article,
19 prima facie constitutes the exercise of ordinary care.

20 4. The specification or approval of certain procedures by this Arti-
21 cle does not constitute disapproval of other procedures which may be
22 reasonable under the circumstances.

23 5. The measure of damages for failure to exercise ordinary care in
24 handling an item is the amount of the item reduced by an amount
25 which could not have been realized by the use of ordinary care, and
26 where there is bad faith it includes other damages, if any, suffered
27 by the party as a proximate consequence.

1 **SEC. 4104. Definitions and index of definitions.**

2 1. In this Article unless the context otherwise requires

3 a. "Account" means any account with a bank and includes a check-
4 ing, time, interest or savings account;

5 b. "Afternoon" means the period of a day between noon and mid-
6 night;

7 c. "Banking day" means that part of any day on which a bank is
8 open to the public for carrying on substantially all of its banking
9 functions;

10 d. "Clearing house" means any association of banks or other pay-
11 ors regularly clearing items;

12 e. "Customer" means any person having an account with a bank or
13 for whom a bank has agreed to collect items and includes a bank
14 carrying an account with another bank;

15 f. "Documentary draft" means any negotiable or nonnegotiable
16 draft with accompanying documents, securities or other papers to be
17 delivered against honor of the draft;

18 g. "Item" means any instrument for the payment of money even
19 though it is not negotiable but does not include money;

20 h. "Midnight deadline" with respect to a bank is midnight on its
21 next banking day following the banking day on which it receives the
22 relevant item or notice or from which the time for taking action com-

- 23 mences to run, whichever is later;
- 24 *i.* "Properly payable" includes the availability of funds for pay-
- 25 ment at the time of decision to pay or dishonor;
- 26 *j.* "Settle" means to pay in cash, by clearing house settlement, in
- 27 a charge or credit or by remittance, or otherwise as instructed. A
- 28 settlement may be either provisional or final;
- 29 *k.* "Suspends payments" with respect to a bank means that it has
- 30 been closed by order of the supervisory authorities, that a public
- 31 officer has been appointed to take it over or that it ceases or refuses to
- 32 make payments in the ordinary course of business.
- 33 2. Other definitions applying to this Article and the sections in
- 34 which they appear are:
- | | |
|------------------------|---------------|
| 35 "Collecting bank" | Section 4105. |
| 36 "Depositary bank" | Section 4105. |
| 37 "Intermediary bank" | Section 4105. |
| 38 "Payor bank" | Section 4105. |
| 39 "Presenting bank" | Section 4105. |
| 40 "Remitting bank" | Section 4105. |
- 41 3. The following definitions in other Articles apply to this Article:
- | | |
|-----------------------------|---------------|
| 42 "Acceptance" | Section 3410. |
| 43 "Certificate of deposit" | Section 3104. |
| 44 "Certification" | Section 3411. |
| 45 "Check" | Section 3104. |
| 46 "Draft" | Section 3104. |
| 47 "Holder in due course" | Section 3302. |
| 48 "Notice of dishonor" | Section 3508. |
| 49 "Presentment" | Section 3504. |
| 50 "Protest" | Section 3509. |
| 51 "Secondary party" | Section 3102. |
- 52 4. In addition Article 1 contains general definitions and principles
- 53 of construction and interpretation applicable throughout this Article.
- 1 SEC. 4105. "Depositary bank"—"intermediary bank"—"collecting
- 2 bank"—"payor bank"—"presenting bank"—"remitting bank". In
- 3 this Article unless the context otherwise requires:
- 4 *a.* "Depositary bank" means the first bank to which an item is
- 5 transferred for collection even though it is also the payor bank;
- 6 *b.* "Payor bank" means a bank by which an item is payable as
- 7 drawn or accepted;
- 8 *c.* "Intermediary bank" means any bank to which an item is trans-
- 9 ferred in course of collection except the depositary or payor bank;
- 10 *d.* "Collecting bank" means any bank handling the item for collec-
- 11 tion except the payor bank;
- 12 *e.* "Presenting bank" means any bank presenting an item except a
- 13 payor bank;
- 14 *f.* "Remitting bank" means any payor or intermediary bank remit-
- 15 ting for an item.
- 1 SEC. 4106. **Separate office of a bank.** A separate office of a bank
- 2 is a separate bank for the purpose of computing the time within
- 3 which and determining the place at or to which action may be taken
- 4 or notices or orders shall be given under this Article and under
- 5 Article 3.

1 **SEC. 4107. Time of receipt of items.**

2 1. For the purpose of allowing time to process items, prove bal-
 3 ances and make the necessary entries on its books to determine its
 4 position for the day, a bank may fix an afternoon hour of two P.M.
 5 or later as a cutoff hour for the handling of money and items and the
 6 making of entries on its books.

7 2. Any item or deposit of money received on any day after a cut-
 8 off hour so fixed or after the close of the banking day may be treated
 9 as being received at the opening of the next banking day.

1 **SEC. 4108. Delays.**

2 1. Unless otherwise instructed, a collecting bank in a good faith
 3 effort to secure payment may, in the case of specific items and with
 4 or without the approval of any person involved, waive, modify or
 5 extend time limits imposed or permitted by this Act for a period not
 6 in excess of an additional banking day without discharge of secondary
 7 parties and without liability to its transferor or any prior party.

8 2. Delay by a collecting bank or payor bank beyond time limits
 9 prescribed or permitted by this Act or by instructions is excused if
 10 caused by interruption of communication facilities, suspension of pay-
 11 ments by another bank, war, emergency conditions or other circum-
 12 stances beyond the control of the bank provided it exercises such
 13 diligence as the circumstances require.

1 **SEC. 4109. Process of posting.** The "process of posting" means
 2 the usual procedure followed by a payor bank in determining to pay
 3 an item and in recording the payment including one or more of the
 4 following or other steps as determined by the bank:

- 5 a. verification of any signature;
 6 b. ascertaining that sufficient funds are available;
 7 c. affixing a "paid" or other stamp;
 8 d. entering a charge or entry to a customer's account;
 9 e. correcting or reversing an entry or erroneous action with respect
 10 to the item.

PART 2

COLLECTION OF ITEMS: DEPOSITARY AND COLLECTING BANKS

1 **SEC. 4201. Presumption and duration of agency status of collect-**
 2 **ing banks and provisional status of credits—applicability of Article—**
 3 **item indorsed "pay any bank".**

4 1. Unless a contrary intent clearly appears and prior to the time
 5 that a settlement given by a collecting bank for an item is or becomes
 6 final (subsection 3 of Section 4211 and Sections 4212 and 4213) the
 7 bank is an agent or subagent of the owner of the item and any settle-
 8 ment given for the item is provisional. This provision applies regard-
 9 less of the form of indorsement or lack of indorsement and even
 10 though credit given for the item is subject to immediate withdrawal
 11 as of right or is in fact withdrawn; but the continuance of ownership
 12 of an item by its owner and any rights of the owner to proceeds of
 13 the item are subject to rights of a collecting bank such as those re-
 14 sulting from outstanding advances on the item and valid rights of
 15 setoff. When an item is handled by banks for purposes of present-

16 ment, payment and collection, the relevant provisions of this Article
17 apply even though action of parties clearly establishes that a par-
18 ticular bank has purchased the item and is the owner of it.

19 2. After an item has been indorsed with the words "pay any bank"
20 or the like, only a bank may acquire the rights of a holder

21 a. until the item has been returned to the customer initiating col-
22 lection; or

23 b. until the item has been specially indorsed by a bank to a person
24 who is not a bank.

1 **SEC. 4202. Responsibility for collection—when action seasonable.**

2 1. A collecting bank must use ordinary care in

3 a. presenting an item or sending it for presentment; and

4 b. sending notice of dishonor or nonpayment or returning an item
5 other than a documentary draft to the bank's transferor or directly
6 to the depository bank under subsection 2 of Section 4212 after learn-
7 ing that the item has not been paid or accepted, as the case may be;
8 and

9 c. settling for an item when the bank receives final settlement; and

10 d. making or providing for any necessary protest; and

11 e. notifying its transferor of any loss or delay in transit within a
12 reasonable time after discovery thereof.

13 2. A collecting bank taking proper action before its midnight dead-
14 line following receipt of an item, notice or payment acts seasonably;
15 taking proper action within a reasonably longer time may be season-
16 able but the bank has the burden of so establishing.

17 3. Subject to subsection 1 a, a bank is not liable for the insolvency,
18 neglect, misconduct, mistake or default of another bank or person or
19 for loss or destruction of an item in transit or in the possession of
20 others.

1 **SEC. 4203. Effect of instructions.** Subject to the provisions of
2 Article 3 concerning conversion of instruments (Section 3419) and the
3 provisions of both Article 3 and this Article concerning restrictive
4 indorsements only a collecting bank's transferor can give instruc-
5 tions which affect the bank or constitute notice to it and a collecting
6 bank is not liable to prior parties for any action taken pursuant to
7 such instructions or in accordance with any agreement with its trans-
8 feror.

1 **SEC. 4204. Methods of sending and presenting—sending direct to
2 payor bank.**

3 1. A collecting bank must send items by reasonably prompt method
4 taking into consideration any relevant instructions, the nature of the
5 item, the number of such items on hand, and the cost of collection
6 involved and the method generally used by it or others to present
7 such items.

8 2. A collecting bank may send

9 a. any item direct to the payor bank;

10 b. any item to any nonbank payor if authorized by its transferor;
11 and

12 c. any item other than documentary drafts to any nonbank payor,
13 if authorized by Federal Reserve regulation or operating letter, clear-
14 ing house rule or the like.

15 3. Presentment may be made by a presenting bank at a place where
16 the payor bank has requested that presentment be made.

1 **SEC. 4205. Supplying missing indorsement—no notice from prior**
2 **indorsement.**

3 1. A depository bank which has taken an item for collection may
4 supply any indorsement of the customer which is necessary to title
5 unless the item contains the words "payee's indorsement required"
6 or the like. In the absence of such a requirement a statement placed
7 on the item by the depository bank to the effect that the item was
8 deposited by a customer or credited to his account is effective as the
9 customer's indorsement.

10 2. An intermediary bank, or payor bank which is not a depository
11 bank, is neither given notice nor otherwise affected by a restrictive
12 indorsement of any person except the bank's immediate transferor.

1 **SEC. 4206. Transfer between banks.** Any agreed method which
2 identifies the transferor bank is sufficient for the item's further trans-
3 fer to another bank.

1 **SEC. 4207. Warranties of customer and collecting bank on trans-**
2 **fer or presentment of items—time for claims.**

3 1. Each customer or collecting bank who obtains payment or ac-
4 ceptance of an item and each prior customer and collecting bank war-
5 rants to the payor bank or other payor who in good faith pays or
6 accepts the item that

7 *a.* he has a good title to the item or is authorized to obtain pay-
8 ment or acceptance on behalf of one who has a good title; and

9 *b.* he has no knowledge that the signature of the maker or drawer
10 is unauthorized, except that this warranty is not given by any cus-
11 tomer or collecting bank that is a holder in due course and acts in
12 good faith

13 *i.* to a maker with respect to the maker's own signature; or

14 *ii.* to a drawer with respect to the drawer's own signature, whether
15 or not the drawer is also the drawee; or

16 *iii.* to an acceptor of an item if the holder in due course took the
17 item after the acceptance or obtained the acceptance without knowl-
18 edge that the drawer's signature was unauthorized; and

19 *c.* the item has not been materially altered, except that this war-
20 ranty is not given by any customer or collecting bank that is a holder
21 in due course and acts in good faith

22 *i.* to the maker of a note; or

23 *ii.* to the drawer of a draft whether or not the drawer is also the
24 drawee; or

25 *iii.* to the acceptor of an item with respect to an alteration made
26 prior to the acceptance if the holder in due course took the item after
27 the acceptance, even though the acceptance provided "payable as
28 originally drawn" or equivalent terms; or

29 *iv.* to the acceptor of an item with respect to an alteration made
30 after the acceptance.

31 2. Each customer and collecting bank who transfers an item and
32 receives a settlement or other consideration for it warrants to his
33 transferee and to any subsequent collecting bank who takes the item
34 in good faith that

35 *a.* he has a good title to the item or is authorized to obtain pay-
36 ment or acceptance on behalf of one who has a good title and the
37 transfer is otherwise rightful; and

38 *b.* all signatures are genuine or authorized; and

39 *c.* the item has not been materially altered; and

40 *d.* no defense of any party is good against him; and

41 *e.* he has no knowledge of any insolvency proceeding instituted
42 with respect to the maker or acceptor or the drawer of an unaccepted
43 item.

44 In addition each customer and collecting bank so transferring an
45 item and receiving a settlement or other consideration engages that
46 upon dishonor and any necessary notice of dishonor and protest he
47 will take up the item.

48 3. The warranties and the engagement to honor set forth in the
49 two preceding subsections arise notwithstanding the absence of
50 indorsement or words of guaranty or warranty in the transfer or
51 presentment and a collecting bank remains liable for their breach
52 despite remittance to its transferor. Damages for breach of such
53 warranties or engagement to honor shall not exceed the considera-
54 tion received by the customer or collecting bank responsible plus
55 finance charges and expenses related to the item, if any.

56 4. Unless a claim for breach of warranty under this section is made
57 within a reasonable time after the person claiming learns of the
58 breach, the person liable is discharged to the extent of any loss caused
59 by the delay in making claim.

1 **SEC. 4208. Security interest of collecting bank in items, accom-**
2 **panying documents and proceeds.**

3 1. A bank has a security interest in an item and any accompanying
4 documents or the proceeds of either

5 *a.* in case of an item deposited in an account to the extent to which
6 credit given for the item has been withdrawn or applied;

7 *b.* in case of an item for which it has given credit available for
8 withdrawal as of right, to the extent of the credit given whether or
9 not the credit is drawn upon and whether or not there is a right of
10 charge-back; or

11 *c.* if it makes an advance on or against the item.

12 2. When credit which has been given for several items received at
13 one time or pursuant to a single agreement is withdrawn or applied
14 in part the security interest remains upon all the items, any accom-
15 panying documents or the proceeds of either. For the purpose of this
16 section, credits first given are first withdrawn.

17 3. Receipt by a collecting bank of a final settlement for an item is
18 a realization on its security interest in the item, accompanying docu-
19 ments and proceeds. To the extent and so long as the bank does not
20 receive final settlement for the item or give up possession of the item
21 or accompanying documents for purposes other than collection, the
22 security interest continues and is subject to the provisions of Article
23 9 except that

24 *a.* no security agreement is necessary to make the security interest
25 enforceable (subsection 1 *b* of Section 9203); and

26 *b.* no filing is required to perfect the security interest; and

27 c. the security interest has priority over conflicting perfected se-
28 curity interests in the item, accompanying documents or proceeds.

1 **SEC. 4209. When bank gives value for purposes of holder in**
2 **due course.** For purposes of determining its status as a holder in
3 due course, the bank has given value to the extent that it has a
4 security interest in an item provided that the bank otherwise com-
5 plies with the requirements of Section 3302 on what constitutes a
6 holder in due course.

1 **SEC. 4210. Presentment by notice of item not payable by, through**
2 **or at a bank—liability of secondary parties.**

3 1. Unless otherwise instructed, a collecting bank may present an
4 item not payable by, through or at a bank by sending to the party to
5 accept or pay a written notice that the bank holds the item for ac-
6 ceptance or payment. The notice must be sent in time to be received
7 on or before the day when presentment is due and the bank must
8 meet any requirement of the party to accept or pay under Section
9 3505 by the close of the bank's next banking day after it knows of
10 the requirement.

11 2. Where presentment is made by notice and neither honor nor
12 request for compliance with a requirement under Section 3505 is
13 received by the close of business on the day after maturity or in the
14 case of demand items by the close of business on the third banking
15 day after notice was sent, the presenting bank may treat the item as
16 dishonored and charge any secondary party by sending him notice of
17 the facts.

1 **SEC. 4211. Media of remittance—provisional and final settlement**
2 **in remittance cases.**

3 1. A collecting bank may take in settlement of an item
4 a. a check of the remitting bank or of another bank on any bank
5 except the remitting bank; or

6 b. a cashier's check or similar primary obligation of a remitting
7 bank which is a member of or clears through a member of the same
8 clearing house or group as the collecting bank; or

9 c. appropriate authority to charge an account of the remitting
10 bank or of another bank with the collecting bank; or

11 d. if the item is drawn upon or payable by a person other than a
12 bank, a cashier's check, certified check or other bank check or obliga-
13 tion.

14 2. If before its midnight deadline the collecting bank properly dis-
15 honors a remittance check or authorization to charge on itself or
16 presents or forwards for collection a remittance instrument of or on
17 another bank which is of a kind approved by subsection 1 or has not
18 been authorized by it, the collecting bank is not liable to prior parties
19 in the event of the dishonor of such check, instrument or authoriza-
20 tion.

21 3. A settlement for an item by means of a remittance instrument
22 or authorization to charge is or becomes a final settlement as to both
23 the person making and the person receiving the settlement

24 a. if the remittance instrument or authorization to charge is of a
25 kind approved by subsection 1 or has not been authorized by the per-
26 son receiving the settlement and in either case the person receiving

27 the settlement acts seasonably before its midnight deadline in pre-
 28 senting, forwarding for collection or paying the instrument or author-
 29 ization,—at the time the remittance instrument or authorization is
 30 finally paid by the payor by which it is payable;

31 *b.* if the person receiving the settlement has authorized remittance
 32 by a nonbank check or obligation or by a cashier's check or similar
 33 primary obligation of or a check upon the payor or other remitting
 34 bank which is not of a kind approved by subsection 1 *b.*,—at the time
 35 of receipt of such remittance check or obligation; or

36 *c.* if in a case not covered by subparagraphs *a* or *b* the person re-
 37 ceiving the settlement fails to seasonably present, forward for collec-
 38 tion, pay or return a remittance instrument or authorization to it to
 39 charge before its midnight deadline,—at such midnight deadline.

1 **SEC. 4212. Right of charge-back or refund.**

2 1. If a collecting bank has made provisional settlement with its
 3 customer for an item and itself fails by reason of dishonor, suspen-
 4 sion of payments by a bank or otherwise to receive a settlement for
 5 the item which is or becomes final, the bank may revoke the settle-
 6 ment given by it, charge back the amount of any credit given for the
 7 item to its customer's account or obtain refund from its customer
 8 whether or not it is able to return the items if by its midnight dead-
 9 line or within a longer reasonable time after it learns the facts it
 10 returns the item or sends notification of the facts. These rights to
 11 revoke, charge-back and obtain refund terminate if and when a settle-
 12 ment for the item received by the bank is or becomes final (subsection
 13 3 of Section 4211 and subsections 2 and 3 of Section 4213).

14 2. Within the time and manner prescribed by this section and Sec-
 15 tion 4301, an intermediary or payor bank, as the case may be, may
 16 return an unpaid item directly to the depository bank and may send
 17 for collection a draft on the depository bank and obtain reimburse-
 18 ment. In such case, if the depository bank has received provisional
 19 settlement for the item, it must reimburse the bank drawing the
 20 draft and any provisional credits for the item between banks shall
 21 become and remain final.

22 3. A depository bank which is also the payor may charge-back the
 23 amount of an item to its customer's account or obtain refund in ac-
 24 cordance with the section governing return of an item received by a
 25 payor bank for credit on its books (Section 4301).

26 4. The right to charge-back is not affected by

27 *a.* prior use of the credit given for the item; or

28 *b.* failure by any bank to exercise ordinary care with respect to
 29 the item but any bank so failing remains liable.

30 5. A failure to charge-back or claim refund does not affect other
 31 rights of the bank against the customer or any other party.

32 6. If credit is given in dollars as the equivalent of the value of an
 33 item payable in a foreign currency the dollar amount of any charge-
 34 back or refund shall be calculated on the basis of the buying sight
 35 rate for the foreign currency prevailing on the day when the person
 36 entitled to the charge-back or refund learns that it will not receive
 37 payment in ordinary course.

1 **SEC. 4213. Final payment of item by payor bank—when provi-**
 2 **sional debits and credits become final—when certain credits become**

3 available for withdrawal.

4 1. An item is finally paid by a payor bank when the bank has done
5 any of the following, whichever happens first:

6 a. paid the item in cash; or

7 b. settled for the item without reserving a right to revoke the set-
8 tlement and without having such right under statute, clearing house
9 rule or agreement; or

10 c. completed the process of posting the item to the indicated ac-
11 count of the drawer, maker or other person to be charged therewith;
12 or

13 d. made a provisional settlement for the item and failed to revoke
14 the settlement in the time and manner permitted by statute, clear-
15 ing house rule or agreement.

16 Upon a final payment under subparagraphs *b*, *c* or *d* the payor bank
17 shall be accountable for the amount of the item.

18 2. If provisional settlement for an item between the presenting and
19 payor banks is made through a clearing house or by debits or credits
20 in an account between them, then to the extent that provisional
21 debits or credits for the item are entered in accounts between the
22 presenting and payor banks or between the presenting and successive
23 prior collecting banks seriatim, they become final upon final payment
24 of the item by the payor bank.

25 3. If a collecting bank receives a settlement for an item which is
26 or becomes final (subsection 3 of Section 4211, subsection 2 of Section
27 4213) the bank is accountable to its customer for the amount of the
28 item and any provisional credit given for the item in an account with
29 its customer becomes final.

30 4. Subject to any right of the bank to apply the credit to an obli-
31 gation of the customer, credit given by a bank for an item in an ac-
32 count with its customer becomes available for withdrawal as of right

33 a. in any case where the bank has received a provisional settlement
34 for the item,—when such settlement becomes final and the bank has
35 had a reasonable time to learn that the settlement is final;

36 b. in any case where the bank is both a depository bank and a
37 payor bank and the item is finally paid,—at the opening of the bank's
38 second banking day following receipt of the item.

39 5. A deposit of money in a bank is final when made but, subject to
40 any right of the bank to apply the deposit to an obligation of the
41 customer, the deposit becomes available for withdrawal as of right
42 at the opening of the bank's next banking day following receipt of
43 the deposit.

1 **SEC. 4214. Insolvency and preference.**

2 1. Any item in or coming into the possession of a payor or collect-
3 ing bank which suspends payment and which item is not finally paid
4 shall be returned by the receiver, trustee or agent in charge of the
5 closed bank to the presenting bank or the closed bank's customer.

6 2. If a payor bank finally pays an item and suspends payments
7 without making a settlement for the item with its customer or the
8 presenting bank which settlement is or becomes final, the owner of
9 the item has a preferred claim against the payor bank.

10 3. If a payor bank gives or a collecting bank gives or receives a
11 provisional settlement for an item and thereafter suspends payments,

12 the suspension does not prevent or interfere with the settlement be-
 13 coming final if such finality occurs automatically upon the lapse of
 14 certain time or the happening of certain events (subsection 3 of Sec-
 15 tion 4211, subsections 1 *d*, 2 and 3 of Section 4213).

16 4. If a collecting bank receives from subsequent parties settlement
 17 for an item which settlement is or becomes final and suspends pay-
 18 ments without making a settlement for the item with its customer
 19 which is or becomes final, the owner of the item has a preferred claim
 20 against such collecting bank.

PART 3

COLLECTION OF ITEMS: PAYOR BANKS

1 **SEC. 4301. Deferred posting—recovery of payment by return of**
 2 **items—time of dishonor.**

3 1. Where an authorized settlement for a demand item (other than
 4 a documentary draft) received by a payor bank otherwise than for
 5 immediate payment over the counter has been made before midnight
 6 of the banking day of receipt the payor bank may revoke the settle-
 7 ment and recover any payment if before it has made final payment
 8 (subsection 1 of Section 4213) and before its midnight deadline it

9 *a.* returns the item; or
 10 *b.* sends written notice of dishonor or nonpayment if the item is
 11 held for protest or is otherwise unavailable for return and the item or
 12 notice includes the reason for dishonor.

13 2. If a demand item is received by a payor bank for credit on its
 14 books it may return such item or send notice of dishonor and may
 15 revoke any credit given or recover the amount thereof withdrawn by
 16 its customer, if it acts within the time limit and in the manner speci-
 17 fied in the preceding subsection.

18 3. Unless previous notice of dishonor has been sent an item is dis-
 19 honored at the time when for purposes of dishonor it is returned or
 20 notice sent in accordance with this section.

21 4. An item is returned:

22 *a.* as to an item received through a clearing house, when it is de-
 23 livered to the presenting or last collecting bank or to the clearing
 24 house or is sent or delivered in accordance with its rules; or

25 *b.* in all other cases, when it is sent or delivered to the bank's cus-
 26 tomer or transferor or pursuant to his instructions.

1 **SEC. 4302. Payor bank's responsibility for late return of item.**

2 In the absence of a valid defense such as breach of a presentment
 3 warranty (subsection 1 of Section 4207), settlement effected or the
 4 like, if an item is presented on and received by a payor bank the bank
 5 is accountable for the amount of

6 *a.* a demand item other than a documentary draft whether proper-
 7 ly payable or not if the bank, in any case where it is not also the
 8 depositary bank, retains the item beyond midnight of the banking
 9 day of receipt without settling for it or, regardless of whether it is
 10 also the depositary bank, does not pay or return the item or send
 11 notice of dishonor until after its midnight deadline; or

12 *b.* Any other properly payable item unless within the time allowed

13 for acceptance or payment of that item the bank either accepts or
14 pays the item or returns it and accompanying documents.

1 **SEC. 4303. When items subject to notice, stop order, legal process**
2 **or setoff—order in which items may be charged or certified.**

3 1. Any knowledge, notice or stop order received by, legal process
4 served upon or setoff exercised by a payor bank, whether or not effec-
5 tive under other rules of law to terminate, suspend or modify the
6 bank's right or duty to pay an item or to charge its customer's account
7 for the item, comes too late to so terminate, suspend or modify such
8 right or duty if the knowledge, notice, stop order or legal process is
9 received or served and a reasonable time for the bank to act thereon
10 expires or the setoff is exercised after the bank has done any of the
11 following:

12 a. accepted or certified the item;

13 b. paid the item in cash;

14 c. settled for the item without reserving a right to revoke the set-
15 tlement and without having such right under statute, clearing house
16 rule or agreement;

17 d. completed the process of posting the item to the indicated ac-
18 count of the drawer, maker or other person to be charged therewith
19 or otherwise has evidenced by examination of such indicated account
20 and by action its decision to pay the item; or

21 e. become accountable for the amount of the item under subsection
22 1 *d* of Section 4213 and Section 4302 dealing with the payor bank's
23 responsibility for late return of items.

24 2. Subject to the provisions of subsection 1 items may be accepted,
25 paid, certified or charged to the indicated account of its customer in
26 any order convenient to the bank.

PART 4

RELATIONSHIP BETWEEN PAYOR BANK AND ITS CUSTOMER

1 **SEC. 4401. When bank may charge customer's account.**

2 1. As against its customer, a bank may charge against his account
3 any item which is otherwise properly payable from that account even
4 though the charge creates an overdraft.

5 2. A bank which in good faith makes payment to a holder may
6 charge the indicated account of its customer according to

7 a. the original tenor of his altered item; or

8 b. the tenor of his completed item, even though the bank knows
9 the item has been completed unless the bank has notice that the com-
10 pletion was improper.

1 **SEC. 4402. Bank's liability to customer for wrongful dishonor.** A
2 payor bank is liable to its customer for damages proximately caused
3 by the wrongful dishonor of an item. When the dishonor occurs
4 through mistake liability is limited to actual damages proved. If so
5 proximately caused and proved damages may include damages for an
6 arrest or prosecution of the customer or other consequential damages.
7 Whether any consequential damages are proximately caused by the
8 wrongful dishonor is a question of fact to be determined in each case.

1 **SEC. 4403. Customer's right to stop payment—burden of proof of**
2 **loss.**

3 1. A customer may by order to his bank stop payment of any item
4 payable for his account but the order must be received at such time
5 and in such manner as to afford the bank a reasonable opportunity to
6 act on it prior to any action by the bank with respect to the item
7 described in Section 4303.

8 2. An oral order is binding upon the bank only for fourteen calen-
9 dar days unless confirmed in writing within that period. A written
10 order is effective for only six months unless renewed in writing.

11 3. The burden of establishing the fact and amount of loss resulting
12 from the payment of an item contrary to a binding stop payment
13 order is on the customer.

1 **SEC. 4404. Bank not obligated to pay check more than six months**
2 **old.** A bank is under no obligation to a customer having a checking
3 account to pay a check, other than a certified check, which is pre-
4 sented more than six months after its date, but it may charge its
5 customer's account for a payment made thereafter in good faith.

1 **SEC. 4405. Death or incompetence of customer.**

2 1. A payor or collecting bank's authority to accept, pay or collect
3 an item or to account for proceeds of its collection if otherwise effec-
4 tive is not rendered ineffective by incompetence of a customer of
5 either bank existing at the time the item is issued or its collection is
6 undertaken if the bank does not know of an adjudication of incom-
7 petence. Neither death nor incompetence of a customer revokes such
8 authority to accept, pay, collect or account until the bank knows of
9 the fact of death or of an adjudication of incompetence and has
10 reasonable opportunity to act on it.

11 2. Even with knowledge a bank may for ten days after the date of
12 death pay or certify checks drawn on or prior to that date unless
13 ordered to stop payment by a person claiming an interest in the
14 account.

1 **SEC. 4406. Customer's duty to discover and report unauthorized**
2 **signature or alteration.**

3 1. When a bank sends to its customer a statement of account ac-
4 companied by items paid in good faith in support of the debit entries
5 or holds the statement and items pursuant to a request or instruc-
6 tions of its customer or otherwise in a reasonable manner makes the
7 statement and items available to the customer, the customer must
8 exercise reasonable care and promptness to examine the statement
9 and items to discover his unauthorized signature or any alteration on
10 an item and must notify the bank promptly after discovery thereof.

11 2. If the bank establishes that the customer failed with respect to
12 an item to comply with the duties imposed on the customer by sub-
13 section 1 the customer is precluded from asserting against the bank

14 *a.* his unauthorized signature or any alteration on the item if the
15 bank also establishes that it suffered a loss by reason of such failure;
16 and

17 *b.* an unauthorized signature or alteration by the same wrongdoer
18 on any other item paid in good faith by the bank after the first item
19 and statement was available to the customer for a reasonable period

20 not exceeding fourteen calendar days and before the bank receives
 21 notification from the customer of any such unauthorized signature or
 22 alteration.

23 3. The preclusion under subsection 2 does not apply if the cus-
 24 tomer establishes lack of ordinary care on the part of the bank in
 25 paying the item(s).

26 4. Without regard to care or lack of care of either the customer or
 27 the bank a customer who does not within one year from the time the
 28 statement and items are made available to the customer (subsection
 29 1) discover and report his unauthorized signature or any alteration
 30 on the face or back of the item or does not within three years from
 31 that time discover and report any unauthorized indorsement is pre-
 32 cluded from asserting against the bank such unauthorized signature
 33 or indorsement or such alteration.

34 5. If under this section a payor bank has a valid defense against a
 35 claim of a customer upon or resulting from payment of an item and
 36 waives or fails upon request to assert the defense the bank may not
 37 assert against any collecting bank or other prior party presenting or
 38 transferring the item a claim based upon the unauthorized signature
 39 or alteration giving rise to the customer's claim.

1 **SEC. 4407. Payor bank's right to subrogation on improper pay-**
 2 **ment.** If a payor bank has paid an item over the stop payment order
 3 of the drawer or maker or otherwise under circumstances giving a
 4 basis for objection by the drawer or maker, to prevent unjust enrich-
 5 ment and only to the extent necessary to prevent loss to the bank by
 6 reason of its payment of the item, the payor bank shall be subrogated
 7 to the rights

8 a. of any holder in due course on the item against the drawer or
 9 maker; and

10 b. of the payee or any other holder of the item against the drawer
 11 or maker either on the item or under the transaction out of which the
 12 item arose; and

13 c. of the drawer or maker against the payee or any other holder of
 14 the item with respect to the transaction out of which the item arose.

PART 5

COLLECTION OF DOCUMENTARY DRAFTS

1 **SEC. 4501. Handling of documentary drafts—duty to send for**
 2 **presentment and to notify customer of dishonor.** A bank which
 3 takes a documentary draft for collection must present or send the
 4 draft and accompanying documents for presentment and upon learn-
 5 ing that the draft has not been paid or accepted in due course must
 6 seasonably notify its customer of such fact even though it may have
 7 discounted or brought the draft or extended credit available for
 8 withdrawal as of right.

1 **SEC. 4502. Presentment of "on arrival" drafts.** When a draft or
 2 the relevant instructions require presentment "on arrival", "when
 3 goods arrive" or the like, the collecting bank need not present until
 4 in its judgment a reasonable time for arrival of the goods has ex-
 5 pired. Refusal to pay or accept because the goods have not arrived

6 is not dishonor; the bank must notify its transferor of such refusal
 7 but need not present the draft again until it is instructed to do so or
 8 learns of the arrival of the goods.

1 **SEC. 4503. Responsibility of presenting bank for documents and**
 2 **goods—report of reasons for dishonor—referee in case of need.** Un-
 3 less otherwise instructed and except as provided in Article 5 a bank
 4 presenting a documentary draft

5 *a.* must deliver the documents to the drawee on acceptance of the
 6 draft if it is payable more than three days after presentment; other-
 7 wise, only on payment; and

8 *b.* upon dishonor, either in the case of presentment for acceptance
 9 or presentment for payment, may seek and follow instructions from
 10 any referee in case of need designated in the draft or if the present-
 11 ing bank does not choose to utilize his services it must use diligence
 12 and good faith to ascertain the reason for dishonor, must notify its
 13 transferor of the dishonor and of the results of its effort to ascertain
 14 the reasons therefor and must request instructions.

15 But the presenting bank is under no obligation with respect to goods
 16 represented by the documents except to follow any reasonable in-
 17 structions seasonably received; it has a right to reimbursement for
 18 any expense incurred in following instructions and to prepayment of
 19 or indemnity for such expenses.

1 **SEC. 4504. Privilege of presenting bank to deal with goods—se-**
 2 **curity interest for expenses.**

3 1. A presenting bank which, following the dishonor of a documen-
 4 tary draft, has seasonably requested instructions but does not receive
 5 them within a reasonable time may store, sell, or otherwise deal with
 6 the goods in any reasonable manner.

7 2. For its reasonable expenses incurred by action under subsection
 8 1 the presenting bank has a lien upon the goods or their proceeds,
 9 which may be foreclosed in the same manner as an unpaid seller's
 10 lien.

ARTICLE 5

LETTERS OF CREDIT

1 **SEC. 5101. Short title.** This Article shall be known and may be
 2 cited as Uniform Commercial Code—Letters of Credit.

1 **SEC. 5102. Scope.**

2 1. This Article applies

3 *a.* to a credit issued by a bank if the credit requires a documentary
 4 draft or a documentary demand for payment; and

5 *b.* to a credit issued by a person other than a bank if the credit
 6 requires that the draft or demand for payment be accompanied by a
 7 document of title; and

8 *c.* to a credit issued by a bank or other person if the credit is not
 9 within subparagraphs *a* or *b* but conspicuously states that it is a
 10 letter of credit or is conspicuously so entitled.

11 2. Unless the engagement meets the requirements of subsection 1,
 12 this Article does not apply to engagements to make advances or to
 13 honor drafts or demands for payment, to authorities to pay or pur-

14 chase, to guarantees or to general agreements.

15 3. This Article deals with some but not all of the rules and con-
 16 cepts of letters of credit as such rules or concepts have developed
 17 prior to this Act or may hereafter develop. The fact that this Article
 18 states a rule does not by itself require, imply or negate application of
 19 the same or a converse rule to a situation not provided for or to a
 20 person not specified by this Article.

1 SEC. 5103. **Definitions.**

2 1. In this Article unless the context otherwise requires

3 a. "Credit" or "letter of credit" means an engagement by a bank
 4 or other person made at the request of a customer and of a kind
 5 within the scope of this Article (Section 5102) that the issuer will
 6 honor drafts or other demands for payment upon compliance with
 7 the conditions specified in the credit. A credit may be either revocable
 8 or irrevocable. The engagement may be either an agreement to honor
 9 or a statement that the bank or other person is authorized to honor.

10 b. A "documentary draft" or a "documentary demand for pay-
 11 ment" is one honor of which is conditioned upon the presentation of a
 12 document or documents. "Document" means any paper including
 13 document of title, security, invoice, certificate, notice of default and
 14 the like.

15 c. An "issuer" is a bank or other person issuing a credit.

16 d. A "beneficiary" of a credit is a person who is entitled under its
 17 terms to draw or demand payment.

18 e. An "advising bank" is a bank which gives notification of the
 19 issuance of a credit by another bank.

20 f. A "confirming bank" is a bank which engages either that it will
 21 itself honor a credit already issued by another bank or that such a
 22 credit will be honored by the issuer or a third bank.

23 g. A "customer" is a buyer or other person who causes an issuer to
 24 issue a credit. The term also includes a bank which procures issu-
 25 ance or confirmation on behalf of that bank's customer.

26 2. Other definitions applying to this Article and the sections in
 27 which they appear are:

28 "Notation of Credit".

Section 5108.

29 "Presenter".

Section 5112 sub. 3.

30 3. Definitions in other Articles applying to this Article and the sec-
 31 tions in which they appear are:

32 "Accept" or "Acceptance".

Section 3410.

33 "Contract for sale".

Section 2106.

34 "Draft".

Section 3104.

35 "Holder in due course".

Section 3302.

36 "Midnight deadline".

Section 4104.

37 "Security".

Section 8102.

38 4. In addition, Article 1 contains general definitions and principles
 39 of construction and interpretation applicable throughout this Article.

1 SEC. 5104. **Formal requirements—signing.**

2 1. Except as otherwise required in subsection 1 c of Section 5102
 3 on scope, no particular form of phrasing is required for a credit. A
 4 credit must be in writing and signed by the issuer and a confirmation
 5 must be in writing and signed by the confirming bank. A modification

6 of the terms of a credit or confirmation must be signed by the issuer
7 or confirming bank.

8 2. A telegram may be a sufficient signed writing if it identifies its
9 sender by an authorized authentication. The authentication may be in
10 code and the authorized naming of the issuer in an advice of credit
11 is a sufficient signing.

1 **SEC. 5105. Consideration.** No consideration is necessary to es-
2 tablish a credit or to enlarge or otherwise modify its terms.

1 **SEC. 5106. Time and effect of establishment of credit.**

2 1. Unless otherwise agreed a credit is established

3 *a.* as regards the customer as soon as a letter of credit is sent to
4 him or the letter of credit or an authorized written advice of its issu-
5 ance is sent to the beneficiary; and

6 *b.* as regards the beneficiary when he receives a letter of credit or
7 an authorized written advice of its issuance.

8 2. Unless otherwise agreed once an irrevocable credit is established
9 as regards the customer it can be modified or revoked only with the
10 consent of the customer and once it is established as regards the
11 beneficiary it can be modified or revoked only with his consent.

12 3. Unless otherwise agreed after a revocable credit is established
13 it may be modified or revoked by the issuer without notice to or con-
14 sent from the customer or beneficiary.

15 4. Notwithstanding any modification or revocation of a revocable
16 credit any person authorized to honor or negotiate under the terms
17 of the original credit is entitled to reimbursement for or honor of any
18 draft or demand for payment duly honored or negotiated before re-
19 ceipt of notice of the modification or revocation and the issuer in turn
20 is entitled to reimbursement from its customer.

1 **SEC. 5107. Advice of credit—confirmation—error in statement of**
2 **terms.**

3 1. Unless otherwise specified an advising bank by advising a credit
4 issued by another bank does not assume any obligation to honor
5 drafts drawn or demands for payment made under the credit but it
6 does assume obligation for the accuracy of its own statement.

7 2. A confirming bank by confirming a credit becomes directly obli-
8 gated on the credit to the extent of its confirmation as though it were
9 its issuer and acquires the rights of an issuer.

10 3. Even though an advising bank incorrectly advises the terms of
11 a credit it has been authorized to advise the credit is established as
12 against the issuer to the extent of its original terms.

13 4. Unless otherwise specified the customer bears as against the
14 issuer all risks of transmission and reasonable translation or inter-
15 pretation of any message relating to a credit.

1 **SEC. 5108. "Notation credit"—exhaustion of credit.**

2 1. A credit which specifies that any person purchasing or paying
3 drafts drawn or demands for payment made under it must note the
4 amount of the draft or demand on the letter or advice of credit is a
5 "notation credit".

6 2. Under a notation credit

7 *a.* a person paying the beneficiary or purchasing a draft or demand
8 for payment from him acquires a right to honor only if the appro-

9 puate notation is made and by transferring or forwarding for honor
10 the documents under the credit such a person warrants to the issuer
11 that the notation has been made; and

12 b. unless the credit or a signed statement that an appropriate nota-
13 tion has been made accompanies the draft or demand for payment
14 the issuer may delay honor until evidence of notation has been pro-
15 cured which is satisfactory to it but its obligation and that of its
16 customer continue for a reasonable time not exceeding thirty days to
17 obtain such evidence.

18 3. If the credit is not a notation credit

19 a. the issuer may honor complying drafts or demands for payment
20 presented to it in the order in which they are presented and is dis-
21 charged pro tanto by honor of any such draft or demand;

22 b. as between competing good faith purchasers of complying drafts
23 or demands the person first purchasing has priority over a subsequent
24 purchaser even though the later purchased draft or demand has been
25 first honored.

1 **SEC. 5109. Issuer's obligation to its customer.**

2 1. An issuer's obligation to its customer includes good faith and
3 observance of any general banking usage but unless otherwise agreed
4 does not include liability or responsibility

5 a. for performance of the underlying contract for sale or other
6 transaction between the customer and the beneficiary; or

7 b. for any act or omission of any person other than itself or its own
8 branch or for loss or destruction of a draft, demand or document in
9 transit or in the possession of others; or

10 c. based on knowledge or lack of knowledge of any usage of any
11 particular trade.

12 2. An issuer must examine documents with care so as to ascertain
13 that on their face they appear to comply with the terms of the credit
14 but unless otherwise agreed assumes no liability or responsibility for
15 the genuineness, falsification or effect of any document which appears
16 on such examination to be regular on its face.

17 3. A nonbank issuer is not bound by any banking usage of which it
18 has no knowledge.

1 **SEC. 5110. Availability of credit in portions—presenter's reserva-**
2 **tion of lien or claim.**

3 1. Unless otherwise specified a credit may be used in portions in
4 the discretion of the beneficiary.

5 2. Unless otherwise specified a person by presenting a documentary
6 draft or demand for payment under a credit relinquishes upon its
7 honor all claims to the documents and a person by transferring such
8 draft or demand or causing such presentment authorizes such relin-
9 quishment. An explicit reservation of claim makes the draft or de-
10 mand noncomplying.

1 **SEC. 5111. Warranties on transfer and presentment.**

2 1. Unless otherwise agreed the beneficiary by transferring or pre-
3 senting a documentary draft or demand for payment warrants to all
4 interested parties that the necessary conditions of the credit have
5 been complied with. This is in addition to any warranties arising
6 under Articles 3, 4, 7 and 8.

7 2. Unless otherwise agreed a negotiating, advising, confirming, col-
 8 lecting or issuing bank presenting or transferring a draft or demand
 9 for payment under a credit warrants only the matters warranted by
 10 a collecting bank under Article 4 and any such bank transferring a
 11 document warrants only the matters warranted by an intermediary
 12 under Articles 7 and 8.

1 **SEC. 5112. Time allowed for honor or rejection — withholding**
 2 **honor or rejection by consent—"presenter".**

3 1. A bank to which a documentary draft or demand for payment is
 4 presented under a credit may without dishonor of the draft, demand
 5 or credit

6 a. defer honor until the close of the third banking day following
 7 receipt of the documents; and

8 b. further defer honor if the presenter has expressly or impliedly
 9 consented thereto.

10 Failure to honor within the time here specified constitutes dishonor
 11 of the draft or demand and of the credit except as otherwise provided
 12 in subsection 4 of Section 5114 on conditional payment.

13 2. Upon dishonor the bank may unless otherwise instructed fulfill
 14 its duty to return the draft or demand and the documents by holding
 15 them at the disposal of the presenter and sending him an advice to
 16 that effect.

17 3. "Presenter" means any person presenting a draft or demand for
 18 payment for honor under a credit even though that person is a con-
 19 firming bank or other correspondent which is acting under an issuer's
 20 authorization.

1 **SEC. 5113. Indemnities.**

2 1. A bank seeking to obtain (whether for itself or another) honor,
 3 negotiation or reimbursement under a credit may give an indemnity
 4 to induce such honor, negotiation or reimbursement.

5 2. An indemnity agreement inducing honor, negotiation or reim-
 6 bursement

7 a. unless otherwise explicitly agreed applies to defects in the docu-
 8 ments but not in the goods; and

9 b. unless a longer time is explicitly agreed expires at the end of
 10 ten business days following receipt of the documents by the ultimate
 11 customer unless notice of objection is sent before such expiration
 12 date. The ultimate customer may send notice of objection to the per-
 13 son from whom he received the documents and any bank receiving
 14 such notice is under a duty to send notice to its transferor before its
 15 midnight deadline.

1 **SEC. 5114. Issuer's duty and privilege to honor—right to reim-**
 2 **bursement.**

3 1. An issuer must honor a draft or demand for payment which
 4 complies with the terms of the relevant credit regardless of whether
 5 the goods or documents conform to the underlying contract for sale
 6 or other contract between the customer and the beneficiary. The
 7 issuer is not excused from honor of such a draft or demand by reason
 8 of an additional general term that all documents must be satisfactory
 9 to the issuer, but an issuer may require that specified documents
 10 must be satisfactory to it.

11 2. Unless otherwise agreed when documents appear on their face
 12 to comply with the terms of a credit but a required document does
 13 not in fact conform to the warranties made on negotiation or transfer
 14 of a document of title (Section 7507) or of a security (Section 8306)
 15 or is forged or fraudulent or there is fraud in the transaction

16 a. the issuer must honor the draft or demand for payment if honor
 17 is demanded by a negotiating bank of other holder of the draft or
 18 demand which has taken the draft or demand under the credit and
 19 under circumstances which would make it a holder in due course
 20 (Section 3302) and in an appropriate case would make it a person to
 21 whom a document of title has been duly negotiated (Section 7502)
 22 or a bona fide purchaser of a security (Section 8302); and

23 b. in all other cases as against its customer, an issuer acting in
 24 good faith may honor the draft or demand for payment despite noti-
 25 fication from the customer of fraud, forgery or other defect not
 26 apparent on the face of the documents but a court of appropriate
 27 jurisdiction may enjoin such honor.

28 3. Unless otherwise agreed an issuer which has duly honored a
 29 draft or demand for payment is entitled to immediate reimbursement
 30 of any payment made under the credit and to be put in effectively
 31 available funds not later than the day before maturity of any ac-
 32 ceptance made under the credit.

33 4. When a credit provides for payment by the issuer on receipt of
 34 notice that the required documents are in the possession of a cor-
 35 respondent or other agent of the issuer

36 a. any payment made on receipt of such notice is conditional; and

37 b. the issuer may reject documents which do not comply with the
 38 credit if it does so within three banking days following its receipt of
 39 the documents; and

40 c. in the event of such rejection, the issuer is entitled by charge-
 41 back or otherwise to return of the payment made.

42 5. In the case covered by subsection 4 failure to reject documents
 43 within the time specified in subparagraph b constitutes acceptance of
 44 the documents and makes the payment final in favor of the bene-
 45 ficiary.

1 SEC. 5115. Remedy for improper dishonor or anticipatory repudi-
 2 ation.

3 1. When an issuer wrongfully dishonors a draft or demand for pay-
 4 ment presented under a credit the person entitled to honor has with
 5 respect to any documents the rights of a person in the position of a
 6 seller (Section 2707) and may recover from the issuer the face
 7 amount of the draft or demand together with incidental damages
 8 under Section 2710 on seller's incidental damages and interest but
 9 less any amount realized by resale or other use or disposition of the
 10 subject matter of the transaction. In the event no resale or other
 11 utilization is made the documents, goods or other subject matter
 12 involved in the transaction must be turned over to the issuer on pay-
 13 ment of judgment.

14 2. When an issuer wrongfully cancels or otherwise repudiates a
 15 credit before presentment of a draft or demand for payment drawn
 16 under it the beneficiary has the rights of a seller after anticipatory
 17 repudiation by the buyer under Section 2610 if he learns of the re-

18 pudiation in time reasonably to avoid procurement of the required
19 documents. Otherwise the beneficiary has an immediate right of
20 action for wrongful dishonor.

1 **SEC. 5116. Transfer and assignment.**

2 1. The right to draw under a credit can be transferred or assigned
3 only when the credit is expressly designated as transferable or assign-
4 able.

5 2. Even though the credit specifically states that it is nontransfer-
6 able or nonassignable the beneficiary may before performance of the
7 conditions of the credit assign his right to proceeds. Such an assign-
8 ment is an assignment of a contract right under Article 9 on Secured
9 Transactions and is governed by that Article except that

10 *a.* the assignment is ineffective until the letter of credit or advice
11 of credit is delivered to the assignee which delivery constitutes per-
12 fection of the security interest under Article 9; and

13 *b.* the issuer may honor drafts or demands for payment drawn
14 under the credit until it receives a notification of the assignment
15 signed by the beneficiary which reasonably identifies the credit in-
16 volved in the assignment and contains a request to pay the assignee;
17 and

18 *c.* after what reasonably appears to be such a notification has been
19 received the issuer may without dishonor refuse to accept or pay even
20 to a person otherwise entitled to honor until the letter of credit or
21 advice of credit is exhibited to the issuer.

22 3. Except where the beneficiary has effectively assigned his right
23 to draw or his right to proceeds, nothing in this section limits his
24 right to transfer or negotiate drafts or demands drawn under the
25 credit.

1 **SEC. 5117. Insolvency of bank holding funds for documentary
2 credit.**

3 1. Where an issuer or an advising or confirming bank or a bank
4 which has for a customer procured issuance of a credit by another
5 bank becomes insolvent before final payment under the credit and the
6 credit is one to which this Article is made applicable by paragraphs
7 *a* or *b* of Section 5102 subsection 1 on scope, the receipt or allocation
8 of funds or collateral to secure or meet obligations under the credit
9 shall have the following results:

10 *a.* to the extent of any funds or collateral turned over after or
11 before the insolvency as indemnity against or specifically for the
12 purpose of payment of drafts or demands for payment drawn under
13 the designated credit, the drafts or demands are entitled to payment
14 in preference over depositors or other general creditors of the issuer
15 or bank; and

16 *b.* on expiration of the credit or surrender of the beneficiary's
17 rights under it unused any person who has given such funds or col-
18 lateral is similarly entitled to return thereof; and

19 *c.* a change to a general or current account with a bank if specifical-
20 ly consented to for the purpose of indemnity against or payment of
21 drafts or demands for payment drawn under the designated credit
22 falls under the same rules as if the funds had been drawn out in cash
23 and then turned over with specific instructions.

24 2. After honor or reimbursement under this section the customer

25 or other person for whose account the insolvent bank has acted is
26 entitled to receive the documents involved.

ARTICLE 6

BULK TRANSFERS

1 SEC. 6101. **Short title.** This Article shall be known and may be
2 cited as Uniform Commercial Code—Bulk Transfers.

1 SEC. 6102. **“Bulk transfers” — transfers of equipment — enter-**
2 **prises subject to this Article—bulk transfers subject to this Article.**

3 1. A “bulk transfer” is any transfer in bulk and not in the ordinary
4 course of the transferor’s business of a major part in value of the
5 materials, supplies, merchandise or other inventory (Section 9109)
6 of an enterprise subject to this Article.

7 2. A transfer of a substantial part of the equipment (Section 9109)
8 of such an enterprise is a bulk transfer if it is made in connection
9 with a bulk transfer of inventory, but not otherwise.

10 3. The enterprises subject to this Article are all those whose prin-
11 cipal business is the sale of merchandise from stock, including those
12 who manufacture what they sell.

13 4. Except as limited by the following section all bulk transfers of
14 goods located within this state are subject to this Article.

1 SEC. 6103. **Transfers excepted from this Article.** The following
2 transfers are not subject to this Article:

3 1. Those made to give security for the performance of an obliga-
4 tion;

5 2. General assignments for the benefit of all the creditors of the
6 transferor, and subsequent transfers by the assignee thereunder;

7 3. Transfers in settlement or realization of a lien or other security
8 interest;

9 4. Sales by executors, administrators, receivers, trustees in bank-
10 ruptcy, or any public officer under judicial process;

11 5. Sales made in the course of judicial or administrative proceed-
12 ings for the dissolution or reorganization of a corporation and of
13 which notice is sent to the creditors of the corporation pursuant to
14 order of the court or administrative agency;

15 6. Transfers to a person maintaining a known place of business in
16 this State who becomes bound to pay the debts of the transferor in
17 full and gives public notice of that fact, and who is solvent after be-
18 coming so bound;

19 7. A transfer to a new business enterprise organized to take over
20 and continue the business, if public notice of the transaction is given
21 and the new enterprise assumes the debts of the transferor and he
22 receives nothing from the transaction except an interest in the new
23 enterprise junior to the claims of creditors;

24 8. Transfers of property which is exempt from execution. Public
25 notice under subsection 6 or subsection 7 may be given by publishing
26 once a week for two consecutive weeks in a newspaper of general
27 circulation where the transferor had its principal place of business in
28 this state an advertisement including the names and addresses of the
29 transferor and transferee and the effective date of the transfer.

1 **SEC. 6104. Schedule of property, list of creditors.**

2 1. Except as provided with respect to auction sales (Section 6108),
3 a bulk transfer subject to this Article is ineffective against any
4 creditor of the transferor unless:

5 a. The transferee requires the transferor to furnish a list of his
6 existing creditors prepared as stated in this section; and

7 b. The parties prepare a schedule of the property transferred suffi-
8 cient to identify it; and

9 c. The transferee preserves the list and schedule for six months
10 next following the transfer and permits inspection of either or both
11 and copying therefrom at all reasonable hours by any creditor of the
12 transferor, or files the list and schedule in the office of the Recorder in
13 the county or counties where the goods are located.

14 2. The list of creditors must be signed and sworn to or affirmed by
15 the transferor or his agent. It must contain the names and business
16 addresses of all creditors of the transferor, with the amounts when
17 known, and also the names of all persons who are known to the trans-
18 feror to assert claims against him even though such claims are dis-
19 puted. If the transferor is the obligor of an outstanding issue of
20 bonds, debentures or the like as to which there is an indenture trust-
21 ee, the list of creditors need include only the name and address of
22 the indenture trustee and the aggregate outstanding principal amount
23 of the issue.

24 3. Responsibility for the completeness and accuracy of the list of
25 creditors rests on the transferor, and the transfer is not rendered
26 ineffective by errors or omissions therein unless the transferee is
27 shown to have had knowledge.

1 **SEC. 6105. Notice to creditors.** In addition to the requirements
2 of the preceding section, any bulk transfer subject to this Article
3 except one made by auction sale (Section 6108) is ineffective against
4 any creditor of the transferor unless at least ten days before he takes
5 possession of the goods or pays for them, whichever happens first, the
6 transferee gives notice of the transfer in the manner and to the per-
7 sons hereafter provided (Section 6107).

1 **SEC. 6106.** This section reserved for future use.

1 **SEC. 6107. The notice.**

2 1. The notice to creditors (Section 6105) shall state:

3 a. that a bulk transfer is about to be made; and

4 b. the names and business addresses of the transferor and trans-
5 feree, and all other business names and addresses used by the trans-
6 feror within three years last past so far as known to the transferee;
7 and

8 c. whether or not all the debts of the transferor are to be paid in
9 full as they fall due as a result of the transaction, and if so, the
10 address to which creditors should send their bills.

11 2. If the debts of the transferor are not to be paid in full as they
12 fall due or if the transferee is in doubt on that point then the notice
13 shall state further:

14 a. the location and general description of the property to be trans-
15 ferred and the estimated total of the transferor's debts;

16 b. the address where the schedule of property and list of creditors

17 (Section 6104) may be inspected;

18 *c.* whether the transfer is to pay existing debts and if so the
19 amount of such debts and to whom owing;

20 *d.* whether the transfer is for new consideration and if so the
21 amount of such consideration and the time and place of payment.

22 3. The notice in any case shall be delivered personally or sent by
23 registered or certified mail to all the persons shown on the list of
24 creditors furnished by the transferor (Section 6104) and to all other
25 persons who are known to the transferee to hold or assert claims
26 against the transferor.

1 **SEC. 6108. Auction sales—"auctioneer".**

2 1. A bulk transfer is subject to this Article even though it is by
3 sale at auction, but only in the manner and with the results stated in
4 this section.

5 2. The transferor shall furnish a list of his creditors and assist in
6 the preparation of a schedule of the property to be sold, both pre-
7 pared as before stated (Section 6104).

8 3. The person or persons other than the transferor who direct,
9 control or are responsible for the auction are collectively called the
10 "auctioneer". The auctioneer shall:

11 *a.* receive and retain the list of creditors and prepare and retain
12 the schedule of property for the period stated in this Article (Sec-
13 tion 6104);

14 *b.* give notice of the auction personally or by registered or certified
15 mail at least ten days before it occurs to all persons shown on the list
16 of creditors and to all other persons who are known to him to hold or
17 assert claims against the transferor.

18 4. Failure of the auctioneer to perform any of these duties does
19 not affect the validity of the sale or the title of the purchasers, but
20 if the auctioneer knows that the auction constitutes a bulk transfer
21 such failure renders the auctioneer liable to the creditors of the trans-
22 feror as a class for the sums owing to them from the transferor up
23 to but not exceeding the net proceeds of the auction. If the auctioneer
24 consists of several persons their liability is joint and several.

1 **SEC. 6109. What creditors protected.** The creditors of the trans-
2 feror mentioned in this Article are those holding claims based on
3 transactions or events occurring before the bulk transfer, but cred-
4 itors who become such after notice to creditors is given (Sections
5 6105 and 6107) are not entitled to notice.

1 **SEC. 6110. Subsequent transfers.** When the title of a transferee
2 to property is subject to a defect by reason of his noncompliance with
3 the requirements of this Article, then:

4 1. a purchaser of any of such property from such transferee who
5 pays no value or who takes with notice of such noncompliance takes
6 subject to such defect, but

7 2. a purchaser for value in good faith and without such notice takes
8 free of such defect.

1 **SEC. 6111. Limitation of actions and levies.** No action under this
2 Article shall be brought nor levy made more than six months after
3 the date on which the transferee took possession of the goods unless

4 the transfer has been concealed. If the transfer has been concealed,
5 actions may be brought or levies made within six months after its
6 discovery.

ARTICLE 7

WAREHOUSE RECEIPTS, BILLS OF LADING AND OTHER DOCUMENTS OF TITLE

PART 1

GENERAL

1 SEC. 7101. **Short title.** This Article shall be known and may be
2 cited as Uniform Commercial Code—Documents of Title.

1 SEC. 7102. **Definitions and index of definitions.**

2 1. In this Article, unless the context otherwise requires:

3 a. "Bailee" means the person who by a warehouse receipt, bill of
4 lading or other document of title acknowledges possession of goods
5 and contracts to deliver them.

6 b. "Consignee" means the person named in a bill to whom or to
7 whose order the bill promises delivery.

8 c. "Consignor" means the person named in a bill as the person
9 from whom the goods have been received for shipment.

10 d. "Delivery order" means a written order to deliver goods directed
11 to a warehouseman, carrier or other person who in the ordinary
12 course of business issues warehouse receipts or bills of lading.

13 e. "Document" means document of title as defined in the general
14 definitions in Article 1 (Section 1201).

15 f. "Goods" means all things which are treated as movable for the
16 purposes of a contract of storage or transportation.

17 g. "Issuer" means a bailee who issues a document except that in
18 relation to an unaccepted delivery order it means the person who
19 orders the possessor of goods to deliver. Issuer includes any person
20 for whom an agent or employee purports to act in issuing a document
21 if the agent or employee has real or apparent authority to issue docu-
22 ments, notwithstanding that the issuer received no goods or that the
23 goods were misdescribed or that in any other respect the agent or
24 employee violated his instructions.

25 h. "Warehouseman" is a person engaged in the business of storing
26 goods for hire.

27 2. Other definitions applying to this Article or to specified Parts
28 thereof, and the sections in which they appear are:

29 "Duly negotiate". Section 7501.

30 "Person entitled under the document". Section 7403 subsection 4.

31 3. Definitions in other Articles applying to this Article and the sec-
32 tions in which they appear are:

33 "Contract for sale". Section 2106.

34 "Overseas". Section 2323.

35 "Receipt" of goods. Section 2103.

36 4. In addition Article 1 contains general definitions and principles
37 of construction and interpretation applicable throughout this Article.

1 SEC. 7103. **Relation of Article to treaty, statute, tariff, classifica-
2 tion or regulation.** To the extent that any treaty or statute of the

3 United States, regulatory statute of this State or tariff, classification
4 or regulation filed or issued pursuant thereto is applicable, the pro-
5 visions of this Article are subject thereto.

1 **SEC. 7104. Negotiable and nonnegotiable warehouse receipt, bill**
2 **of lading or other document of title.**

3 1. A warehouse receipt, bill of lading or other document of title is
4 negotiable

5 *a.* if by its terms the goods are to be delivered to bearer or to the
6 order of a named person; or

7 *b.* where recognized in overseas trade, if it runs to a named person
8 or assigns.

9 2. Any other document is nonnegotiable. A bill of lading in which
10 it is stated that the goods are consigned to a named person is not
11 made negotiable by a provision that the goods are to be delivered
12 only against a written order signed by the same or another named
13 person.

1 **SEC. 7105. Construction against negative implication.** The omis-
2 sion from either Part 2 or Part 3 of this Article of a provision cor-
3 responding to a provision made in the other Part does not imply that
4 a corresponding rule of law is not applicable.

PART 2

WAREHOUSE RECEIPTS: SPECIAL PROVISIONS

1 **SEC. 7201. Who may issue a warehouse receipt—storage under**
2 **government bond.**

3 1. A warehouse receipt may be issued by any warehouseman.

4 2. Where goods including distilled spirits and agricultural com-
5 modities are stored under a statute requiring a bond against with-
6 drawal or a license for the issuance of receipts in the nature of ware-
7 house receipts, a receipt issued for the goods has like effect as a ware-
8 house receipt even though issued by a person who is the owner of the
9 goods and is not a warehouseman.

1 **SEC. 7202. Form of warehouse receipt—essential terms—optional**
2 **terms.**

3 1. A warehouse receipt need not be in any particular form.

4 2. Unless a warehouse receipt embodies within its written or
5 printed terms each of the following, the warehouseman is liable for
6 damages caused by the omission to a person injured thereby:

7 *a.* the location of the warehouse where the goods are stored;

8 *b.* the date of issue of the receipt;

9 *c.* the consecutive number of the receipt;

10 *d.* a statement whether the goods received will be delivered to the
11 bearer, to a specified person, or to a specified person or his order;

12 *e.* the rate of storage and handling charges, except that where
13 goods are stored under a field warehousing arrangement a statement
14 of that fact is sufficient on a nonnegotiable receipt;

15 *f.* a description of the goods or of the packages containing them;

16 *g.* the signature of the warehouseman, which may be made by his
17 authorized agent;

18 *h.* if the receipt is issued for goods of which the warehouseman is

19 owner, either solely or jointly or in common with others, the fact of
20 such ownership; and

21 *i.* a statement of the amount of advances made and of liabilities
22 incurred for which the warehouseman claims a lien or security
23 interest (Section 7209). If the precise amount of such advances made
24 or of such liabilities incurred is, at the time of the issue of the re-
25 ceipt, unknown to the warehouseman or to his agent who issues it,
26 a statement of the fact that advances have been made or liabilities
27 incurred and the purpose thereof is sufficient.

28 3. A warehouseman may insert in his receipt any other terms
29 which are not contrary to the provisions of this Act and do not im-
30 pair his obligation of delivery (Section 7403) or his duty of care
31 (Section 7204). Any contrary provisions shall be ineffective.

1 **SEC. 7203. Liability for nonreceipt or misdescription.** A party
2 to or purchaser for value in good faith of a document of title other
3 than a bill of lading relying in either case upon the description therein
4 of the goods may recover from the issuer damages caused by the non-
5 receipt or misdescription of the goods, except to the extent that the
6 document conspicuously indicates that the issuer does not know
7 whether any part or all of the goods in fact were received or con-
8 form to the description, as where the description is in terms of marks
9 or labels or kind, quantity or condition, or the receipt or description
10 is qualified by "contents, condition and quality unknown", "said to
11 contain" or the like, if such indication be true, or the party or pur-
12 chaser otherwise has notice.

1 **SEC. 7204. Duty of care—contractual limitation of warehouse-**
2 **man's liability.**

3 1. A warehouseman is liable for damages for loss of or injury to
4 the goods caused by his failure to exercise such care in regard to
5 them as a reasonably careful man would exercise under like circum-
6 stances but unless otherwise agreed he is not liable for damages
7 which could not have been avoided by the exercise of such care.

8 2. Damages may be limited by a term in the warehouse receipt or
9 storage agreement limiting the amount of liability in case of loss or
10 damage, and setting forth a specific liability per article or item, or
11 value per unit of weight, beyond which the warehouseman shall not
12 be liable; provided, however, that such liability may on written re-
13 quest of the bailor at the time of signing such storage agreement or
14 within a reasonable time after receipt of the warehouse receipt be
15 increased on part or all of the goods thereunder, in which event in-
16 creased rates may be charged based on such increased valuation, but
17 that no such increase shall be permitted contrary to a lawful limita-
18 tion of liability contained in the warehouseman's tariff, if any. No
19 such limitation is effective with respect to the warehouseman's liabil-
20 ity for conversion to his own use.

21 3. Reasonable provisions as to the time and manner of presenting
22 claims and instituting actions based on the bailment may be included
23 in the warehouse receipt or tariff.

1 **SEC. 7205. Title under warehouse receipt defeated in certain**
2 **cases.** A buyer in the ordinary course of business of fungible goods
3 sold and delivered by a warehouseman who is also in the business of

4 buying and selling such goods takes free of any claim under a ware-
5 house receipt even though it has been duly negotiated.

1 **SEC. 7206. Termination of storage at warehouseman's option.**

2 1. A warehouseman may on notifying the person on whose account
3 the goods are held and any other person known to claim an interest in
4 the goods require payment of any charges and removal of the goods
5 from the warehouse at the termination of the period of storage fixed
6 by the document, or, if no period is fixed, within a stated period not
7 less than thirty days after the notification. If the goods are not re-
8 moved before the date specified in the notification, the warehouseman
9 may sell them in accordance with the provisions of the section on
10 enforcement of a warehouseman's lien (Section 7210).

11 2. If a warehouseman in good faith believes that the goods are
12 about to deteriorate or decline in value to less than the amount of his
13 lien within the time prescribed in subsection 1 for notification, ad-
14 vertisement and sale, the warehouseman may specify in the notifica-
15 tion any reasonable shorter time for removal of the goods and in case
16 the goods are not removed, may sell them at public sale held not less
17 than one week after a single advertisement or posting.

18 3. If as a result of a quality or condition of the goods of which the
19 warehouseman had no notice at the time of deposit the goods are a
20 hazard to other property or to the warehouse or to persons, the ware-
21 houseman may sell the goods at public or private sale without ad-
22 vertisement on reasonable notification to all persons known to claim
23 an interest in the goods. If the warehouseman after a reasonable
24 effort is unable to sell the goods he may dispose of them in any law-
25 ful manner and shall incur no liability by reason of such disposition.

26 4. The warehouseman must deliver the goods to any person entitled
27 to them under this Article upon due demand made at any time prior
28 to sale or other disposition under this section.

29 5. The warehouseman may satisfy his lien from the proceeds of
30 any sale or disposition under this section but must hold the balance
31 for delivery on the demand of any person to whom he would have
32 been bound to deliver the goods.

1 **SEC. 7207. Goods must be kept separate—fungible goods.**

2 1. Unless the warehouse receipt otherwise provides, a warehouse-
3 man must keep separate the goods covered by each receipt so as to
4 permit at all times identification and delivery of those goods except
5 that different lots of fungible goods may be commingled.

6 2. Fungible goods so commingled are owned in common by the per-
7 sons entitled thereto and the warehouseman is severally liable to each
8 owner for that owner's share. Where because of overissue a mass of
9 fungible goods is insufficient to meet all the receipts which the ware-
10 houseman has issued against it, the persons entitled include all hold-
11 ers to whom overissued receipts have been duly negotiated.

1 **SEC. 7208. Altered warehouse receipts.** Where a blank in a
2 negotiable warehouse receipt has been filled in without authority, a
3 purchaser for value and without notice of the want of authority may
4 treat the insertion as authorized. Any other unauthorized alteration
5 leaves any receipt enforceable against the issuer according to its
6 original tenor.

1 **SEC. 7209. Lien of warehouseman.**

2 1. A warehouseman has a lien against the bailor on the goods cov-
3 ered by a warehouse receipt or on the proceeds thereof in his posses-
4 sion for charges for storage or transportation (including demurrage
5 and terminal charges), insurance, labor, or charges present or future
6 in relation to the goods, and for expenses necessary for preservation
7 of the goods or reasonably incurred in their sale pursuant to law. If
8 the person on whose account the goods are held is liable for like
9 charges or expenses in relation to other goods whenever deposited
10 and it is stated in the receipt that a lien is claimed for charges and
11 expenses in relation to other goods, the warehouseman also has a lien
12 against him for such charges and expenses whether or not the other
13 goods have been delivered by the warehouseman. But against a per-
14 son to whom a negotiable warehouse receipt is duly negotiated a
15 warehouseman's lien is limited to charges in an amount or at a rate
16 specified on the receipt or if no charges are so specified then to a
17 reasonable charge for storage of the goods covered by the receipt
18 subsequent to the date of the receipt.

19 2. The warehouseman may also reserve a security interest against
20 the bailor for a maximum amount specified on the receipt for charges
21 other than those specified in subsection 1, such as for money ad-
22 vanced and interest. Such a security interest is governed by the
23 Article on Secured Transactions (Article 9).

24 3. A warehouseman's lien for charges and expenses under subsec-
25 tion 1 or a security interest under subsection 2 is also effective
26 against any person who so entrusted the bailor with possession of
27 the goods that a pledge of them by him to a good faith purchaser for
28 value would have been valid but is not effective against a person as
29 to whom the document confers no right in the goods covered by it
30 under Section 7503.

31 4. A warehouseman loses his lien on any goods which he voluntar-
32 ily delivers or which he unjustifiably refuses to deliver.

1 **SEC. 7210. Enforcement of warehouseman's lien.**

2 1. Except as provided in subsection 2, a warehouseman's lien may
3 be enforced by public or private sale of the goods in block or in par-
4 cels, at any time or place and on any terms which are commercially
5 reasonable, after notifying all persons known to claim an interest in
6 the goods. Such notification must include a statement of the amount
7 due, the nature of the proposed sale and the time and place of any
8 public sale. The fact that a better price could have been obtained by a
9 sale at a different time or in a different method from that selected by
10 the warehouseman is not of itself sufficient to establish that the sale
11 was not made in a commercially reasonable manner. If the warehouse-
12 man either sells the goods in the usual manner in any recognized mar-
13 ket therefor, or if he sells at the price current in such market at the
14 time of his sale, or if he has otherwise sold in conformity with com-
15 mercially reasonable practices among dealers in the type of goods
16 sold, he has sold in a commercially reasonable manner. A sale of
17 more goods than apparently necessary to be offered to insure satis-
18 faction of the obligation is not commercially reasonable except in
19 cases covered by the preceding sentence.

20 2. A warehouseman's lien on goods other than goods stored by a
21 merchant in the course of his business may be enforced only as fol-
22 lows:

23 a. All persons known to claim an interest in the goods must be noti-
24 fied.

25 b. The notification must be delivered in person or sent by registered
26 or certified letter to the last known address of any person to be noti-
27 fied.

28 c. The notification must include an itemized statement of the claim,
29 a description of the goods subject to the lien, a demand for payment
30 within a specified time not less than ten days after receipt of the
31 notification, and a conspicuous statement that unless the claim is paid
32 within that time the goods will be advertised for sale and sold by
33 auction at a specified time and place.

34 d. The sale must conform to the terms of the notification.

35 e. The sale must be held at the nearest suitable place to that where
36 the goods are held or stored.

37 f. After the expiration of the time given in the notification, an ad-
38 vertisement of the sale must be published once a week for two weeks
39 consecutively in a newspaper of general circulation where the sale is
40 to be held. The advertisement must include a description of the
41 goods, the name of the person on whose account they are being held,
42 and the time and place of the sale. The sale must take place at least
43 fifteen days after the first publication. If there is no newspaper of
44 general circulation where the sale is to be held, the advertisement
45 must be posted at least ten days before the sale in not less than six
46 conspicuous places in the neighborhood of the proposed sale.

47 3. Before any sale pursuant to this section any person claiming a
48 right in the goods may pay the amount necessary to satisfy the lien
49 and the reasonable expenses incurred under this section. In that
50 event the goods must not be sold, but must be retained by the ware-
51 houseman subject to the terms of the receipt and this Article.

52 4. The warehouseman may buy at any public sale pursuant to this
53 section.

54 5. A purchaser in good faith of goods sold to enforce a warehouse-
55 man's lien takes the goods free of any rights of persons against whom
56 the lien was valid, despite noncompliance by the warehouseman with
57 the requirements of this section.

58 6. The warehouseman may satisfy his lien from the proceeds of
59 any sale pursuant to this section but must hold the balance, if any,
60 for delivery on demand to any person to whom he would have been
61 bound to deliver the goods.

62 7. The rights provided by this section shall be in addition to all
63 other rights allowed by law to a creditor against his debtor.

64 8. Where a lien is on goods stored by a merchant in the course of
65 his business the lien may be enforced in accordance with either sub-
66 section 1 or 2.

67 9. The warehouseman is liable for damages caused by failure to
68 comply with the requirements for sale under this section and in case
69 of willful violation is liable for conversion.

PART 3

BILLS OF LADING: SPECIAL PROVISIONS

1 **SEC. 7301. Liability for nonreceipt or misdescription—"said to**
2 **contain"—"shipper's load and count"—improper handling.**

3 1. A consignee of a nonnegotiable bill who has given value in good
4 faith or a holder to whom a negotiable bill has been duly negotiated
5 relying in either case upon the description therein of the goods, or
6 upon the date therein shown, may recover from the issuer damages
7 caused by the misdating of the bill or the nonreceipt or misdescription
8 of the goods, except to the extent that the document indicates
9 that the issuer does not know whether any part or all of the goods in
10 fact were received or conform to the description, as where the descrip-
11 tion is in terms of marks or labels or kind, quantity, or condition or
12 the receipt or description is qualified by "contents or condition of con-
13 tents of packages unknown", "said to contain", "shipper's weight, load
14 and count" or the like, if such indication be true.

15 2. When goods are loaded by an issuer who is a common carrier,
16 the issuer must count the packages of goods if package freight and
17 ascertain the kind and quantity if bulk freight. In such cases "ship-
18 per's weight, load and count" or other words indicating that the
19 description was made by the shipper are ineffective except as to
20 freight concealed by packages.

21 3. When bulk freight is loaded by a shipper who makes available
22 to the issuer adequate facilities for weighing such freight, an issuer
23 who is a common carrier must ascertain the kind and quantity within
24 a reasonable time after receiving the written request of the shipper
25 to do so. In such cases "shipper's weight" or other words of like
26 purport are ineffective.

27 4. The issuer may by inserting in the bill the words "shipper's
28 weight, load and count" or other words of like purport indicate that
29 the goods were loaded by the shipper; and if such statement be true
30 the issuer shall not be liable for damages caused by the improper
31 loading. But their omission does not imply liability for such dam-
32 ages.

33 5. The shipper shall be deemed to have guaranteed to the issuer
34 the accuracy at the time of shipment of the description, marks, labels,
35 number, kind, quantity, condition and weight, as furnished by him;
36 and the shipper shall indemnify the issuer against damage caused by
37 inaccuracies in such particulars. The right of the issuer to such in-
38 demnity shall in no way limit his responsibility and liability under the
39 contract of carriage to any person other than the shipper.

1 **SEC. 7302. Through bills of lading and similar documents.**

2 1. The issuer of a through bill of lading or other document embody-
3 ing an undertaking to be performed in part by persons acting as its
4 agents or by connecting carriers is liable to anyone entitled to re-
5 cover on the document for any breach by such other persons or by a
6 connecting carrier of its obligation under the document but to the
7 extent that the bill covers an undertaking to be performed overseas
8 or in territory not contiguous to the continental United States or an
9 undertaking including matters other than transportation this liabil-
10 ity may be varied by agreement of the parties.

11 2. Where goods covered by a through bill of lading or other docu-
 12 ment embodying an undertaking to be performed in part by persons
 13 other than the issuer are received by any such person, he is subject
 14 with respect to his own performance while the goods are in his pos-
 15 session to the obligation of the issuer. His obligation is discharged
 16 by delivery of the goods to another such person pursuant to the docu-
 17 ment, and does not include liability for breach by any other such
 18 persons or by the issuer.

19 3. The issuer of such through bill of lading or other document
 20 shall be entitled to recover from the connecting carrier or such other
 21 person in possession of the goods when the breach of the obligation
 22 under the document occurred, the amount it may be required to pay
 23 to anyone entitled to recover on the document therefor, as may be
 24 evidenced by any receipt, judgment, or transcript thereof, and the
 25 amount of any expense reasonably incurred by it in defending any
 26 action brought by anyone entitled to recover on the document there-
 27 for.

1 **SEC. 7303. Diversion—reconsignment—change of instructions.**

2 1. Unless the bill of lading otherwise provides, the carrier may de-
 3 liver the goods to a person or destination other than that stated in
 4 the bill or may otherwise dispose of the goods on instructions from

- 5 a. the holder of a negotiable bill; or
 6 b. the consignor on a nonnegotiable bill notwithstanding contrary
 7 instructions from the consignee; or
 8 c. the consignee on a nonnegotiable bill in the absence of contrary
 9 instructions from the consignor, if the goods have arrived at the
 10 billed destination or if the consignee is in possession of the bill; or
 11 d. the consignee on a nonnegotiable bill if he is entitled as against
 12 the consignor to dispose of them.

13 2. Unless such instructions are noted on a negotiable bill of lading,
 14 a person to whom the bill is duly negotiated can hold the bailee ac-
 15 cording to the original terms.

1 **SEC. 7304. Bills of lading in a set.**

2 1. Except where customary in overseas transportation, a bill of
 3 lading must not be issued in a set of parts. The issuer is liable for
 4 damages caused by violation of this subsection.

5 2. Where a bill of lading is lawfully drawn in a set of parts, each
 6 of which is numbered and expressed to be valid only if the goods
 7 have not been delivered against any other part, the whole of the parts
 8 constitute one bill.

9 3. Where a bill of lading is lawfully issued in a set of parts and
 10 different parts are negotiated to different persons, the title of the
 11 holder to whom the first due negotiation is made prevails as to both
 12 the document and the goods even though any later holder may have
 13 received the goods from the carrier in good faith and discharged the
 14 carrier's obligation by surrender of his part.

15 4. Any person who negotiates or transfers a single part of a bill of
 16 lading drawn in a set is liable to holders of that part as if it were the
 17 whole set.

18 5. The bailee is obliged to deliver in accordance with Part 4 of this
 19 Article against the first presented part of a bill of lading lawfully

20 drawn in a set. Such delivery discharges the bailee's obligation on
21 the whole bill.

1 **SEC. 7305. Destination bills.**

2 1. Instead of issuing a bill of lading to the consignor at the place
3 of shipment a carrier may at the request of the consignor procure
4 the bill to be issued at destination or at any other place designated in
5 the request.

6 2. Upon request of anyone entitled as against the carrier to control
7 the goods while in transit and on surrender of any outstanding bill of
8 lading or other receipt covering such goods, the issuer may procure a
9 substitute bill to be issued at any place designated in the request.

1 **SEC. 7306. Altered bills of lading.** An unauthorized alteration or
2 filling in of a blank in a bill of lading leaves the bill enforceable ac-
3 cording to its original tenor.

1 **SEC. 7307. Lien of carrier.**

2 1. A carrier has a lien on the goods covered by a bill of lading for
3 charges subsequent to the date of its receipt of the goods for storage
4 or transportation (including demurrage and terminal charges) and
5 for expenses necessary for preservation of the goods incident to their
6 transportation or reasonably incurred in their sale pursuant to law.
7 But against a purchaser for value of a negotiable bill of lading a car-
8 rier's lien is limited to charges stated in the bill or the applicable
9 tariffs, or if no charges are stated then to a reasonable charge.

10 2. A lien for charges and expenses under subsection 1 on goods
11 which the carrier was required by law to receive for transportation
12 is effective against the consignor or any person entitled to the goods
13 unless the carrier had notice that the consignor lacked authority to
14 subject the goods to such charges and expenses. Any other lien under
15 subsection 1 is effective against the consignor and any person who
16 permitted the bailor to have control or possession of the goods unless
17 the carrier had notice that the bailor lacked such authority.

18 3. A carrier loses his lien on any goods which he voluntarily de-
19 livers or which he unjustifiably refuses to deliver.

1 **SEC. 7308. Enforcement of carrier's lien.**

2 1. A carrier's lien may be enforced by public or private sale of the
3 goods, in bloc or in parcels, at any time or place and on any terms
4 which are commercially reasonable, after notifying all persons known
5 to claim an interest in the goods. Such notification must include a
6 statement of the amount due, the nature of the proposed sale and the
7 time and place of any public sale. The fact that a better price could
8 have been obtained by a sale at a different time or in a different
9 method from that selected by the carrier is not of itself sufficient to
10 establish that the sale was not made in a commercially reasonable
11 manner. If the carrier either sells the goods in the usual manner in
12 any recognized market therefor or if he sells at the price current in
13 such market at the time of his sale or if he has otherwise sold in con-
14 formity with commercially reasonable practices among dealers in the
15 type of goods sold he has sold in a commercially reasonable manner. A
16 sale of more goods than apparently necessary to be offered to ensure
17 satisfaction of the obligation is not commercially reasonable except

18 in cases covered by the preceding sentence.

19 2. Before any sale pursuant to this section any person claiming a
20 right in the goods may pay the amount necessary to satisfy the lien
21 and the reasonable expenses incurred under this section. In that
22 event the goods must not be sold, but must be retained by the carrier
23 subject to the terms of the bill and this Article.

24 3. The carrier may buy at any public sale pursuant to this section.

25 4. A purchaser in good faith of goods sold to enforce a carrier's
26 lien takes the goods free of any rights of persons against whom the
27 lien was valid, despite noncompliance by the carrier with the require-
28 ments of this section.

29 5. The carrier may satisfy his lien from the proceeds of any sale
30 pursuant to this section but must hold the balance, if any, for delivery
31 on demand to any person to whom he would have been bound to de-
32 liver the goods.

33 6. The rights provided by this section shall be in addition to all
34 other rights allowed by law to a creditor against his debtor.

35 7. A carrier's lien may be enforced in accordance with either sub-
36 section 1 or the procedure set forth in subsection 2 of Section 7210.

37 8. The carrier is liable for damages caused by failure to comply
38 with the requirements for sale under this section and in case of will-
39 ful violation is liable for conversion.

1 **SEC. 7309. Duty of care—contractual limitation of carrier's lia-**
2 **bility.**

3 1. A carrier who issues a bill of lading whether negotiable or non-
4 negotiable must exercise the degree of care in relation to the goods
5 which a reasonably careful man would exercise under like circum-
6 stances. This subsection does not repeal or change any law or rule of
7 law which imposes liability upon a common carrier for damages not
8 caused by its negligence.

9 2. Damages may be limited by a provision that the carrier's lia-
10 bility shall not exceed a value stated in the document if the carrier's
11 rates are dependent upon value and the consignor by the carrier's
12 tariff is afforded an opportunity to declare a higher value or a value
13 as lawfully provided in the tariff, or where no tariff is filed he is
14 otherwise advised of such opportunity; but no such limitation is
15 effective with respect to the carrier's liability for conversion to its
16 own use.

17 3. Reasonable provisions as to the time and manner of presenting
18 claims and instituting actions based on the shipment may be included
19 in a bill of lading or tariff.

PART 4

WAREHOUSE RECEIPTS AND BILLS OF LADING:
GENERAL OBLIGATIONS

1 **SEC. 7401. Irregularities in issue of receipt or bill or conduct of**
2 **issuer.** The obligations imposed by this Article on an issuer apply
3 to a document of title regardless of the fact that
4 a. the document may not comply with the requirements of this
5 Article or of any other law or regulation regarding its issue, form or
6 content; or

- 7 *b.* the issuer may have violated laws regulating the conduct of his
8 business; or
9 *c.* the goods covered by the document were owned by the bailee at
10 the time the document was issued; or
11 *d.* the person issuing the document does not come within the defi-
12 nition of warehouseman if it purports to be a warehouse receipt.

1 **SEC. 7402. Duplicate receipt or bill—overissue.** Neither a dupli-
2 cate nor any other document of title purporting to cover goods already
3 represented by an outstanding document of the same issuer confers
4 any right in the goods, except as provided in the case of bills in a set,
5 overissue of documents for fungible goods and substitutes for lost,
6 stolen or destroyed documents. But the issuer is liable for damages
7 caused by his overissue or failure to identify a duplicate document as
8 such by conspicuous notation on its face.

1 **SEC. 7403. Obligation of warehouseman or carrier to deliver—**
2 **excuse.**

3 1. The bailee must deliver the goods to a person entitled under the
4 document who complies with subsections 2 and 3, unless and to the
5 extent that the bailee establishes any of the following:

- 6 *a.* delivery of the goods to a person whose receipt was rightful as
7 against the claimant;
8 *b.* damage to or delay, loss or destruction of the goods for which
9 the bailee is not liable, but the burden of establishing negligence in
10 such cases is on the person entitled under the document;
11 *c.* previous sale or other disposition of the goods in lawful enforce-
12 ment of a lien or on warehouseman's lawful termination of storage;
13 *d.* the exercise by a seller of his right to stop delivery pursuant to
14 the provisions of the Article on Sales (Section 2705);
15 *e.* a diversion, reconsignment or other disposition pursuant to the
16 provisions of this Article (Section 7303) or tariff regulating such
17 right;
18 *f.* release, satisfaction or any other fact affording a personal de-
19 fense against the claimant;
20 *g.* any other lawful excuse.

21 2. A person claiming goods covered by a document of title must
22 satisfy the bailee's lien where the bailee so requests or where the
23 bailee is prohibited by law from delivering the goods until the charges
24 are paid.

25 3. Unless the person claiming is one against whom the document
26 confers no right under Section 7503 subsection 1, he must surrender
27 for cancellation or notation of partial deliveries any outstanding
28 negotiable document covering the goods, and the bailee must cancel
29 the document or conspicuously note the partial delivery thereon or be
30 liable to any person to whom the document is duly negotiated.

31 4. "Person entitled under the document" means holder in the case
32 of a negotiable document, or the person to whom delivery is to be
33 made by the terms of or pursuant to written instructions under a non-
34 negotiable document.

1 **SEC. 7404. No liability for good faith delivery pursuant to receipt**
2 **or bill.** A bailee who in good faith including observance of reason-
3 able commercial standards has received goods and delivered or other-

4 wise disposed of them according to the terms of the document of title
 5 or pursuant to this Article is not liable therefor. This rule applies
 6 even though the person from whom he received the goods had no
 7 authority to procure the document or to dispose of the goods and
 8 even though the person to whom he delivered the goods had no au-
 9 thority to receive them.

PART 5

WAREHOUSE RECEIPTS AND BILLS OF LADING:
NEGOTIATION AND TRANSFER1 SEC. 7501. Form of negotiation and requirements of "due negoti-
 2 ation."

3 1. A negotiable document of title running to the order of a named
 4 person is negotiated by his indorsement and delivery. After his in-
 5 dorsement in blank or to bearer any person can negotiate it by de-
 6 livery alone.

7 2. a. A negotiable document of title is also negotiated by delivery
 8 alone when by its original terms it runs to bearer.

9 b. When a document running to the order of a named person is
 10 delivered to him the effect is the same as if the document had been
 11 negotiated.

12 3. Negotiation of a negotiable document of title after it has been
 13 indorsed to a specified person requires indorsement by the special
 14 indorsee as well as delivery.

15 4. A negotiable document of title is "duly negotiated" when it is
 16 negotiated in the manner stated in this section to a holder who pur-
 17 chases it in good faith without notice of any defense against or claim
 18 to it on the part of any person and for value, unless it is established
 19 that the negotiation is not in the regular course of business or financ-
 20 ing or involves receiving the document in settlement or payment of
 21 a money obligation.

22 5. Indorsement of a nonnegotiable document neither makes it
 23 negotiable nor adds to the transferee's rights.

24 6. The naming in a negotiable bill of a person to be notified of the
 25 arrival of the goods does not limit the negotiability of the bill nor
 26 constitute notice to a purchaser thereof of any interest of such person
 27 in the goods.

1 SEC. 7502. Rights acquired by due negotiation.

2 1. Subject to the following section and to the provisions of Section
 3 7205 on fungible goods, a holder to whom a negotiable document of
 4 title has been duly negotiated acquires thereby:

5 a. title to the document;

6 b. title to the goods;

7 c. all rights accruing under the law of agency or estoppel, including
 8 rights to goods delivered to the bailee after the document was issued;
 9 and

10 d. the direct obligation of the issuer to hold or deliver the goods
 11 according to the terms of the document free of any defense or claim
 12 by him except those arising under the terms of the document or under
 13 this Article. In the case of a delivery order the bailee's obligation
 14 accrues only upon acceptance and the obligation acquired by the

15 holder is that the issuer and any indorser will procure the acceptance
16 of the bailee.

17 2. Subject to the following section, title and rights so acquired are
18 not defeated by any stoppage of the goods represented by the docu-
19 ment or by surrender of such goods by the bailee, and are not im-
20 paired even though the negotiation or any prior negotiation consti-
21 tuted a breach of duty or even though any person has been deprived
22 of possession of the document by misrepresentation, fraud, accident,
23 mistake, duress, loss, theft or conversion, or even though a previous
24 sale or other transfer of the goods or document has been made to a
25 third person.

1 **SEC. 7503. Document of title to goods defeated in certain cases.**

2 1. A document of title confers no right in goods against a person
3 who before issuance of the document had a legal interest or a per-
4 fected security interest in them and who neither

5 *a.* delivered or entrusted them or any document of title covering
6 them to the bailor or his nominee with actual or apparent authority
7 to ship, store or sell or with power to obtain delivery under this
8 Article (Section 7403) or with power of disposition under this Act
9 (Sections 2403 and 9307) or other statute or rule of law; nor

10 *b.* acquiesced in the procurement by the bailor or his nominee of
11 any document of title.

12 2. Title to goods based upon an unaccepted delivery order is sub-
13 ject to the rights of anyone to whom a negotiable warehouse receipt
14 or bill of lading covering the goods has been duly negotiated. Such
15 a title may be defeated under the next section to the same extent as
16 the rights of the issuer or a transferee from the issuer.

17 3. Title to goods based upon a bill of lading issued to a freight for-
18 warder is subject to the rights of anyone to whom a bill issued by
19 the freight forwarder is duly negotiated; but delivery by the carrier
20 in accordance with Part 4 of this Article pursuant to its own bill of
21 lading discharges the carrier's obligation to deliver.

1 **SEC. 7504. Rights acquired in the absence of due negotiation—
2 effect of diversion—seller's stoppage of delivery.**

3 1. A transferee of a document, whether negotiable or nonnegoti-
4 able, to whom the document has been delivered but not duly negoti-
5 ated, acquires the title and rights which his transferor had or had
6 actual authority to convey.

7 2. In the case of a nonnegotiable document, until but not after the
8 bailee receives notification of the transfer, the rights of the trans-
9 feree may be defeated

10 *a.* by those creditors of the transferor who could treat the sale as
11 void under Section 2402; or

12 *b.* by a buyer from the transferor in ordinary course of business if
13 the bailee has delivered the goods to the buyer or received notification
14 of his rights; or

15 *c.* as against the bailee by good faith dealings of the bailee with
16 the transferor.

17 3. A diversion or other change of shipping instructions by the con-
18 signor in a nonnegotiable bill of lading which causes the bailee not to
19 deliver to the consignee defeats the consignee's title to the goods if

20 they have been delivered to a buyer in ordinary course of business and
21 in any event defeats the consignee's rights against the bailee.

22 4. Delivery pursuant to a nonnegotiable document may be stopped
23 by a seller under Section 2705, and subject to the requirement of due
24 notification there provided. A bailee honoring the seller's instruc-
25 tions is entitled to be indemnified by the seller against any resulting
26 loss or expense.

1 SEC. 7505. **Indorser not a guarantor for other parties.** The in-
2 dorsement of a document of title issued by a bailee does not make the
3 indorser liable for any default by the bailee or by previous indorsers.

1 SEC. 7506. **Delivery without indorsement—right to compel in-**
2 **dorsement.** The transferee of a negotiable document of title has a
3 specifically enforceable right to have his transferor supply any neces-
4 sary indorsement but the transfer becomes a negotiation only as of
5 the time the indorsement is supplied.

1 SEC. 7507. **Warranties on negotiation or transfer of receipt or**
2 **bill.** Where a person negotiates or transfers a document of title for
3 value otherwise than as a mere intermediary under the next follow-
4 ing section, then unless otherwise agreed he warrants to his immedi-
5 ate purchaser only in addition to any warranty made in selling the
6 goods

7 a. that the document is genuine; and

8 b. that he has no knowledge of any fact which would impair its
9 validity or worth; and

10 c. that his negotiation or transfer is rightful and fully effective
11 with respect to the title to the document and the goods it represents.

1 SEC. 7508. **Warranties of collecting bank as to documents.** A col-
2 lecting bank or other intermediary known to be entrusted with docu-
3 ments on behalf of another or with collection of a draft or other claim
4 against delivery of documents warrants by such delivery of the docu-
5 ments only its own good faith and authority. This rule applies even
6 though the intermediary has purchased or made advances against the
7 claim or draft to be collected.

1 SEC. 7509. **Receipt or bill: when adequate compliance with com-**
2 **mercial contract.** The question whether a document is adequate to
3 fulfill the obligations of a contract for sale or the conditions of a
4 credit is governed by the Articles on Sales (Article 2) and on Letters
5 of Credit (Article 5).

PART 6

WAREHOUSE RECEIPTS AND BILLS OF LADING: MISCELLANEOUS PROVISIONS

1 SEC. 7601. **Lost and missing documents.**

2 1. If a document has been lost, stolen or destroyed, a court may
3 order delivery of the goods or issuance of a substitute document and
4 the bailee may without liability to any person comply with such
5 order. If the document was negotiable the claimant must post secu-
6 rity approved by the court to indemnify any person who may suffer

7 loss as a result of nonsurrender of the document. If the document was
8 not negotiable, such security may be required at the discretion of the
9 court. The court may also in its discretion order payment of the
10 bailee's reasonable costs and counsel fees.

11 2. A bailee who without court order delivers goods to a person
12 claiming under a missing negotiable document is liable to any person
13 injured thereby, and if the delivery is not in good faith becomes liable
14 for conversion. Delivery in good faith is not conversion if made in
15 accordance with a filed classification or tariff or, where no classifica-
16 tion or tariff is filed, if the claimant posts security with the bailee in
17 an amount at least double the value of the goods at the time of posting
18 to indemnify any person injured by the delivery who files a notice of
19 claim within one year after the delivery.

1 SEC. 7602. **Attachment of goods covered by a negotiable docu-**
2 **ment.** Except where the document was originally issued upon deliv-
3 ery of the goods by a person who had no power to dispose of them,
4 no lien attaches by virtue of any judicial process to goods in the pos-
5 session of a bailee for which a negotiable document of title is out-
6 standing unless the document be first surrendered to the bailee or its
7 negotiation enjoined, and the bailee shall not be compelled to deliver
8 the goods pursuant to process until the document is surrendered to
9 him or impounded by the court. One who purchases the document
10 for value without notice of the process or injunction takes free of
11 the lien imposed by judicial process.

1 SEC. 7603. **Conflicting claims—interpleader.** If more than one
2 person claims title or possession of the goods, the bailee is excused
3 from delivery until he has had a reasonable time to ascertain the
4 validity of the adverse claims or to bring an action to compel all
5 claimants to interplead and may compel such interpleader, either in
6 defending an action for nondelivery of the goods, or by original action,
7 whichever is appropriate.

ARTICLE 8

INVESTMENT SECURITIES

PART 1

SHORT TITLE AND GENERAL MATTERS

1 SEC. 8101. **Short title.** This Article shall be known and may be
2 cited as Uniform Commercial Code—Investment Securities.

1 SEC. 8102. **Definitions and index of definitions.**

2 1. In this Article unless the context otherwise requires

3 a. A "security" is an instrument which

4 i. is issued in bearer or registered form; and

5 ii. is of a type commonly dealt in upon securities exchanges or mar-
6 kets or commonly recognized in any area in which it is issued or dealt
7 in as a medium for investment; and

8 iii. is either one of a class or series or by its terms is divisible into
9 a class or series of instruments; and

10 iv. evidences a share, participation or other interest in property or
11 in an enterprise or evidences an obligation of the issuer.

12 *b.* A writing which is a security is governed by this Article and not
 13 by uniform commercial code—commercial paper even though it also
 14 meets the requirements of that Article. This Article does not apply
 15 to money.

16 *c.* A security is in “registered form” when it specifies a person en-
 17 titled to the security or to the rights it evidences and when its trans-
 18 fer may be registered upon books maintained for that purpose by or
 19 on behalf of an issuer or the security so states.

20 *d.* A security is in “bearer form” when it runs to bearer according
 21 to its terms and not by reason of any indorsement.

22 2. A “subsequent purchaser” is a person who takes other than by
 23 original issue.

24 3. A “clearing corporation” is a corporation all of the capital stock
 25 of which is held by or for a national securities exchange or associa-
 26 tion registered under a statute of the United States such as the Secu-
 27 rities Exchange Act of 1934.

28 4. A “custodian bank” is any bank or trust company which is
 29 supervised and examined by state or federal authority having super-
 30 vision over banks and which is acting as custodian for a clearing
 31 corporation.

32 5. Other definitions applying to this Article or to specified Parts
 33 thereof and the sections in which they appear are:

34 “Adverse claim”.	Section 8301.
35 “Bona fide purchaser”.	Section 8302.
36 “Broker”.	Section 8303.
37 “Guarantee of the signature”.	Section 8402.
38 “Intermediary bank”.	Section 4105.
39 “Issuer”.	Section 8201.
40 “Overissue”.	Section 8104.

41 6. In addition Article 1 contains general definitions and principles
 42 of construction and interpretation applicable throughout this Article.

1 SEC. 8103. **Issuer’s lien.** A lien upon a security in favor of an
 2 issuer thereof is valid against a purchaser only if the right of the
 3 issuer to such lien is noted conspicuously on the security.

1 SEC. 8104. **Effect of overissue—“overissue.”**

2 1. The provisions of this Article which validate a security or com-
 3 pel its issue or reissue do not apply to the extent that validation, issue
 4 or reissue would result in overissue; but

5 *a.* if an identical security which does not constitute an overissue is
 6 reasonably available for purchase, the person entitled to issue or
 7 validation may compel the issuer to purchase and deliver such a secu-
 8 rity to him against surrender of the security, if any, which he holds;
 9 or

10 *b.* if a security is not so available for purchase, the person entitled
 11 to issue or validation may recover from the issuer the price he or the
 12 last purchaser for value paid for it with interest from the date of his
 13 demand.

14 2. “Overissue” means the issue of securities in excess of the
 15 amount which the issuer has corporate power to issue.

1 SEC. 8105. **Securities negotiable—presumptions.**

2 1. Securities governed by this Article are negotiable instruments.

- 3 2. In any action on a security
 4 *a.* unless specifically denied in the pleadings, each signature on the
 5 security or in a necessary indorsement is admitted;
 6 *b.* when the effectiveness of a signature is put in issue the burden
 7 of establishing it is on the party claiming under the signature but
 8 the signature is presumed to be genuine or authorized;
 9 *c.* when signatures are admitted or established production of the
 10 instrument entitles a holder to recover on it unless the defendant
 11 establishes a defense or a defect going to the validity of the security;
 12 and
 13 *d.* after it is shown that a defense or defect exists the plaintiff has
 14 the burden of establishing that he or some person under whom he
 15 claims is a person against whom the defense or defect is ineffective
 16 (Section 8202).

1 **SEC. 8106. Applicability.** The validity of a security and the
 2 rights and duties of the issuer with respect to registration of trans-
 3 fer are governed by the law (including the conflict of laws rules) of
 4 the jurisdiction of organization of the issuer.

- 1 **SEC. 8107. Securities deliverable—action for price.**
 2 1. Unless otherwise agreed and subject to any applicable law or
 3 regulation respecting short sales, a person obligated to deliver secu-
 4 rities may deliver any security of the specified issue in bearer form
 5 or registered in the name of the transferee or indorsed to him or in
 6 blank.
 7 2. When the buyer fails to pay the price as it comes due under a
 8 contract of sale the seller may recover the price
 9 *a.* of securities accepted by the buyer; and
 10 *b.* of other securities if efforts at their resale would be unduly bur-
 11 densome or if there is no readily available market for their resale.

PART 2

ISSUE—ISSUER

- 1 **SEC. 8201. "Issuer."**
 2 1. With respect to obligations on or defenses to a security "issuer"
 3 includes a person who
 4 *a.* places or authorizes the placing of his name on a security (other-
 5 wise than as authenticating trustee, registrar, transfer agent or the
 6 like) to evidence that it represents a share, participation or other
 7 interest in his property or in an enterprise or to evidence his duty to
 8 perform an obligation evidenced by the security; or
 9 *b.* directly or indirectly creates fractional interests in his rights or
 10 property which fractional interests are evidenced by securities; or
 11 *c.* becomes responsible for or in place of any other person described
 12 as an issuer in this section.
 13 2. With respect to obligations on or defenses to a security a guar-
 14 antor is an issuer to the extent of his guaranty whether or not his
 15 obligation is noted on the security.
 16 3. With respect to registration of transfer (Part 4 of this Article)
 17 "issuer" means a person on whose behalf transfer books are main-
 18 tained.

1 **SEC. 8202. Issuer's responsibility and defenses—notice of defect**
 2 **or defense.**

3 1. Even against a purchaser for value and without notice, the
 4 terms of a security include those stated on the security and those
 5 made part of the security by reference to another instrument, in-
 6 denture or document or to a constitution, statute, ordinance, rule,
 7 regulation, order or the like to the extent that the terms so referred
 8 to do not conflict with the stated terms. Such a reference does not of
 9 itself charge a purchaser for value with notice of a defect going to
 10 the validity of the security even though the security expressly states
 11 that a person accepting it admits such notice.

12 2. *a.* A security other than one issued by a government or govern-
 13 mental agency or unit even though issued with a defect going to its
 14 validity is valid in the hands of a purchaser for value and without
 15 notice of the particular defect unless the defect involves a violation
 16 of constitutional provisions in which case the security is valid in the
 17 hands of a subsequent purchaser for value and without notice of the
 18 defect.

19 *b.* The rule of subparagraph *a* applies to an issuer which is a
 20 government or governmental agency or unit only if either there has
 21 been substantial compliance with the legal requirements governing
 22 the issue or the issuer has received a substantial consideration for the
 23 issue as a whole or for the particular security and a stated purpose
 24 of the issue is one for which the issuer has power to borrow money
 25 or issue the security.

26 3. Except as otherwise provided in the case of certain unauthorized
 27 signatures on issue (Section 8205), lack of genuineness of a security
 28 is a complete defense even against a purchaser for value and without
 29 notice.

30 4. All other defenses of the issuer including nondelivery and condi-
 31 tional delivery of the security are ineffective against a purchaser for
 32 value who has taken without notice of the particular defense.

33 5. Nothing in this section shall be construed to affect the right of
 34 a party to a "when, as and if issued" or a "when distributed" con-
 35 tract to cancel the contract in the event of a material change in the
 36 character of the security which is the subject of the contract or in
 37 the plan or arrangement pursuant to which such security is to be
 38 issued or distributed.

1 **SEC. 8203. Staleness as notice of defects or defenses.**

2 1. After an act or event which creates a right to immediate per-
 3 formance of the principal obligation evidenced by the security or
 4 which sets a date on or after which the security is to be presented or
 5 surrendered for redemption or exchange, a purchaser is charged with
 6 notice of any defect in its issue or defense of the issuer

7 *a.* if the act or event is one requiring the payment of money or the
 8 delivery of securities or both on presentation or surrender of the
 9 security and such funds or securities are available on the date set for
 10 payment or exchange and he takes the security more than one year
 11 after that date; and

12 *b.* if the act or event is not covered by paragraph *a* and he takes
 13 the security more than two years after the date set for surrender or

14 presentation or the date on which such performance became due.
15 2. A call which has been revoked is not within subsection 1.

1 **SEC. 8204. Effect of issuer's restrictions on transfer.** Unless
2 noted conspicuously on the security a restriction on transfer imposed
3 by the issuer even though otherwise lawful is ineffective except
4 against a person with actual knowledge of it.

1 **SEC. 8205. Effect of unauthorized signature on issue.** An unau-
2 thorized signature placed on a security prior to or in the course of
3 issue is ineffective except that the signature is effective in favor of
4 a purchaser for value and without notice of the lack of authority if
5 the signing has been done by
6 a. an authenticating trustee, registrar, transfer agent or other
7 person entrusted by the issuer with the signing of the security or of
8 similar securities or their immediate preparation for signing; or
9 b. an employee of the issuer or of any of the foregoing entrusted
10 with responsible handling of the security.

1 **SEC. 8206. Completion or alteration of instrument.**
2 1. Where a security contains the signatures necessary to its issue
3 or transfer but is incomplete in any other respect
4 a. any person may complete it by filling in the blanks as author-
5 ized; and
6 b. even though the blanks are incorrectly filled in, the security as
7 completed is enforceable by a purchaser who took it for value and
8 without notice of such incorrectness.
9 2. A complete security which has been improperly altered even
10 though fraudulently remains enforceable but only according to its
11 original terms.

1 **SEC. 8207. Rights of issuer with respect to registered owners.**
2 1. Prior to due presentment for registration of transfer of a secu-
3 rity in registered form the issuer or indenture trustee may treat the
4 registered owner as the person exclusively entitled to vote, to receive
5 notifications and otherwise to exercise all the rights and powers of
6 an owner.
7 2. Nothing in this Article shall be construed to affect the liability
8 of the registered owner of a security for calls, assessments or the
9 like.

1 **SEC. 8208. Effect of signature of authenticating trustee, registrar**
2 **or transfer agent.**
3 1. A person placing his signature upon a security as authenticating
4 trustee, registrar, transfer agent or the like warrants to a purchaser
5 for value without notice of the particular defect that
6 a. the security is genuine; and
7 b. his own participation in the issue of the security is within his
8 capacity and within the scope of the authorization received by him
9 from the issuer; and
10 c. he has reasonable grounds to believe that the security is in the
11 form and within the amount the issuer is authorized to issue.
12 2. Unless otherwise agreed, a person by so placing his signature
13 does not assume responsibility for the validity of the security in other
14 respects.

PART 3

PURCHASE

1 SEC. 8301. **Rights acquired by purchaser—"adverse claim"—title**
2 **acquired by bona fide purchaser.**

3 1. Upon delivery of a security the purchaser acquires the rights in
4 the security which his transferor had or had actual authority to con-
5 vey except that a purchaser who has himself been a party to any
6 fraud or illegality affecting the security or who as a prior holder had
7 notice of an adverse claim cannot improve his position by taking from
8 a later bona fide purchaser. "Adverse claim" includes a claim that a
9 transfer was or would be wrongful or that a particular adverse person
10 is the owner of or has an interest in the security.

11 2. A bona fide purchaser in addition to acquiring the rights of a
12 purchaser also acquires the security free of any adverse claim.

13 3. A purchaser of a limited interest acquires rights only to the
14 extent of the interest purchased.

1 SEC. 8302. **"Bona fide purchaser."** A "bona fide purchaser" is a
2 purchaser for value in good faith and without notice of any adverse
3 claim who takes delivery of a security in bearer form or of one in
4 registered form issued to him or indorsed to him or in blank.

1 SEC. 8303. **"Broker."** "Broker" means a person engaged for all
2 or part of his time in the business of buying and selling securities,
3 who in the transaction concerned acts for, or buys a security from or
4 sells a security to a customer. Nothing in this Article determines the
5 capacity in which a person acts for purposes of any other statute or
6 rule to which such person is subject.

1 SEC. 8304. **Notice to purchaser of adverse claims.**

2 1. A purchaser (including a broker for the seller or buyer but ex-
3 cluding an intermediary bank) of a security is charged with notice of
4 adverse claims if

5 a. the security whether in bearer or registered form has been in-
6 dorsed "for collection" or "for surrender" or for some other purpose
7 not involving transfer; or

8 b. the security is in bearer form and has on it an unambiguous
9 statement that it is the property of a person other than the trans-
10 feror. The mere writing of a name on a security is not such a state-
11 ment.

12 2. The fact that the purchaser (including a broker for the seller or
13 buyer) has notice that the security is held for a third person or is
14 registered in the name of or indorsed by a fiduciary does not create
15 a duty of inquiry into the rightfulness of the transfer or constitute
16 notice of adverse claims. If, however, the purchaser (excluding an
17 intermediary bank) has knowledge that the proceeds are being used
18 or that the transaction is for the individual benefit of the fiduciary
19 or otherwise in breach of duty, the purchaser is charged with notice
20 of adverse claims.

1 SEC. 8305. **Staleness as notice of adverse claims.** An act or event
2 which creates a right to immediate performance of the principal obli-
3 gation evidenced by the security or which sets a date on or after

4 which the security is to be presented or surrendered for redemption
 5 or exchange does not of itself constitute any notice of adverse claims
 6 except in the case of a purchase
 7 a. after one year from any date set for such presentment or sur-
 8 render for redemption or exchange; or
 9 b. after six months from any date set for payment of money
 10 against presentation or surrender of the security if funds are avail-
 11 able for payment on that date.

1 **SEC. 8306. Warranties on presentment and transfer.**

2 1. A person who presents a security for registration of transfer
 3 or for payment or exchange warrants to the issuer that he is entitled
 4 to the registration, payment or exchange. But a purchaser for value
 5 without notice of adverse claims who receives a new, reissued or re-
 6 registered security on registration of transfer warrants only that he
 7 has no knowledge of any unauthorized signature (Section 8311) in a
 8 necessary indorsement.

9 2. A person by transferring a security to a purchaser for value
 10 warrants only that

11 a. his transfer is effective and rightful; and

12 b. the security is genuine and has not been materially altered; and

13 c. he knows no fact which might impair the validity of the secu-
 14 rity.

15 3. Where a security is delivered by an intermediary known to be
 16 entrusted with delivery of the security on behalf of another or with
 17 collection of a draft or other claim against such delivery, the inter-
 18 mediary by such delivery warrants only his own good faith and au-
 19 thority even though he has purchased or made advances against the
 20 claim to be collected against the delivery.

21 4. A pledgee or other holder for security who redelivers the secu-
 22 rity received, or after payment and on order of the debtor delivers
 23 that security to a third person makes only the warranties of an inter-
 24 mediary under subsection 3.

25 5. A broker gives to his customer and to the issuer and a purchaser
 26 the warranties provided in this section and has the rights and priv-
 27 ileges of a purchaser under this section. The warranties of and in
 28 favor of the broker acting as an agent are in addition to applicable
 29 warranties given by and in favor of his customer.

1 **SEC. 8307. Effect of delivery without indorsement—right to com-
 2 pel indorsement.** Where a security in registered form has been
 3 delivered to a purchaser without a necessary indorsement he may
 4 become a bona fide purchaser only as of the time the indorsement is
 5 supplied, but against the transferor the transfer is complete upon
 6 delivery and the purchaser has a specifically enforceable right to
 7 have any necessary indorsement supplied.

1 **SEC. 8308. Indorsement, how made — special indorsement — in-
 2 dorser not a guarantor—partial assignment.**

3 1. An indorsement of a security in registered form is made when
 4 an appropriate person signs on it or on a separate document an as-
 5 signment or transfer of the security or a power to assign or transfer
 6 it or when the signature of such person is written without more upon
 7 the back of the security.

8 2. An indorsement may be in blank or special. An indorsement
9 in blank includes an indorsement to bearer. A special indorsement
10 specifies the person to whom the security is to be transferred, or who
11 has power to transfer it. A holder may convert a blank indorsement
12 into a special indorsement.

13 3. "An appropriate person" in subsection 1 means

14 a. the person specified by the security or by special indorsement to
15 be entitled to the security; or

16 b. where the person so specified is described as a fiduciary but is
17 no longer serving in the described capacity,—either that person or his
18 successor; or

19 c. where the security or indorsement so specifies more than one per-
20 son as fiduciaries and one or more are no longer serving in the de-
21 scribed capacity,— the remaining fiduciary or fiduciaries, whether or
22 not a successor has been appointed or qualified; or

23 d. where the person so specified is an individual and is without
24 capacity to act by virtue of death, incompetence, infancy or otherwise,
25 —his executor, administrator, guardian or like fiduciary; or

26 e. where the security or indorsement so specifies more than one
27 person as tenants by the entirety or with right of survivorship and
28 by reason of death all cannot sign,—the survivor or survivors; or

29 f. a person having power to sign under applicable law or controlling
30 instrument; or

31 g. to the extent that any of the foregoing persons may act through
32 an agent,—his authorized agent.

33 4. Unless otherwise agreed the indorser by his indorsement as-
34 sumes no obligation that the security will be honored by the issuer.

35 5. An indorsement purporting to be only of part of a security rep-
36 resenting units intended by the issuer to be separately transferable
37 is effective to the extent of the indorsement.

38 6. Whether the person signing is appropriate is determined as of
39 the date of signing and an indorsement by such a person does not
40 become unauthorized for the purposes of this Article by virtue of
41 any subsequent change of circumstances.

42 7. Failure of a fiduciary to comply with a controlling instrument or
43 with the law of the state having jurisdiction of the fiduciary rela-
44 tionship, including any law requiring the fiduciary to obtain court
45 approval of the transfer, does not render his indorsement unauthor-
46 ized for the purposes of this Article.

1 **SEC. 8309. Effect of indorsement without delivery.** An indorse-
2 ment of a security whether special or in blank does not constitute a
3 transfer until delivery of the security on which it appears or if the
4 indorsement is on a separate document until delivery of both the
5 document and the security.

1 **SEC. 8310. Indorsement of security in bearer form.** An indorse-
2 ment of a security in bearer form may give notice of adverse claims
3 (Section 8304) but does not otherwise affect any right to registration
4 the holder may possess.

1 **SEC. 8311. Effect of unauthorized indorsement.** Unless the own-
2 er has ratified an unauthorized indorsement or is otherwise precluded
3 from asserting its ineffectiveness

- 4 *a.* he may assert its ineffectiveness against the issuer or any pur-
 5 chaser other than a purchaser for value and without notice of adverse
 6 claims who has in good faith received a new, reissued or reregistered
 7 security on registration of transfer; and
 8 *b.* an issuer who registers the transfer of a security upon the un-
 9 authorized indorsement is subject to liability for improper registra-
 10 tion (Section 8404).

1 **SEC. 8312. Effect of guaranteeing signature or indorsement.**

- 2 1. Any person guaranteeing a signature of an indorser of a security
 3 warrants that at the time of signing
 4 *a.* the signature was genuine; and
 5 *b.* the signer was an appropriate person to indorse (Section 8308);
 6 and
 7 *c.* the signer had legal capacity to sign.
 8 But the guarantor does not otherwise warrant the rightfulness of the
 9 particular transfer.
 10 2. Any person may guarantee an indorsement of a security and by
 11 so doing warrants not only the signature (subsection 1) but also the
 12 rightfulness of the particular transfer in all respects. But no issuer
 13 may require a guarantee of indorsement as a condition to registration
 14 of transfer.
 15 3. The foregoing warranties are made to any person taking or deal-
 16 ing with the security in reliance on the guarantee and the guarantor
 17 is liable to such person for any loss resulting from breach of the war-
 18 ranties.

1 **SEC. 8313. When delivery to the purchaser occurs—purchaser's**
 2 **broker as holder.**

- 3 1. Delivery to a purchaser occurs when
 4 *a.* he or a person designated by him acquires possession of a secu-
 5 rity; or
 6 *b.* his broker acquires possession of a security specially indorsed
 7 to or issued in the name of the purchaser; or
 8 *c.* his broker sends him confirmation of the purchase and also by
 9 book entry or otherwise identifies a specific security in the broker's
 10 possession as belonging to the purchaser; or
 11 *d.* with respect to an identified security to be delivered while still
 12 in the possession of a third person when that person acknowledges
 13 that he holds for the purchaser; or
 14 *e.* appropriate entries on the books of a clearing corporation are
 15 made under Section 8320.
 16 2. The purchaser is the owner of a security held for him by his
 17 broker, but is not the holder except as specified in subparagraphs *b.*,
 18 *c.* and *e.* of subsection 1. Where a security is part of a fungible bulk
 19 the purchaser is the owner of a proportionate property interest in the
 20 fungible bulk.
 21 3. Notice of an adverse claim received by the broker or by the pur-
 22 chaser after the broker takes delivery as a holder for value is not
 23 effective either as to the broker or as to the purchaser. However, as
 24 between the broker and the purchaser the purchaser may demand
 25 delivery of an equivalent security as to which no notice of an adverse
 26 claim has been received.

1 **SEC. 8314. Duty to deliver, when completed.**

2 1. Unless otherwise agreed where a sale of a security is made on
3 an exchange or otherwise through brokers

4 *a.* the selling customer fulfills his duty to deliver when he places
5 such a security in the possession of the selling broker or of a person
6 designated by the broker or if requested causes an acknowledgment
7 to be made to the selling broker that it is held for him; and

8 *b.* the selling broker including a correspondent broker acting for a
9 selling customer fulfills his duty to deliver by placing the security or
10 a like security in the possession of the buying broker or a person
11 designated by him or by effecting clearance of the sale in accordance
12 with the rules of the exchange on which the transaction took place.

13 2. Except as otherwise provided in this section and unless other-
14 wise agreed, a transferor's duty to deliver a security under a contract
15 of purchase is not fulfilled until he places the security in form to be
16 negotiated by the purchaser in the possession of the purchaser or of
17 a person designated by him or at the purchaser's request causes an
18 acknowledgment to be made to the purchaser that it is held for him.
19 Unless made on an exchange a sale to a broker purchasing for his
20 own account is within this subsection and not within subsection 1.

1 **SEC. 8315. Action against purchaser based upon wrongful trans-**
2 **fer.**

3 1. Any person against whom the transfer of a security is wrongful
4 for any reason, including his incapacity, may against anyone except a
5 bona fide purchaser reclaim possession of the security or obtain pos-
6 session of any new security evidencing all or part of the same rights
7 or have damages.

8 2. If the transfer is wrongful because of an unauthorized indorse-
9 ment, the owner may also reclaim or obtain possession of the security
10 or new security even from a bona fide purchaser if the ineffectiveness
11 of the purported indorsement can be asserted against him under the
12 provisions of this Article on unauthorized indorsements (Section
13 8311).

14 3. The right to obtain or reclaim possession of a security may be
15 specifically enforced and its transfer enjoined and the security im-
16 pounded pending the litigation.

1 **SEC. 8316. Purchaser's right to requisites for registration of**
2 **transfer on books.** Unless otherwise agreed the transferor must on
3 due demand supply his purchaser with any proof of his authority to
4 transfer or with any other requisite which may be necessary to obtain
5 registration of the transfer of the security but if the transfer is not
6 for value a transferor need not do so unless the purchaser furnishes
7 the necessary expenses. Failure to comply with a demand made
8 within a reasonable time gives the purchaser the right to reject or
9 rescind the transfer.

1 **SEC. 8317. Attachment or levy upon security.**

2 1. No attachment or levy upon a security or any share or other
3 interest evidenced thereby which is outstanding shall be valid until
4 the security is actually seized by the officer making the attachment
5 or levy but a security which has been surrendered to the issuer may
6 be attached or levied upon at the source.

7 2. A creditor whose debtor is the owner of a security shall be en-
 8 titled to such aid from courts of appropriate jurisdiction, by injunc-
 9 tion or otherwise, in reaching such security or in satisfying the claim
 10 by means thereof as is allowed at law or in equity in regard to prop-
 11 erty which cannot readily be attached or levied upon by ordinary
 12 legal process.

1 **SEC. 8318. No conversion by good faith delivery.** An agent or
 2 bailee who in good faith (including observance of reasonable com-
 3 mercial standards if he is in the business of buying, selling or other-
 4 wise dealing with securities) has received securities and sold, pledged
 5 or delivered them according to the instructions of his principal is not
 6 liable for conversion or for participation in breach of fiduciary duty
 7 although the principal had no right to dispose of them.

1 **SEC. 8319. Statute of frauds.** A contract for the sale of securi-
 2 ties is not enforceable by way of action or defense unless
 3 *a.* there is some writing signed by the party against whom enforce-
 4 ment is sought or by his authorized agent or broker sufficient to indi-
 5 cate that a contract has been made for sale of a stated quantity of
 6 described securities at a defined or stated price; or
 7 *b.* delivery of the security has been accepted or payment has been
 8 made but the contract is enforceable under this provision only to the
 9 extent of such delivery or payment; or
 10 *c.* within a reasonable time a writing in confirmation of the sale or
 11 purchase and sufficient against the sender under paragraph *a* has
 12 been received by the party against whom enforcement is sought and
 13 he has failed to send written objection to its contents within ten days
 14 after its receipt; or
 15 *d.* the party against whom enforcement is sought admits in his
 16 pleading, testimony or otherwise in court that a contract was made
 17 for sale of a stated quantity of described securities at a defined or
 18 stated price.

1 **SEC. 8320. Transfer or pledge within a central depository system.**
 2 1. If a security
 3 *a.* is in the custody of a clearing corporation or of a custodian bank
 4 or a nominee of either subject to the instructions of the clearing cor-
 5 poration; and
 6 *b.* is in bearer form or indorsed in blank by an appropriate person
 7 or registered in the name of the clearing corporation or custodian
 8 bank or a nominee of either; and
 9 *c.* is shown on the account of a transferor or pledgor on the books
 10 of the clearing corporation;
 11 then, in addition to other methods, a transfer or pledge of the secu-
 12 rity or any interest therein may be effected by the making of appro-
 13 priate entries on the books of the clearing corporation reducing the
 14 account of the transferor or pledgor and increasing the account of the
 15 transferee or pledgee by the amount of the obligation or the number
 16 of shares or rights transferred or pledged.
 17 2. Under this section entries may be with respect to like securities
 18 or interests therein as a part of a fungible bulk and may refer merely
 19 to a quantity of a particular security without reference to the name
 20 of the registered owner, certificate or bond number or the like and,

21 in appropriate cases, may be on a net basis taking into account other
22 transfers or pledges of the same security.

23 3. A transfer or pledge under this section has the effect of a deliv-
24 ery of a security in bearer form or duly indorsed in blank (Section
25 8301) representing the amount of the obligation or the number of
26 shares or rights transferred or pledged. If a pledge or the creation
27 of a security interest is intended, the making of entries has the effect
28 of a taking of delivery by the pledgee or a secured party (Sections
29 9304 and 9305). A transferee or pledgee under this section is a
30 holder.

31 4. A transfer or pledge under this section does not constitute a
32 registration of transfer under Part 4 of this Article.

33 5. That entries made on the books of the clearing corporation as
34 provided in subsection 1 are not appropriate does not affect the valid-
35 ity or effect of the entries nor the liabilities or obligations of the
36 clearing corporation to any person adversely affected thereby.

PART 4

REGISTRATION

1 SEC. 8401. Duty of issuer to register transfer.

2 1. Where a security in registered form is presented to the issuer
3 with a request to register transfer, the issuer is under a duty to
4 register the transfer as requested if

5 a. the security is indorsed by the appropriate person or persons
6 (Section 8308); and

7 b. reasonable assurance is given that those indorsements are gen-
8 uine and effective (Section 8402); and

9 c. the issuer has no duty to inquire into adverse claims or has dis-
10 charged any such duty (Section 8403); and

11 d. any applicable law relating to the collection of taxes has been
12 complied with; and

13 e. the transfer is in fact rightful or is to a bona fide purchaser.

14 2. Where an issuer is under a duty to register a transfer of a secu-
15 rity the issuer is also liable to the person presenting it for registra-
16 tion or his principal for loss resulting from any unreasonable delay in
17 registration or from failure or refusal to register the transfer.

1 SEC. 8402. Assurance that indorsements are effective.

2 1. The issuer may require the following assurance that each neces-
3 sary indorsement (Section 8308) is genuine and effective

4 a. in all cases, a guarantee of the signature (subsection 1 of Sec-
5 tion 8312) of the person indorsing; and

6 b. where the indorsement is by an agent, appropriate assurance of
7 authority to sign;

8 c. where the indorsement is by a fiduciary, appropriate evidence of
9 appointment or incumbency;

10 d. where there is more than one fiduciary, reasonable assurance
11 that all who are required to sign have done so;

12 e. where the indorsement is by a person not covered by any of the
13 foregoing, assurance appropriate to the case corresponding as nearly
14 as may be to the foregoing.

15 2. A "guarantee of the signature" in subsection 1 means a guar-

16 antee signed by or on behalf of a person reasonably believed by the
17 issuer to be responsible. The issuer may adopt standards with respect
18 to responsibility provided such standards are not manifestly unrea-
19 sonable.

20 3. "Appropriate evidence of appointment or incumbency" in sub-
21 section 1 means

22 *a.* in the case of a fiduciary appointed or qualified by a court, a
23 certificate issued by or under the direction or supervision of that
24 court or an officer thereof and dated within sixty days before the date
25 of presentation for transfer; or

26 *b.* in any other case, a copy of a document showing the appoint-
27 ment or a certificate issued by or on behalf of a person reasonably
28 believed by the issuer to be responsible or, in the absence of such a
29 document or certificate, other evidence reasonably deemed by the is-
30 suer to be appropriate. The issuer may adopt standards with respect
31 to such evidence provided such standards are not manifestly unrea-
32 sonable. The issuer is not charged with notice of the contents of any
33 document obtained pursuant to this paragraph *b* except to the extent
34 that the contents relate directly to the appointment or incumbency.

35 4. The issuer may elect to require reasonable assurance beyond
36 that specified in this section but if it does so and for a purpose other
37 than that specified in subsection 3 *b* both requires and obtains a copy
38 of a will, trust, indenture, articles of copartnership, bylaws or other
39 controlling instrument it is charged with notice of all matters con-
40 tained therein affecting the transfer.

1 **SEC. 8403. Limited duty of inquiry.**

2 1. An issuer to whom a security is presented for registration is
3 under a duty to inquire into adverse claims if

4 *a.* a written notification of an adverse claim is received at a time and
5 in a manner which affords the issuer a reasonable opportunity to act
6 on it prior to the issuance of a new, reissued or reregistered security
7 and the notification identifies the claimant, the registered owner and
8 the issue of which the security is a part and provides an address for
9 communications directed to the claimant; or

10 *b.* the issuer is charged with notice of an adverse claim from a con-
11 trolling instrument which it has elected to require under subsection 4
12 of Section 8402.

13 2. The issuer may discharge any duty of inquiry by any reasonable
14 means, including notifying an adverse claimant by registered or cer-
15 tified mail at the address furnished by him or if there be no such
16 address at his residence or regular place of business that the security
17 has been presented for registration of transfer by a named person,
18 and that the transfer will be registered unless within thirty days
19 from the date of mailing the notification, either

20 *a.* an appropriate restraining order, injunction or other process
21 issues from a court of competent jurisdiction; or

22 *b.* an indemnity bond sufficient in the issuer's judgment to protect
23 the issuer and any transfer agent, registrar or other agent of the
24 issuer involved, from any loss which it or they may suffer by comply-
25 ing with the adverse claim is filed with the issuer.

26 3. Unless an issuer is charged with notice of an adverse claim from
27 a controlling instrument which it has elected to require under sub-

28 section 4 of Section 8402 or receives notification of an adverse claim
 29 under subsection 1 of this section, where a security presented for
 30 registration is indorsed by the appropriate person or persons the is-
 31 suer is under no duty to inquire into adverse claims. In particular

32 a. an issuer registering a security in the name of a person who is
 33 a fiduciary or who is described as a fiduciary is not bound to inquire
 34 into the existence, extent, or correct description of the fiduciary rela-
 35 tionship and thereafter the issuer may assume without inquiry that
 36 the newly registered owner continues to be the fiduciary until the
 37 issuer receives written notice that the fiduciary is no longer acting
 38 as such with respect to the particular security;

39 b. an issuer registering transfer on an indorsement by a fiduciary
 40 is not bound to inquire whether the transfer is made in compliance
 41 with a controlling instrument or with the law of the state having
 42 jurisdiction of the fiduciary relationship, including any law requiring
 43 the fiduciary to obtain court approval of the transfer; and

44 c. the issuer is not charged with notice of the contents of any court
 45 record or file or other recorded or unrecorded document even though
 46 the document is in its possession and even though the transfer is
 47 made on the indorsement of a fiduciary to the fiduciary himself or to
 48 his nominee.

1 **SEC. 8404. Liability and nonliability for registration.**

2 1. Except as otherwise provided in any law relating to the collec-
 3 tion of taxes, the issuer is not liable to the owner or any other person
 4 suffering loss as a result of the registration of a transfer of a secu-
 5 rity if

6 a. there were on or with the security the necessary indorsements
 7 (Section 8308); and

8 b. the issuer had no duty to inquire into adverse claims or has dis-
 9 charged any such duty (Section 8403).

10 2. Where an issuer has registered a transfer of a security to a
 11 person not entitled to it the issuer on demand must deliver a like
 12 security to the true owner unless

13 a. the registration was pursuant to subsection 1; or

14 b. the owner is precluded from asserting any claim for registering
 15 the transfer under subsection 1 of the following section; or

16 c. such delivery would result in overissue, in which case the issuer's
 17 liability is governed by Section 8104.

1 **SEC. 8405. Lost, destroyed and stolen securities.**

2 1. Where a security has been lost, apparently destroyed or wrong-
 3 fully taken and the owner fails to notify the issuer of that fact within
 4 a reasonable time after he has notice of it and the issuer registers a
 5 transfer of the security before receiving such a notification, the owner
 6 is precluded from asserting against the issuer any claim for register-
 7 ing the transfer under the preceding section or any claim to a new
 8 security under this section.

9 2. Where the owner of a security claims that the security has been
 10 lost, destroyed or wrongfully taken, the issuer must issue a new secu-
 11 rity in place of the original security if the owner

12 a. so requests before the issuer has notice that the security has
 13 been acquired by a bona fide purchaser; and

14 *b.* files with the issuer a sufficient indemnity bond; and
 15 *c.* satisfies any other reasonable requirements imposed by the is-
 16 suer.

17 3. If, after the issue of the new security, a bona fide purchaser of
 18 the original security presents it for registration of transfer, the
 19 issuer must register the transfer unless registration would result in
 20 overissue, in which event the issuer's liability is governed by Section
 21 8104. In addition to any rights on the indemnity bond, the issuer
 22 may recover the new security from the person to whom it was issued
 23 or any person taking under him except a bona fide purchaser.

1 **SEC. 8406. Duty of authenticating trustee, transfer agent or reg-**
 2 **istrar.**

3 1. Where a person acts as authenticating trustee, transfer agent,
 4 registrar, or other agent for an issuer in the registration of transfers
 5 of its securities or in the issue of new securities or in the cancellation
 6 of surrendered securities

7 *a.* he is under a duty to the issuer to exercise good faith and due
 8 diligence in performing his functions; and

9 *b.* he has with regard to the particular functions he performs the
 10 same obligation to the holder or owner of the security and has the
 11 same rights and privileges as the issuer has in regard to those func-
 12 tions.

13 2. Notice to an authenticating trustee, transfer agent, registrar or
 14 other such agent is notice to the issuer with respect to the functions
 15 performed by the agent.

ARTICLE 9

**SECURED TRANSACTIONS—SALES OF ACCOUNTS,
 CONTRACT RIGHTS AND CHATTEL PAPER**

PART 1

SHORT TITLE, APPLICABILITY AND DEFINITIONS

1 **SEC. 9101. Short title.** This Article shall be known and may be
 2 cited as Uniform Commercial Code—Secured Transactions.

1 **SEC. 9102. Policy and scope of Article.**

2 1. Except as otherwise provided in Section 9103 on multiple state
 3 transactions and in Section 9104 on excluded transactions, this Article
 4 applies so far as concerns any personal property and fixtures within
 5 the jurisdiction of this state

6 *a.* to any transaction (regardless of its form) which is intended to
 7 create a security interest in personal property or fixtures including
 8 goods, documents, instruments, general intangibles, chattel paper,
 9 accounts or contract rights; and also

10 *b.* to any sale of accounts, contract rights or chattel paper.

11 2. This Article applies to security interests created by contract in-
 12 cluding pledge, assignment, chattel mortgage, chattel trust, trust
 13 deed, factor's lien, equipment trust, conditional sale, trust receipt,
 14 bailment, other lien or title retention contract and lease or consign-
 15 ment intended as security. This Article does not apply to statutory
 16 liens except as provided in Section 9310.

17 3. The application of this Article to a security interest in a secured
18 obligation is not affected by the fact that the obligation is itself
19 secured by a transaction or interest to which this Article does not
20 apply.

1 SEC. 9103. **Accounts, contract rights, general intangibles and**
2 **equipment relating to another jurisdiction—and incoming goods al-**
3 **ready subject to a security interest.**

4 1. If the office where the assignor of accounts or contract rights
5 keeps his records concerning them is in this state, the validity and
6 perfection of a security interest therein and the possibility and effect
7 of proper filing is governed by this Article; otherwise by the law
8 (including the conflict of laws rules) of the jurisdiction where such
9 office is located.

10 2. If the chief place of business of a debtor is in this state, this
11 Article governs the validity and perfection of a security interest and
12 the possibility and effect of proper filing with regard to general in-
13 tangibles or with regard to goods of a type which are normally used
14 in more than one jurisdiction (such as automotive equipment, rolling
15 stock, airplanes, road building equipment, commercial harvesting
16 equipment, construction machinery and the like) if such goods are
17 classified as equipment or classified as inventory by reason of their
18 being leased by the debtor to others. Otherwise, the law (including
19 the conflict of laws rules) of the jurisdiction where such chief place of
20 business is located shall govern. If the chief place of business is
21 located in a jurisdiction which does not provide for perfection of the
22 security interest by filing or recording in that jurisdiction, then the
23 security interest may be perfected by filing in this state. For the
24 purpose of determining the validity and perfection of a security in-
25 terest in an airplane, the chief place of business of a debtor who is a
26 foreign air carrier under the Federal Aviation Act of 1958, as
27 amended, is the designated office of the agent upon whom service of
28 process may be made on behalf of the debtor.

29 3. If personal property other than that governed by subsections 1
30 and 2 is already subject to a security interest when it is brought into
31 this state, the validity of the security interest in this state is to be
32 determined by the law (including the conflict of laws rules) of the
33 jurisdiction where the property was when the security interest at-
34 tached. However, if the parties to the transaction understood at the
35 time that the security interest attached that the property would be
36 kept in this state and it was brought into this state within thirty
37 days after the security interest attached for purposes other than
38 transportation through this state, then the validity of the security
39 interest in this state is to be determined by the law of this state. If
40 the security interest was already perfected under the law of the juris-
41 diction where the property was when the security interest attached
42 and before being brought into this state, the security interest con-
43 tinues perfected in this state for four months and also thereafter if
44 within the four month period it is perfected in this state. The secu-
45 rity interest may also be perfected in this state after the expiration
46 of the four month period; in such case perfection dates from the time
47 of perfection in this state. If the security interest was not perfected
48 under the law of the jurisdiction where the property was when the

49 security interest attached and before being brought into this state,
50 it may be perfected in this state; in such case perfection dates from
51 the time of perfection in this state.

52 4. Notwithstanding subsections 2 and 3, if personal property is
53 covered by a certificate of title issued under a statute of this state or
54 any other jurisdiction which requires indication on a certificate of
55 title of any security interest in the property as a condition of perfec-
56 tion, then the perfection is governed by the law of the jurisdiction
57 which issued the certificate.

58 5. Notwithstanding subsection 1 and Section 9302, if the office
59 where the assignor of accounts or contract rights keeps his records
60 concerning them is not located in a jurisdiction which is a part of the
61 United States, its territories or possessions, and the accounts or con-
62 tract rights are within the jurisdiction of this state or the transac-
63 tion which creates the security interest otherwise bears an appro-
64 priate relation to this state, this Article governs the validity and
65 perfection of the security interest and the security interest may only
66 be perfected by notification to the account debtor.

1 SEC. 9104. **Transactions excluded from Article.** This Article
2 does not apply

3 a. to a security interest subject to any statute of the United States
4 such as the Ship Mortgage Act, 1920, to the extent that such statute
5 governs the rights of parties to and third parties affected by transac-
6 tions in particular types of property; or

7 b. to a landlord's lien; or

8 c. to a lien given by statute or other rule of law for services or
9 materials except as provided in Section 9310 on priority of such liens;
10 or

11 d. to a transfer of a claim for wages, salary or other compensation
12 of an employee; or

13 e. to an equipment trust covering railway rolling stock; or

14 f. to a sale of accounts, contract rights or chattel paper as part of
15 a sale of the business out of which they arose, or an assignment of
16 accounts, contract rights or chattel paper which is for the purpose of
17 collection only, or a transfer of a contract right to an assignee who is
18 also to do the performance under the contract; or

19 g. to a transfer of an interest or claim in or under any policy of
20 insurance; or

21 h. to a right represented by a judgment; or

22 i. to any right of setoff; or

23 j. except to the extent that provision is made for fixtures in Sec-
24 tion 9313, to the creation or transfer of an interest in or lien on real
25 estate, including a lease or rents thereunder; or

26 k. to a transfer in whole or in part of any of the following: any
27 claim arising out of tort; any deposit, savings, passbook or like ac-
28 count maintained with a bank, savings and loan association, credit
29 union or like organization.

1 SEC. 9105. **Definitions and index of definitions.**

2 1. In this Article unless the context otherwise requires:

3 a. "Account debtor" means the person who is obligated on an ac-
4 count, chattel paper, contract right or general intangible;

5 *b.* "Chattel paper" means a writing or writings which evidence
6 both a monetary obligation and a security interest in or a lease of
7 specific goods. When a transaction is evidenced both by such a secu-
8 rity agreement or a lease and by an instrument or a series of instru-
9 ments, the group of writings taken together constitutes chattel paper;

10 *c.* "Collateral" means the property subject to a security interest,
11 and includes accounts, contract rights and chattel paper which have
12 been sold;

13 *d.* "Debtor" means the person who owes payment or other per-
14 formance of the obligation secured, whether or not he owns or has
15 rights in the collateral, and includes the seller of accounts, contract
16 rights or chattel paper. Where the debtor and the owner of the col-
17 lateral are not the same person, the term "debtor" means the owner
18 of the collateral in any provision of the Article dealing with the col-
19 lateral, the obligor in any provision dealing with the obligation, and
20 may include both where the context so requires;

21 *e.* "Document" means document of title as defined in the general
22 definitions of Article 1 (Section 1201);

23 *f.* "Goods" includes all things which are movable at the time the
24 security interest attaches or which are fixtures (Section 9313), but
25 does not include money, documents, instruments, accounts, chattel
26 paper, general intangibles, contract rights and other things in action.
27 "Goods" also include the unborn young of animals and growing crops;

28 *g.* "Instrument" means a negotiable instrument (defined in Section
29 3104), or a security (defined in Section 8102) or any other writing
30 which evidences a right to the payment of money and is not itself a
31 security agreement or lease and is of a type which is in ordinary
32 course of business transferred by delivery with any necessary in-
33 dorsement or assignment;

34 *h.* "Security agreement" means an agreement which creates or
35 provides for a security interest;

36 *i.* "Secured party" means a lender, seller or other person in whose
37 favor there is a security interest, including a person to whom ac-
38 counts, contract rights or chattel paper have been sold. When the
39 holders of obligations issued under an indenture of trust, equipment
40 trust agreement or the like are represented by a trustee or other per-
41 son, the representative is the secured party.

42 2. Other definitions applying to this Article and the sections in
43 which they appear are:

44 "Account".	Section 9106.
45 "Consumer goods".	Section 9109. sub. 1.
46 "Contract right".	Section 9106.
47 "Equipment".	Section 9109. sub. 2.
48 "Farm products".	Section 9109. sub. 3.
49 "General intangibles".	Section 9106.
50 "Inventory".	Section 9109. sub. 4.
51 "Lien creditor".	Section 9301. sub. 3.
52 "Proceeds".	Section 9306. sub. 1.
53 "Purchase money security interest".	Section 9107.

54 3. The following definitions in other Articles apply to this Article:

55 "Check".	Section 3104.
56 "Contract for sale".	Section 2106.

- 57 "Holder in due course". Section 3302.
 58 "Note". Section 3104.
 59 "Sale". Section 2106.
 60 4. In addition Article 1 contains general definitions and principles
 61 of construction and interpretation applicable throughout this Article.

1 SEC. 9106. **Definitions: "Account"—"contract right"—"general**
 2 **intangibles"**. "Account" means any right to payment for goods sold
 3 or leased or for services rendered which is not evidenced by an instru-
 4 ment or chattel paper. "Contract right" means any right to payment
 5 under a contract not yet earned by performance and not evidenced by
 6 an instrument or chattel paper. "General intangibles" means any
 7 personal property (including things in action) other than goods,
 8 accounts, contract rights, chattel paper, documents and instruments.

1 SEC. 9107. **Definitions: "Purchase money security interest"**. A
 2 security interest is a "purchase money security interest" to the extent
 3 that it is

4 a. taken or retained by the seller of the collateral to secure all or
 5 part of its price; or

6 b. taken by a person who by making advances or incurring an obli-
 7 gation gives value to enable the debtor to acquire rights in or the use
 8 of collateral if such value is in fact so used.

1 SEC. 9108. **When after-acquired collateral not security for ante-**
 2 **cedent debt**. Where a secured party makes an advance, incurs an
 3 obligation, releases a perfected security interest, or otherwise gives
 4 new value which is to be secured in whole or in part by after-acquired
 5 property his security interest in the after-acquired collateral shall be
 6 deemed to be taken for new value and not as security for an ante-
 7 cedent debt if the debtor acquires his rights in such collateral either
 8 in the ordinary course of his business or under a contract of purchase
 9 made pursuant to the security agreement within a reasonable time
 10 after new value is given.

1 SEC. 9109. **Classification of goods — "consumer goods" — "equip-**
 2 **ment"—"farm products"—"inventory"**. Goods are

3 1. "consumer goods" if they are used or bought for use primarily
 4 for personal, family or household purposes;

5 2. "equipment" if they are used or bought for use primarily in
 6 business (including farming or a profession) or by a debtor who is a
 7 nonprofit organization or a governmental subdivision or agency or if
 8 the goods are not included in the definitions of inventory, farm prod-
 9 ucts or consumer goods;

10 3. "farm products" if they are crops or livestock or supplies used
 11 or produced in farming operations or if they are products of crops or
 12 livestock in their unmanufactured states (such as ginned cotton, wool
 13 clip, maple syrup, milk and eggs), and if they are in the possession
 14 of a debtor engaged in raising, fattening, grazing or other farming
 15 operations. If goods are farm products they are neither equipment
 16 nor inventory;

17 4. "inventory" if they are held by a person who holds them for sale
 18 or lease or to be furnished under contracts of service or if he has so
 19 furnished them, or if they are raw materials, work in process or mate-

20 rials used or consumed in a business. Inventory of a person is not to
21 be classified as his equipment.

1 SEC. 9110. **Sufficiency of description.** For the purposes of this
2 Article any description of personal property or real estate is sufficient
3 whether or not it is specific if it reasonably identifies what is de-
4 scribed.

1 SEC. 9111. **Applicability of bulk transfer laws.** The creation of
2 a security interest is not a bulk transfer under Article 6 (see Section
3 6103).

1 SEC. 9112. **Where collateral is not owned by debtor.** Unless
2 otherwise agreed, when a secured party knows that collateral is
3 owned by a person who is not the debtor, the owner of the collateral
4 is entitled to receive from the secured party any surplus under Sec-
5 tion 9502 subsection 2 or under Section 9504 subsection 1, and is not
6 liable for the debt or for any deficiency after resale, and he has the
7 same right as the debtor

8 a. to receive statements under Section 9208;

9 b. to receive notice of and to object to a secured party's proposal to
10 retain the collateral in satisfaction of the indebtedness under Section
11 9505;

12 c. to redeem the collateral under Section 9506;

13 d. to obtain injunctive or other relief under Section 9507 subsection
14 1; and

15 e. to recover losses caused to him under Section 9208 subsection 2.

1 SEC. 9113. **Security interests arising under Article on sales.** A
2 security interest arising solely under the Article on Sales (Article 2)
3 is subject to the provisions of this Article except that to the extent
4 that and so long as the debtor does not have or does not lawfully
5 obtain possession of the goods

6 a. no security agreement is necessary to make the security interest
7 enforceable; and

8 b. no filing is required to perfect the security interest; and

9 c. the rights of the secured party on default by the debtor are gov-
10 erned by the Article on Sales (Article 2).

PART 2

VALIDITY OF SECURITY AGREEMENT AND RIGHTS OF PARTIES THERETO

1 SEC. 9201. **General validity of security agreement.** Except as
2 otherwise provided by this Act a security agreement is effective
3 according to its terms between the parties, against purchasers of the
4 collateral and against creditors. Nothing in this Article validates any
5 charge or practice illegal under any statute or regulation thereunder
6 governing usury, small loans, retail installment sales, or the like,
7 or extends the application of any such statute or regulation to any
8 transaction not otherwise subject thereto.

1 SEC. 9202. **Title to collateral immaterial.** Each provision of this
2 Article with regard to rights, obligations and remedies applies
3 whether title to collateral is in the secured party or in the debtor.

1 **SEC. 9203. Enforceability of security interest—proceeds, formal**
 2 **requisites.**

3 1. Subject to the provisions of Section 4208 on the security interest
 4 of a collecting bank and Section 9113 on a security interest arising
 5 under the Article on Sales, a security interest is not enforceable
 6 against the debtor or third parties unless

7 *a.* the collateral is in the possession of the secured party; or

8 *b.* the debtor has signed a security agreement which contains a
 9 description of the collateral and in addition, when the security inter-
 10 est covers crops or oil, gas or minerals to be extracted or timber to be
 11 cut, a description of the land concerned. In describing collateral, the
 12 word "proceeds" is sufficient without further description to cover
 13 proceeds of any character.

14 2. A transaction, although subject to this Article, is also subject
 15 to chapters three hundred twenty-two (322), five hundred twenty-
 16 nine (529), five hundred thirty-five (535) and five hundred thirty-six
 17 (536) of the Code and in the case of conflict between the provisions
 18 of this Article and any such statute, the provisions of such statute
 19 control. Failure to comply with any applicable statute has only the
 20 effect which is specified therein.

1 **SEC. 9204. When security interest attaches—after-acquired prop-**
 2 **erty—future advances.**

3 1. A security interest cannot attach until there is agreement (sub-
 4 section 3 of Section 1201) that it attach and value is given and the
 5 debtor has rights in the collateral. It attaches as soon as all of the
 6 events in the preceding sentence have taken place unless explicit
 7 agreement postpones the time of attaching.

8 2. For the purposes of this section the debtor has no rights

9 *a.* in crops until they are planted or otherwise become growing
 10 crops, in the young of livestock until they are conceived;

11 *b.* in fish until caught, in oil, gas or minerals until they are ex-
 12 tracted, in timber until it is cut;

13 *c.* in a contract right until the contract has been made;

14 *d.* in an account until it comes into existence.

15 3. Except as provided in subsection 4 a security agreement may
 16 provide that collateral, whenever acquired, shall secure all obligations
 17 covered by the security agreement.

18 4. No security interest attaches under an after-acquired property
 19 clause to consumer goods other than accessions (Section 9314) when
 20 given as additional security unless the debtor acquires rights in them
 21 within ten days after the secured party gives value.

22 5. Obligations covered by a security agreement may include future
 23 advances or other value whether or not the advances or value are
 24 given pursuant to commitment.

1 **SEC. 9205. Use or disposition of collateral without accounting per-**
 2 **missible.** A security interest is not invalid or fraudulent against
 3 creditors by reason of liberty in the debtor to use, commingle or dis-
 4 pose of all or part of the collateral (including returned or repossessed
 5 goods) or to collect or compromise accounts, contract rights or chat-
 6 tel paper, or to accept the return of goods or make repossessions, or
 7 to use, commingle or dispose of proceeds, or by reason of the failure

8 of the secured party to require the debtor to account for proceeds or
 9 replace collateral. This section does not relax the requirements of
 10 possession where perfection of a security interest depends upon pos-
 11 session of the collateral by the secured party or by a bailee.

1 **SEC. 9206. Agreement not to assert defenses against assignee—**
 2 **modification of sales warranties where security agreement exists.**

3 1. Subject to any statute or decision which establishes a different
 4 rule for buyers or lessees of consumer goods, an agreement by a buyer
 5 or lessee that he will not assert against an assignee any claim or de-
 6 fense which he may have against the seller or lessor is enforceable
 7 by an assignee who takes his assignment for value, in good faith and
 8 without notice of a claim or defense, except as to defenses of a type
 9 which may be asserted against a holder in due course of a negotiable
 10 instrument under the Article on Commercial Paper (Article 3). A
 11 buyer who as part of one transaction signs both a negotiable instru-
 12 ment and a security agreement makes such an agreement.

13 2. When a seller retains a purchase money security interest in
 14 goods the Article on Sales (Article 2) governs the sale and any dis-
 15 claimer, limitation or modification of the seller's warranties.

1 **SEC. 9207. Rights and duties when collateral is in secured party's**
 2 **possession.**

3 1. A secured party must use reasonable care in the custody and
 4 preservation of collateral in his possession. In the case of an instru-
 5 ment or chattel paper reasonable care includes taking necessary steps
 6 to preserve rights against prior parties unless otherwise agreed.

7 2. Unless otherwise agreed, when collateral is in the secured party's
 8 possession

9 *a.* reasonable expenses (including the cost of any insurance and
 10 payment of taxes or other charges) incurred in the custody, preser-
 11 vation, use or operation of the collateral are chargeable to the debtor
 12 and are secured by the collateral;

13 *b.* the risk of accidental loss or damage is on the debtor to the
 14 extent of any deficiency in any effective insurance coverage;

15 *c.* the secured party may hold as additional security any increase
 16 or profits (except money) received from the collateral, but money so
 17 received, unless remitted to the debtor, shall be applied in reduction
 18 of the secured obligation;

19 *d.* the secured party must keep the collateral identifiable but fun-
 20 gible collateral may be commingled;

21 *e.* the secured party may repledge the collateral upon terms which
 22 do not impair the debtor's right to redeem it.

23 3. A secured party is liable for any loss caused by his failure to
 24 meet any obligation imposed by the preceding subsections but does
 25 not lose his security interest.

26 4. A secured party may use or operate the collateral for the pur-
 27 pose of preserving the collateral or its value or pursuant to the order
 28 of a court of appropriate jurisdiction or, except in the case of con-
 29 sumer goods, in the manner and to the extent provided in the security
 30 agreement.

1 **SEC. 9208. Request for statement of account or list of collateral.**

2 1. A debtor may sign a statement indicating what he believes to be

3 the aggregate amount of unpaid indebtedness as of a specified date
 4 and may send it to the secured party with a request that the state-
 5 ment be approved or corrected and returned to the debtor. When the
 6 security agreement or any other record kept by the secured party
 7 identifies the collateral a debtor may similarly request the secured
 8 party to approve or correct a list of the collateral.

9 2. The secured party must comply with such a request within two
 10 weeks after receipt by sending a written correction or approval. If
 11 the secured party claims a security interest in all of a particular type
 12 of collateral owned by the debtor he may indicate that fact in his
 13 reply and need not approve or correct an itemized list of such col-
 14 lateral. If the secured party without reasonable excuse fails to com-
 15 ply he is liable for any loss caused to the debtor thereby; and if the
 16 debtor has properly included in his request a good faith statement of
 17 the obligation or a list of the collateral or both the secured party may
 18 claim a security interest only as shown in the statement against per-
 19 sons misled by his failure to comply. If he no longer has an interest
 20 in the obligation or collateral at the time the request is received he
 21 must disclose the name and address of any successor in interest
 22 known to him and he is liable for any loss caused to the debtor as a
 23 result of failure to disclose. A successor in interest is not subject to
 24 this section until a request is received by him.

25 3. A debtor is entitled to such a statement once every six months
 26 without charge. The secured party may require payment of a charge
 27 not exceeding ten dollars for each additional statement furnished.

PART 3

RIGHTS OF THIRD PARTIES—PERFECTED AND UNPERFECTED SECURITY INTERESTS—RULES OF PRIORITY

1 **SEC. 9301. Persons who take priority over unperfected security**
 2 **interests—"lien creditor".**

3 1. Except as otherwise provided in subsection 2, an unperfected
 4 security interest is subordinate to the rights of

5 a. persons entitled to priority under Section 9312;

6 b. a person who becomes a lien creditor without knowledge of the
 7 security interest and before it is perfected;

8 c. in the case of goods, instruments, documents, and chattel paper,
 9 a person who is not a secured party and who is a transferee in bulk or
 10 other buyer not in ordinary course of business to the extent that he
 11 gives value and receives delivery of the collateral without knowledge
 12 of the security interest and before it is perfected;

13 d. in the case of accounts, contract rights, and general intangibles,
 14 a person who is not a secured party and who is a transferee to the
 15 extent that he gives value without knowledge of the security interest
 16 and before it is perfected.

17 2. If the secured party files with respect to a purchase money secu-
 18 rity interest before or within ten days after the collateral comes into
 19 possession of the debtor, he takes priority over the rights of a trans-
 20 feree in bulk or of a lien creditor which arise between the time secu-
 21 rity interest attaches and the time of filing.

22 3. A "lien creditor" means a creditor who has acquired a lien on the

23 property involved by attachment, levy or the like and includes an
 24 assignee for benefit of creditors from the time of assignment, and a
 25 trustee in bankruptcy from the date of the filing of the petition or a
 26 receiver in equity from the time of appointment. Unless all the cred-
 27 itors represented had knowledge of the security interest such a repre-
 28 sentative of creditors is a lien creditor without knowledge even
 29 though he personally has knowledge of the security interest.

1 **SEC. 9302. When filing is required to perfect security interest—**
 2 **security interests to which filing provisions of this Article do not**
 3 **apply.**

4 1. A financing statement must be filed to perfect all security inter-
 5 ests except the following:

6 a. a security interest in collateral in possession of the secured party
 7 under Section 9305;

8 b. a security interest temporarily perfected in instruments or docu-
 9 ments without delivery under Section 9304 or in proceeds for a ten-
 10 day period under Section 9306;

11 c. a purchase money security interest in farm equipment having a
 12 purchase price not in excess of one thousand dollars; but filing is
 13 required for a fixture or for a motor vehicle required to be li-
 14 censed;

15 d. a purchase money security interest in consumer goods; but fil-
 16 ing is required for a fixture or for a motor vehicle required to be
 17 licensed;

18 e. an assignment of accounts or contract rights which does not
 19 alone or in conjunction with other assignments to the same assignee
 20 transfer a significant part of the outstanding accounts or contract
 21 rights of the assignor;

22 f. a security interest of a collecting bank (Section 4208) or arising
 23 under the Article on Sales (see Section 9113) or covered in subsection
 24 3 of this section.

25 2. If a secured party assigns a perfected security interest, no filing
 26 under this Article is required in order to continue the perfected status
 27 of the security interest against creditors of and transferees from the
 28 original debtor.

29 3. The filing provisions of this Article do not apply to a security
 30 interest in property subject to a statute

31 a. of the United States which provides for a national registration
 32 or filing of all security interests in such property; or

33 b. of this state which provides for central filing of security inter-
 34 ests in such property, or in a motor vehicle which is not inventory
 35 held for sale for which a certificate of title is required under the
 36 statutes of this state if a notation of such a security interest can be
 37 indicated by a public official on a certificate or a duplicate thereof.

38 4. A security interest in property covered by a statute described in
 39 subsection 3 can be perfected only by registration or filing under that
 40 statute or by indication of the security interest on a certificate of title
 41 or a duplicate thereof by a public official.

1 **SEC. 9303. When security interest is perfected—continuity of**
 2 **perfection.**

3 1. A security interest is perfected when it has attached and when

4 all of the applicable steps required for perfection have been taken.
5 Such steps are specified in Sections 9302, 9304, 9305 and 9306. If
6 such steps are taken before the security interest attaches, it is per-
7 fected at the time when it attaches.

8 2. If a security interest is originally perfected in any way per-
9 mitted under this Article and is subsequently perfected in some other
10 way under this Article, without an intermediate period when it was
11 unperfected, the security interest shall be deemed to be perfected
12 continuously for the purposes of this Article.

1 **SEC. 9304. Perfection of security interest in instruments, docu-**
2 **ments, and goods covered by documents—perfection by permissive**
3 **filing—temporary perfection without filing or transfer of possession.**

4 1. A security interest in chattel paper or negotiable documents may
5 be perfected by filing. A security interest in instruments (other than
6 instruments which constitute part of chattel paper) can be perfected
7 only by the secured party's taking possession, except as provided in
8 subsections 4 and 5.

9 2. During the period that goods are in the possession of the issuer
10 of a negotiable document therefor, a security interest in the goods is
11 perfected by perfecting a security interest in the document, and any
12 security interest in the goods otherwise perfected during such period
13 is subject thereto.

14 3. A security interest in goods in the possession of a bailee other
15 than one who has issued a negotiable document therefor is perfected
16 by issuance of a document in the name of the secured party or by the
17 bailee's receipt of notification of the secured party's interest or by
18 filing as to the goods.

19 4. A security interest in instruments or negotiable documents is
20 perfected without filing or the taking of possession for a period of
21 twenty-one days from the time it attaches to the extent that it arises
22 for new value given under a written security agreement.

23 5. A security interest remains perfected for a period of twenty-one
24 days without filing where a secured party having a perfected security
25 interest in an instrument, a negotiable document or goods in posses-
26 sion of a bailee other than one who has issued a negotiable document
27 therefor

28 *a.* makes available to the debtor the goods or documents represent-
29 ing the goods for the purpose of ultimate sale or exchange or for the
30 purpose of loading, unloading, storing, shipping, transshipping, manu-
31 facturing, processing or otherwise dealing with them in a manner
32 preliminary to their sale or exchange; or

33 *b.* delivers the instrument to the debtor for the purpose of ultimate
34 sale or exchange or of presentation, collection, renewal or registration
35 of transfer.

36 6. After the twenty-one day period in subsections 4 and 5 perfec-
37 tion depends upon compliance with applicable provisions of this
38 Article.

1 **SEC. 9305. When possession by secured party perfects security**
2 **interest without filing.** A security interest in letters of credit and
3 advices of credit (subsection 2 *a* of Section 5116), goods, instruments,
4 negotiable documents or chattel paper may be perfected by the se-

5 cured party's taking possession of the collateral. If such collateral
6 other than goods covered by a negotiable document is held by a bailee,
7 the secured party is deemed to have possession from the time the
8 bailee receives notification of the secured party's interest. A security
9 interest is perfected by possession from the time possession is taken
10 without relation back and continues only so long as possession is re-
11 tained, unless otherwise specified in this Article. The security interest
12 may be otherwise perfected as provided in this Article before or after
13 the period of possession by the secured party.

1 SEC. 9306. "Proceeds"—secured party's rights on disposition of
2 collateral.

3 1. "Proceeds" includes whatever is received when collateral or pro-
4 ceeds is sold, exchanged, collected or otherwise disposed of. The term
5 also includes the account arising when the right to payment is earned
6 under a contract right. Money, checks and the like are "cash pro-
7 ceeds". All other proceeds are "noncash proceeds".

8 2. Except where this Article otherwise provides, a security interest
9 continues in collateral notwithstanding sale, exchange or other dis-
10 position thereof by the debtor unless his action was authorized by the
11 secured party in the security agreement or otherwise, and also con-
12 tinues in any identifiable proceeds including collections received by
13 the debtor.

14 3. The security interest in proceeds is a continuously perfected
15 security interest if the interest in the original collateral was perfected
16 but it ceases to be a perfected security interest and becomes unper-
17 fected ten days after receipt of the proceeds by the debtor unless

18 a. a filed financing statement covering the original collateral also
19 covers proceeds; or

20 b. the security interest in the proceeds is perfected before the ex-
21 piration of the ten-day period.

22 4. In the event of insolvency proceedings instituted by or against a
23 debtor, a secured party with a perfected security interest in proceeds
24 has a perfected security interest

25 a. in identifiable noncash proceeds;

26 b. in identifiable cash proceeds in the form of money which is not
27 commingled with other money or deposited in a bank account prior to
28 the insolvency proceedings;

29 c. in identifiable cash proceeds in the form of checks and the like
30 which are not deposited in a bank account prior to the insolvency
31 proceedings; and

32 d. in all cash and bank accounts of the debtor, if other cash pro-
33 ceeds have been commingled or deposited in a bank account, but the
34 perfected security interest under this paragraph *d* is

35 i. subject to any right of setoff; and

36 ii. limited to an amount not greater than the amount of any cash
37 proceeds received by the debtor within ten days before the institution
38 of the insolvency proceedings and commingled or deposited in a bank
39 account prior to the insolvency proceedings less the amount of cash
40 proceeds received by the debtor and paid over to the secured party
41 during the ten-day period.

42 5. If a sale of goods results in an account or chattel paper which is
43 transferred by the seller to a secured party, and if the goods are re-

44 turned to or are repossessed by the seller or the secured party, the
45 following rules determine priorities:

46 *a.* If the goods were collateral at the time of sale for an indebted-
47 ness of the seller which is still unpaid, the original security interest
48 attaches again to the goods and continues as a perfected security
49 interest if it was perfected at the time when the goods were sold. If
50 the security interest was originally perfected by a filing which is still
51 effective, nothing further is required to continue the perfected status;
52 in any other case, the secured party must take possession of the re-
53 turned or repossessed goods or must file.

54 *b.* An unpaid transferee of the chattel paper has a security interest
55 in the goods against the transferor. Such security interest is prior to
56 a security interest asserted under paragraph *a* to the extent that the
57 transferee of the chattel paper was entitled to priority under Section
58 9308.

59 *c.* An unpaid transferee of the account has a security interest in
60 the goods against the transferor. Such security interest is subordi-
61 nate to a security interest asserted under paragraph *a*.

62 *d.* A security interest of an unpaid transferee asserted under para-
63 graph *b* or *c* must be perfected for protection against creditors of the
64 transferor and purchasers of the returned or repossessed goods.

1 **SEC. 9307. Protection of buyers of goods.**

2 1. A buyer in ordinary course of business (subsection 9 of Section
3 1201) other than a person buying farm products subject to a perfected
4 security interest from a person engaged in farming operations takes
5 free of a security interest created by his seller even though the secu-
6 rity interest is perfected and even though the buyer knows of its
7 existence.

8 2. In the case of consumer goods and in the case of farm equipment
9 having an original purchase price not in excess of one thousand dollars
10 (other than fixtures), a buyer takes free of a security interest even
11 though perfected if he buys without knowledge of the security inter-
12 est, for value and for his own personal, family or household purposes
13 or his own farming operations unless prior to the purchase the se-
14 cured party has filed a financing statement covering such goods.

1 **SEC. 9308. Purchase of chattel paper and nonnegotiable instru-**
2 **ments.** A purchaser of chattel paper or a nonnegotiable instrument
3 who gives new value and takes possession of it in the ordinary course
4 of his business and without knowledge that the specific paper or in-
5 strument is subject to a security interest has priority over a security
6 interest which is perfected under Section 9304 (permissive filing and
7 temporary perfection). A purchaser of chattel paper who gives new
8 value and takes possession of it in the ordinary course of his business
9 has priority over a security interest in chattel paper which is claimed
10 merely as proceeds of inventory subject to a security interest (Section
11 9306), even though he knows that the specific paper is subject to the
12 security interest.

1 **SEC. 9309. Protection of purchasers of instruments and docu-**
2 **ments.** Nothing in this Article limits the rights of a holder in due
3 course of a negotiable instrument (Section 3302) or a holder to whom
4 a negotiable document of title has been duly negotiated (Section

5 7501) or a bona fide purchaser of a security (Section 8301) and such
 6 holders or purchasers take priority over an earlier security interest
 7 even though perfected. Filing under this Article does not constitute
 8 notice of the security interest to such holders or purchasers.

1 **SEC. 9310. Priority of certain liens arising by operation of law.**
 2 When a person in the ordinary course of his business furnishes serv-
 3 ices or materials with respect to goods subject to a security interest,
 4 a lien upon goods in the possession of such person given by statute or
 5 rule of law for such materials or services takes priority over a per-
 6 fected security interest unless the lien is statutory and the statute
 7 expressly provides otherwise.

1 **SEC. 9311. Alienability of debtor's rights: judicial process.** The
 2 debtor's rights in collateral may be voluntarily or involuntarily trans-
 3 ferred (by way of sale, creation of a security interest, attachment,
 4 levy, garnishment or other judicial process) notwithstanding a pro-
 5 vision in the security agreement prohibiting any transfer or making
 6 the transfer constitute a default.

1 **SEC. 9312. Priorities among conflicting security interests in the**
 2 **same collateral.**

3 1. The rules of priority stated in the following sections shall govern
 4 where applicable: Section 4208 with respect to the security interest
 5 of collecting banks in items being collected, accompanying documents
 6 and proceeds; Section 9301 on certain priorities; Section 9304 on
 7 goods covered by documents; Section 9306 on proceeds and reposses-
 8 sion; Section 9307 on buyers of goods; Section 9308 on possessory
 9 against nonpossessory interests in chattel paper or nonnegotiable
 10 instruments; Section 9309 on security interests in negotiable instru-
 11 ments, documents or securities; Section 9310 on priorities between
 12 perfected security interests and liens by operation of law; Section
 13 9313 on security interests in fixtures as against interests in real
 14 estate; Section 9314 on security interests in accessions as against
 15 interest in goods; Section 9315 on conflicting security interests where
 16 goods lose their identity or become part of a product; and Section
 17 9316 on contractual subordination.

18 2. A perfected security interest in crops for new value given to
 19 enable the debtor to produce the crops during the production season
 20 and given not more than three months before the crops become grow-
 21 ing crops by planting or otherwise takes priority over an earlier per-
 22 fected security interest to the extent that such earlier interest secures
 23 obligations due more than six months before the crops become grow-
 24 ing crops by planting or otherwise, even though the person giving
 25 new value had knowledge of the earlier security interest.

26 3. A purchase money security interest in inventory collateral has
 27 priority over a conflicting security interest in the same collateral if

28 a. the purchase money security interest is perfected at the time
 29 the debtor receives possession of the collateral; and

30 b. any secured party whose security interest is known to the holder
 31 of the purchase money security interest or who, prior to the date of
 32 the filing made by the holder of the purchase money security interest,
 33 had filed a financing statement covering the same items or type of
 34 inventory, has received notification of the purchase money security

35 interest before the debtor receives possession of the collateral covered
36 by the purchase money security interest; and

37 c. such notification states that the person giving the notice has or
38 expects to acquire a purchase money security interest in inventory of
39 the debtor, describing such inventory by item or type.

40 4. A purchase money security interest in collateral other than in-
41 ventory has priority over a conflicting security interest in the same
42 collateral if the purchase money security interest is perfected at the
43 time the debtor receives possession of the collateral or within ten days
44 thereafter.

45 5. In all cases not governed by other rules stated in this section
46 (including cases of purchase money security interests which do not
47 qualify for the special priorities set forth in subsections 3 and 4 of
48 this section), priority between conflicting security interests in the
49 same collateral shall be determined as follows:

50 a. in the order of filing if both are perfected by filing, regardless of
51 which security interest attached first under Section 9204 subsection 1
52 and whether it attached before or after filing;

53 b. in the order of perfection unless both are perfected by filing,
54 regardless of which security interest attached first under Section
55 9204 subsection 1 and, in the case of a filed security interest, whether
56 it attached before or after filing; and

57 c. in the order of attachment under Section 9204 subsection 1 so
58 long as neither is perfected.

59 6. For the purpose of the priority rules of the immediately preced-
60 ing subsection, a continuously perfected security interest shall be
61 treated at all times as if perfected by filing if it was originally so
62 perfected and it shall be treated at all times as if perfected otherwise
63 than by filing if it was originally perfected otherwise than by filing.

1 **SEC. 9313. Priority of security interests in fixtures.**

2 Nothing in this Act governs the priority between a security interest
3 in goods which are or are to become fixtures and the claims of any
4 person who has an interest in the real estate.

1 **SEC. 9314. Accessions.**

2 1. A security interest in goods which attaches before they are
3 installed in or affixed to other goods takes priority as to the goods
4 installed or affixed (called in this section "accessions") over the
5 claims of all persons to the whole except as stated in subsection 3
6 and subject to Section 9315 subsection 1.

7 2. A security interest which attaches to goods after they become
8 part of a whole is valid against all persons subsequently acquiring
9 interests in the whole except as stated in subsection 3 but is invalid
10 against any person with an interest in the whole at the time the
11 security interest attaches to the goods who has not in writing con-
12 sented to the security interest or disclaimed an interest in the goods
13 as part of the whole.

14 3. The security interests described in subsections 1 and 2 do not
15 take priority over

16 a. a subsequent purchaser for value of any interest in the whole;
17 or

18 *b.* a creditor with a lien on the whole subsequently obtained by
19 judicial proceedings; or

20 *c.* a creditor with a prior perfected security interest in the whole
21 to the extent that he makes subsequent advances; if the subsequent
22 purchase is made, the lien by judicial proceedings obtained or the
23 subsequent advance under the prior perfected security interest is
24 made or contracted for without knowledge of the security interest
25 and before it is perfected. A purchaser of the whole at a foreclosure
26 sale other than the holder of a perfected security interest purchasing
27 at his own foreclosure sale is a subsequent purchaser within this
28 section.

29 4. When under subsections 1 or 2 and 3 a secured party has an
30 interest in accessions which has priority over the claims of all per-
31 sons who have interests in the whole, he may on default subject to
32 the provisions of Part 5 remove his collateral from the whole but he
33 must reimburse any encumbrancer or owner of the whole who is not
34 the debtor and who has not otherwise agreed for the cost of repair
35 of any physical injury but not for any diminution in value of the
36 whole caused by the absence of the goods removed or by any neces-
37 sity for replacing them. A person entitled to reimbursement may
38 refuse permission to remove until the secured party gives adequate
39 security for the performance of this obligation.

1 **SEC. 9315. Priority when goods are commingled or processed.**

2 1. If a security interest in goods was perfected and subsequently
3 the goods or a part thereof have become part of a product or mass, the
4 security interest continues in the product or mass if

5 *a.* the goods are so manufactured, processed, assembled or com-
6 mingled that their identity is lost in the product or mass; or

7 *b.* a financing statement covering the original goods also covers the
8 product into which the goods have been manufactured, processed or
9 assembled.

10 In a case to which paragraph *b* applies, no separate security interest
11 in that part of the original goods which has been manufactured, proc-
12 essed or assembled into the product may be claimed under Section
13 9314.

14 2. When under subsection 1 more than one security interest at-
15 taches to the product or mass, they rank equally according to the
16 ratio that the cost of the goods to which each interest originally
17 attached bears to the cost of the total product or mass.

1 **SEC. 9316. Priority subject to subordination.** Nothing in this
2 Article prevents subordination by agreement by any person entitled
3 to priority.

1 **SEC. 9317. Secured party not obligated on contract of debtor.**

2 The mere existence of a security interest or authority given to the
3 debtor to dispose of or use collateral does not impose contract or tort
4 liability upon the secured party for the debtor's acts or omissions.

1 **SEC. 9318. Defenses against assignee—modification of contract
2 after notification of assignment—term prohibiting assignment in-
3 effective—identification and proof of assignment.**

4 1. Unless an account debtor has made an enforceable agreement

- 5 not to assert defenses or claims arising out of a sale as provided in
6 Section 9206 the rights of an assignee are subject to
- 7 a. all the terms of the contract between the account debtor and
8 assignor and any defense or claim arising therefrom; and
- 9 b. any other defense or claim of the account debtor against the as-
10 signor which accrues before the account debtor receives notification
11 of the assignment.
- 12 2. So far as the right to payment under an assigned contract right
13 has not already become an account, and notwithstanding notification
14 of the assignment, any modification of or substitution for the con-
15 tract made in good faith and in accordance with reasonable commer-
16 cial standards is effective against an assignee unless the account
17 debtor has otherwise agreed but the assignee acquires corresponding
18 rights under the modified or substituted contract. The assignment
19 may provide that such modification or substitution is a breach by the
20 assignor.
- 21 3. The account debtor is authorized to pay the assignor until the
22 account debtor receives notification that the account has been as-
23 signed and that payment is to be made to the assignee. A notification
24 which does not reasonably identify the rights assigned is ineffective.
25 If requested by the account debtor, the assignee must seasonably
26 furnish reasonable proof that the assignment has been made and
27 unless he does so the account debtor may pay the assignor.
- 28 4. A term in any contract between an account debtor and an as-
29 signor which prohibits assignment of an account or contract right to
30 which they are parties is ineffective.

PART 4

FILING

- 1 **SEC. 9401. Place of filing—erroneous filing—removal of collateral.**
- 2 1. The proper place to file in order to perfect a security interest is as
3 follows:
- 4 a. when the collateral is equipment used in farming operations, or
5 farm products, or accounts, contract rights or general intangibles
6 arising from or relating to the sale of farm products by a farmer, or
7 consumer goods, then in the office of the Recorder in the county of
8 the debtor's residence or if the debtor is not a resident of this state
9 then in the office of the Recorder in the county where the goods are
10 kept, and in addition when the collateral is crops in the office of the
11 Recorder in the county where the land on which the crops are growing
12 or to be grown is located;
- 13 b. when the collateral is goods which at the time the security in-
14 terest attaches are or are to become fixtures, then in the office where
15 a mortgage on the real estate concerned would be filed or recorded;
- 16 c. in all other cases, in the office of the Secretary of State.
- 17 2. A filing which is made in good faith in an improper place or not
18 in all of the places required by this section is nevertheless effective
19 with regard to any collateral as to which the filing complied with the
20 requirements of this Article and is also effective with regard to col-
21 lateral covered by the financing statement against any person who
22 has knowledge of the contents of such financing statement.

23 3. A filing which is made in the proper place in this state continues
 24 effective even though the debtor's residence or place of business or
 25 the location of the collateral or its use, whichever controlled the
 26 original filing, is thereafter changed.

27 4. If collateral is brought into this state from another jurisdiction,
 28 the rules stated in Section 9103 determine whether filing is necessary
 29 in this state.

1 **SEC. 9402. Formal requisites of financing statement — amend-**
 2 **ments.**

3 1. A financing statement is sufficient if it is signed by the debtor
 4 and the secured party, gives an address of the secured party from
 5 which information concerning the security interest may be obtained,
 6 gives a mailing address of the debtor, contains a statement indicating
 7 the types, or describing the items, of collateral. A financing statement
 8 may be filed before a security agreement is made or a security interest
 9 otherwise attaches. When the financing statement covers crops grow-
 10 ing or to be grown or goods which are or are to become fixtures, the
 11 statement must also contain a description of the real estate concerned.
 12 A copy of the security agreement is sufficient as a financing statement
 13 if it contains the above information and is signed by both parties.

14 2. A financing statement which otherwise complies with subsection
 15 1 is sufficient although it is signed only by the secured party when it
 16 is filed to perfect a security interest in

17 *a.* collateral already subject to a security interest in another juris-
 18 diction when it is brought into this state. Such a financing statement
 19 must state that the collateral was brought into this state under such
 20 circumstances.

21 *b.* proceeds under Section 9306 if the security interest in the origi-
 22 nal collateral was perfected. Such a financing statement must de-
 23 scribe the original collateral.

24 3. A form substantially as follows is sufficient to comply with sub-
 25 section 1:

26 Name of debtor (or assignor).....
 27 Address
 28 Name of secured party (or assignee).....
 29 Address

30 (1) This financing statement covers the following types (or items)
 31 of property:

32 (Describe)

33 (2) (If collateral is crops) The above described crops are growing
 34 or are to be grown on:

35 (Describe Real Estate)

36 (3) (If collateral is goods which are or are to become fixtures) The
 37 above described goods are affixed or to be affixed to:

38 (Describe Real Estate)

39 (4) (If proceeds or products of collateral are claimed) Proceeds—
 40 Products of the collateral are also covered.

41 Signature of Debtor (or Assignor).....

42 Signature of Secured Party (or Assignee).....

43 4. The term "financing statement" as used in this Article means
 44 the original financing statement and any amendments but if any

45 amendment adds collateral, it is effective as to the added collateral
46 only from the filing date of the amendment.

47 5. A financing statement substantially complying with the require-
48 ments of this section is effective even though it contains minor errors
49 which are not seriously misleading.

1 **SEC. 9403. What constitutes filing—duration of filing—effect of**
2 **lapsed filing—duties of filing officer.**

3 1. Presentation for filing of a financing statement and tender of the
4 filing fee or acceptance of the statement by the filing officer consti-
5 tutes filing under this Article.

6 2. A filed financing statement which states a maturity date of the
7 obligation secured of five years or less is effective until such maturity
8 date and thereafter for a period of sixty days. Any other filed financ-
9 ing statement is effective for a period of five years from the date of
10 filing. The effectiveness of a filed financing statement lapses on the
11 expiration of such sixty day period after a stated maturity date or
12 on the expiration of such five-year period, as the case may be, unless
13 a continuation statement is filed prior to the lapse. Upon such lapse
14 the security interest becomes unperfected. A filed financing state-
15 ment which states that the obligation secured is payable on demand
16 is effective for five years from the date of filing.

17 3. A continuation statement may be filed by the secured party (i)
18 within six months before and sixty days after a stated maturity date
19 of five years or less, and (ii) otherwise within six months prior to the
20 expiration of the five-year period specified in subsection 2. Any such
21 continuation statement must be signed by the secured party, identify
22 the original statement by file number and state that the original
23 statement is still effective. Upon timely filing of the continuation
24 statement, the effectiveness of the original statement is continued
25 for five years after the last date to which the filing was effective
26 whereupon it lapses in the same manner as provided in subsection 2
27 unless another continuation statement is filed prior to such lapse.
28 Succeeding continuation statements may be filed in the same manner
29 to continue the effectiveness of the original statement. Unless a stat-
30 ute on disposition of public records provides otherwise, the filing
31 officer may remove a lapsed statement from the files and destroy it.

32 4. A filing officer shall mark each statement with a consecutive
33 file number and with the date and hour of filing and shall hold the
34 statement for public inspection. In addition the filing officer shall
35 index the statements according to the name of the debtor and shall
36 note in the index the file number and the address of the debtor given
37 in the statement.

38 5. The uniform fee for filing, indexing and furnishing data for an
39 original or a continuation statement shall be one dollar.

1 **SEC. 9404. Termination statement.**

2 1. Whenever there is no outstanding secured obligation and no
3 commitment to make advances, incur obligations or otherwise give
4 value, the secured party must on written demand by the debtor send
5 the debtor a statement that he no longer claims a security interest

6 under the financing statement, which shall be identified by file num-
7 ber. A termination statement signed by a person other than the
8 secured party of record must include or be accompanied by the assign-
9 ment or a statement by the secured party of record that he has as-
10 signed the security interest to the signer of the termination state-
11 ment. The uniform fee for filing and indexing such an assignment or
12 statement thereof shall be one dollar. If the affected secured party
13 fails to send such a termination statement within ten days after
14 proper demand therefor he shall be liable to the debtor for one hun-
15 dred dollars, and in addition for any loss caused to the debtor by such
16 failure.

17 2. On presentation to the filing officer of such a termination state-
18 ment he must note it in the index. The filing officer shall remove from
19 the files, mark "terminated" and send or deliver to the secured party
20 the financing statement and any continuation statement, statement of
21 assignment or statement of release pertaining thereto.

22 3. The uniform fee for filing and indexing a termination statement
23 including sending or delivering the financing statement shall be one
24 dollar.

1 **SEC. 9405. Assignment of security interest—duties of filing offi-
2 cer—fees.**

3 1. A financing statement may disclose an assignment of a security
4 interest in the collateral described in the statement by indication in
5 the statement of the name and address of the assignee or by an
6 assignment itself or a copy thereof on the face or back of the state-
7 ment. Either the original secured party or the assignee may sign
8 this statement as the secured party. On presentation to the filing
9 officer of such a financing statement the filing officer shall mark the
10 same as provided in Section 9403 subsection 4. The uniform fee for
11 filing, indexing and furnishing filing data for a financing statement
12 so indicating an assignment shall be one dollar.

13 2. A secured party may assign of record all or a part of his rights
14 under a financing statement by the filing of a separate written state-
15 ment of assignment signed by the secured party of record and setting
16 forth the name of the secured party of record and the debtor, the file
17 number and the date of filing of the financing statement and the
18 name and address of the assignee and containing a description of the
19 collateral assigned. A copy of the assignment is sufficient as a sepa-
20 rate statement if it complies with the preceding sentence. On presen-
21 tation to the filing officer of such a separate statement, the filing officer
22 shall mark such separate statement with the date and hour of the
23 filing. He shall note the assignment on the index of the financing
24 statement. The uniform fee for filing, indexing and furnishing filing
25 data about such a separate statement of assignment shall be one
26 dollar.

27 3. After the disclosure or filing of an assignment under this sec-
28 tion, the assignee is the secured party of record.

1 **SEC. 9406. Release of collateral—duties of filing officer—fees.** A
2 secured party of record may by his signed statement release all or a
3 part of any collateral described in a filed financing statement. The
4 statement of release is sufficient if it contains a description of the

5 collateral being released, the name and address of the debtor, the
6 name and address of the secured party, and the file number of the
7 financing statement. Upon presentation of such a statement to the
8 filing officer he shall mark the statement with the hour and date of
9 filing and shall note the same upon the margin of the index of the
10 filing of the financing statement. The uniform fee for filing and not-
11 ing such a statement of release shall be one dollar.

1 **SEC. 9407. Information from filing officer.**

2 1. If the person filing any financing statement, termination state-
3 ment, statement of assignment, or statement of release, furnishes the
4 filing officer a copy thereof, the filing officer shall upon request note
5 upon the copy the file number and date and hour of the filing of the
6 original and deliver or send the copy to such person.

7 2. Upon request of any person, the filing officer shall issue his cer-
8 tificate showing whether there is on file on the date and hour stated
9 therein, any presently effective financing statement naming a partic-
10 ular debtor and any statement of assignment thereof and if there
11 is, giving the date and hour of filing of each such statement and the
12 names and addresses of each secured party therein. The uniform fee
13 for such a certificate shall be one dollar plus fifty cents for each
14 financing statement and for each statement of assignment reported
15 therein. Upon request the filing officer shall furnish a certified copy
16 of any filed financing statement or statement of assignment for a
17 uniform fee of one dollar per page.

PART 5

DEFAULT

1 **SEC. 9501. Default—procedure when security agreement covers**
2 **both real and personal property.**

3 1. When a debtor is in default under a security agreement, a se-
4 cured party has the rights and remedies provided in this Part and
5 except as limited by subsection 3 those provided in the security agree-
6 ment. He may reduce his claim to judgment, foreclose or otherwise
7 enforce the security interest by any available judicial procedure. If
8 the collateral is documents the secured party may proceed either as
9 to the documents or as to the goods covered thereby. A secured party
10 in possession has the rights, remedies and duties provided in Section
11 9207. The rights and remedies referred to in this subsection are
12 cumulative.

13 2. After default, the debtor has the rights and remedies provided
14 in this Part, those provided in the security agreement and those pro-
15 vided in Section 9207.

16 3. To the extent that they give rights to the debtor and impose
17 duties on the secured party, the rules stated in the subsections re-
18 ferred to below may not be waived or varied except as provided with
19 respect to compulsory disposition of collateral (subsection 1 of Sec-
20 tion 9505) and with respect to redemption of collateral (Section 9506)
21 but the parties may by agreement determine the standards by which
22 the fulfillment of these rights and duties is to be measured if such
23 standards are not manifestly unreasonable:

24 a. subsection 2 of Section 9502 and subsection 2 of Section 9504

25 insofar as they require accounting for surplus proceeds of collateral;
 26 b. subsection 3 of Section 9504 and subsection 1 of Section 9505
 27 which deal with disposition of collateral;
 28 c. subsection 2 of Section 9505 which deals with acceptance of col-
 29 lateral as discharge of obligation;
 30 d. Section 9506 which deals with redemption of collateral; and
 31 e. subsection 1 of Section 9507 which deals with the secured party's
 32 liability for failure to comply with this Part.
 33 4. If the security agreement covers both real and personal prop-
 34 erty, the secured party may proceed under this Part as to the per-
 35 sonal property or he may proceed as to both the real and the personal
 36 property in accordance with his rights and remedies in respect of the
 37 real property in which case the provisions of this Part do not apply.
 38 5. When a secured party has reduced his claim to judgment the
 39 lien of any levy which may be made upon his collateral by virtue of
 40 any execution based upon the judgment shall relate back to the date
 41 of the perfection of the security interest in such collateral. A judicial
 42 sale, pursuant to such execution, is a foreclosure of the security in-
 43 terest by judicial procedure within the meaning of this section, and
 44 the secured party may purchase at the sale and thereafter hold the
 45 collateral free of any other requirements of this Article.

1 **SEC. 9502. Collection rights of secured party.**

2 1. When so agreed and in any event on default the secured party is
 3 entitled to notify an account debtor or the obligor on an instrument
 4 to make payment to him whether or not the assignor was theretofore
 5 making collections on the collateral, and also to take control of any
 6 proceeds to which he is entitled under Section 9306.
 7 2. A secured party who by agreement is entitled to charge back
 8 uncollected collateral or otherwise to full or limited recourse against
 9 the debtor and who undertakes to collect from the account debtors
 10 or obligors must proceed in a commercially reasonable manner and
 11 may deduct his reasonable expenses of realization from the collec-
 12 tions. If the security agreement secures an indebtedness, the secured
 13 party must account to the debtor for any surplus, and unless other-
 14 wise agreed, the debtor is liable for any deficiency. But, if the under-
 15 lying transaction was a sale of accounts, contract rights, or chattel
 16 paper, the debtor is entitled to any surplus or is liable for any defi-
 17 ciency only if the security agreement so provides.

1 **SEC. 9503. Secured party's right to take possession after default.**

2 Unless otherwise agreed a secured party has on default the right to
 3 take possession of the collateral. In taking possession a secured party
 4 may proceed without judicial process if this can be done without
 5 breach of the peace or may proceed by action. If the security agree-
 6 ment so provides the secured party may require the debtor to as-
 7 semble the collateral and make it available to the secured party at a
 8 place to be designated by the secured party which is reasonably con-
 9 venient to both parties. Without removal a secured party may render
 10 equipment unusable, and may dispose of collateral on the debtor's
 11 premises under Section 9504.

1 **SEC. 9504. Secured party's right to dispose of collateral after**
2 **default—effect of disposition.**

3 1. A secured party after default may sell, lease or otherwise dis-
4 pose of any or all of the collateral in its then condition or following
5 any commercially reasonable preparation or processing. Any sale of
6 goods is subject to the Article on Sales (Article 2). The proceeds of
7 disposition shall be applied in the order following to

8 a. the reasonable expenses of retaking, holding, preparing for sale,
9 selling and the like and, to the extent provided for in the agreement
10 and not prohibited by law, the reasonable attorneys' fees and legal
11 expenses incurred by the secured party;

12 b. the satisfaction of indebtedness secured by the security interest
13 under which the disposition is made;

14 c. the satisfaction of indebtedness secured by any subordinate
15 security interest in the collateral if written notification of demand
16 therefor is received before distribution of the proceeds is completed.
17 If requested by the secured party, the holder of a subordinate secu-
18 rity interest must seasonably furnish reasonable proof of his interest,
19 and unless he does so, the secured party need not comply with his
20 demand.

21 2. If the security interest secures an indebtedness, the secured
22 party must account to the debtor for any surplus, and, unless other-
23 wise agreed, the debtor is liable for any deficiency. But if the under-
24 lying transaction was a sale of accounts, contract rights, or chattel
25 paper, the debtor is entitled to any surplus or is liable for any de-
26 ficiency only if the security agreement so provides.

27 3. Disposition of the collateral may be by public or private proceed-
28 ings and may be made by way of one or more contracts. Sale or other
29 disposition may be as a unit or in parcels and at any time and place
30 and on any terms but every aspect of the disposition including the
31 method, manner, time, place and terms must be commercially reason-
32 able. Unless collateral is perishable or threatens to decline speedily
33 in value or is of a type customarily sold on a recognized market,
34 reasonable notification of the time and place of any public sale or
35 reasonable notification of the time after which any private sale or
36 other intended disposition is to be made shall be sent by the secured
37 party to the debtor, and except in the case of consumer goods to any
38 other person who has a security interest in the collateral and who has
39 duly filed a financing statement indexed in the name of the debtor in
40 this state or who is known by the secured party to have a security
41 interest in the collateral. The secured party may buy at any public
42 sale and if the collateral is of a type customarily sold in a recognized
43 market or is of a type which is the subject of widely distributed
44 standard price quotations he may buy at private sale.

45 4. When collateral is disposed of by a secured party after default,
46 the disposition transfers to a purchaser for value all of the debtor's
47 rights therein, discharges the security interest under which it is
48 made and any security interest or lien subordinate thereto. The pur-
49 chaser takes free of all such rights and interests even though the
50 secured party fails to comply with the requirements of this Part or
51 of any judicial proceedings

52 a. in the case of a public sale, if the purchaser has no knowledge of

53 any defects in the sale and if he does not buy in collusion with the
 54 secured party, other bidders or the person conducting the sale; or
 55 b. in any other case, if the purchaser acts in good faith.
 56 5. A person who is liable to a secured party under a guaranty, in-
 57 dorsement, repurchase agreement or the like and who receives a
 58 transfer of collateral from the secured party or is subrogated to his
 59 rights has thereafter the rights and duties of the secured party.
 60 Such a transfer of collateral is not a sale or disposition of the col-
 61 lateral under this Article.

1 **SEC. 9505. Compulsory disposition of collateral—acceptance of**
 2 **the collateral as discharge of obligation.**

3 1. If the debtor has paid sixty per cent of the cash price in the case
 4 of a purchase money security interest in consumer goods or sixty per
 5 cent of the loan in the case of another security interest in consumer
 6 goods, and has not signed after default a statement renouncing or
 7 modifying his rights under this Part a secured party who has taken
 8 possession of collateral must dispose of it under Section 9504 and if
 9 he fails to do so within ninety days after he takes possession the
 10 debtor at his option may recover in conversion or under Section 9507
 11 subsection 1 on secured party's liability.

12 2. In any other case involving consumer goods or any other col-
 13 lateral a secured party in possession may, after default, propose to
 14 retain the collateral in satisfaction of the obligation. Written notice
 15 of such proposal shall be sent to the debtor and except in the case of
 16 consumer goods to any other secured party who has a security interest
 17 in the collateral and who has duly filed a financing statement
 18 indexed in the name of the debtor in this state or is known by the
 19 secured party in possession to have a security interest in it. If the
 20 debtor or other person entitled to receive notification objects in writ-
 21 ing within thirty days from the receipt of the notification or if any
 22 other secured party objects in writing within thirty days after the
 23 secured party obtains possession the secured party must dispose of
 24 the collateral under Section 9504. In the absence of such written
 25 objection the secured party may retain the collateral in satisfaction
 26 of the debtor's obligation.

1 **SEC. 9506. Debtor's right to redeem collateral.** At any time be-
 2 fore the secured party has disposed of collateral or entered into a
 3 contract for its disposition under Section 9504 or before the obligation
 4 has been discharged under Section 9505 subsection 2 the debtor or
 5 any other secured party may unless otherwise agreed in writing after
 6 default redeem the collateral by tendering fulfillment of all obliga-
 7 tions secured by the collateral as well as the expenses reasonably
 8 incurred by the secured party in retaking, holding and preparing the
 9 collateral for disposition, in arranging for the sale, and to the extent
 10 provided in the agreement and not prohibited by law, his reasonable
 11 attorneys' fees and legal expenses.

1 **SEC. 9507. Secured party's liability for failure to comply with**
 2 **this Part.**

3 1. If it is established that the secured party is not proceeding in
 4 accordance with the provisions of this Part disposition may be or-

5 dered or restrained on appropriate terms and conditions. If the dis-
6 position has occurred the debtor or any person entitled to notification
7 or whose security interest has been made known to the secured party
8 prior to the disposition has a right to recover from the secured party
9 any loss caused by a failure to comply with the provisions of this
10 Part. If the collateral is consumer goods, the debtor has a right to
11 recover in any event an amount not less than the credit service charge
12 plus ten per cent of the principal amount of the debt or the time price
13 differential plus ten per cent of the cash price.

14 2. The fact that a better price could have been obtained by a sale
15 at a different time or in a different method from that selected by the
16 secured party is not of itself sufficient to establish that the sale was
17 not made in a commercially reasonable manner. If the secured party
18 either sells the collateral in the usual manner in any recognized mar-
19 ket therefor or if he sells at the price current in such market at the
20 time of his sale or if he has otherwise sold in conformity with reason-
21 able commercial practices among dealers in the type of property sold
22 he has sold in a commercially reasonable manner. The principles
23 stated in the two preceding sentences with respect to sales also apply
24 as may be appropriate to other types of disposition. A disposition
25 which has been approved in any judicial proceeding or by any bona
26 fide creditors' committee or representative of creditors shall conclu-
27 sively be deemed to be commercially reasonable, but this sentence
28 does not indicate that any such approval must be obtained in any case
29 nor does it indicate that any disposition not so approved is not com-
30 mercially reasonable.

ARTICLE 10

EFFECTIVE DATE AND REPEALER

1 SEC. 10101. **Effective date.** This Act shall take effect and be in
2 force on and after July 4, 1966. It applies to transactions entered into
3 and events occurring after that date.

1 SEC. 10102. **Specific repealer—provision for transition.**

2 1. The following chapters of the 1962 Code are hereby repealed:
3 Chapter four hundred eighty-seven (487);
4 Chapter four hundred ninety-three A (493A);
5 Chapter five hundred forty-two (542);
6 Chapter five hundred fifty-four (554);
7 Chapter five hundred fifty-five (555);
8 Chapter five hundred fifty-six (556);
9 Chapter five hundred seventy-five (575);
10 Chapter six hundred fifty-two (652); and
11 Chapter six hundred fifty-three (653).
12 The following sections of the 1962 Code are hereby repealed:
13 Section four hundred ninety-one point forty-nine (491.49);
14 Section four hundred ninety-one point fifty-one (491.51);
15 Section four hundred ninety-one point fifty-two (491.52);
16 Section four hundred ninety-one point fifty-three (491.53);
17 Section five hundred twenty-eight point sixty-one (528.61);
18 Section five hundred twenty-eight point sixty-two (528.62);

19 Sections five hundred thirty-nine point seven (539.7) to five hun-
 20 dred thirty-nine point fifteen (539.15), inclusive;
 21 Sections five hundred forty-one point one (541.1) to five hundred
 22 forty-one point two hundred one (541.201), inclusive;
 23 Section five hundred forty-three point twenty (543.20);
 24 Section five hundred forty-three point twenty-one (543.21);
 25 Sections five hundred forty-three point twenty-three (543.23) to
 26 five hundred forty-three point twenty-six (543.26), inclusive;
 27 Section five hundred forty-three point twenty-nine (543.29);
 28 Section five hundred forty-three point thirty-seven (543.37);
 29 Section five hundred forty-three point thirty-eight (543.38);
 30 Sections six hundred thirteen point three (613.3) to six hundred
 31 thirteen point six (613.6), inclusive;
 32 Section six hundred twenty-two point thirty-one (622.31); and Sec-
 33 tion six hundred thirty-nine point twenty-two (639.22).
 34 2. Transactions validly entered into before the effective date speci-
 35 fied in section 10101 and the rights, duties and interests flowing from
 36 them remain valid thereafter and may be terminated, completed, con-
 37 summated or enforced as required or permitted by any statute or
 38 other law amended or repealed by this Act as though such repeal or
 39 amendment had not occurred.

1 **SEC. 10103. General repealer.** Except as provided in the follow-
 2 ing section, all acts and parts of acts inconsistent with this Act are
 3 hereby repealed.

1 **SEC. 10104 Laws not repealed.**

2 1. The Article on Documents of Title (Article 7) does not repeal or
 3 modify any laws prescribing the form or contents of documents of
 4 title or the services or facilities to be afforded by bailees, or otherwise
 5 regulating bailees' businesses in respects not specifically dealt with
 6 herein; but the fact that such laws are violated does not affect the
 7 status of a document of title which otherwise complies with the defi-
 8 nition of a document of title (Section 1201).

9 2. This Act does not repeal sections one hundred thirty (130) to
 10 one hundred thirty-eight (138), inclusive, chapter three hundred
 11 twenty-six (326), 60th General Assembly, and if in any respect there
 12 is any inconsistency between that Act and the Article of this Act on
 13 investment securities (Article 8) the provisions of the former Act
 14 shall control.

1 **SEC. 10105.** Section three point three (3.3), Code 1962, is amend-
 2 ed by striking the word "but" in line six (6) and inserting in lieu
 3 thereof the words "but, except as provided in the Uniform Commer-
 4 cial Code, section 1109,".

1 **SEC. 10106.** Section one hundred eleven point six (111.6), Code
 2 1962, is amended by striking the words "chattel mortgages in chap-
 3 ter 652." in line nine (9) and inserting in lieu thereof the words
 4 "security interests in Uniform Commercial Code, Article 9, Part 5."

1 **SEC. 10107.** Section three hundred twenty-one point one (321.1),
 2 Code 1962, is amended by striking all of subsection thirty-six (36)
 3 and inserting in lieu thereof the following:

4 " 'Owner' means a person who holds the legal title of a vehicle, or

5 in the event a vehicle is the subject of a security agreement with an
6 immediate right of possession vested in the debtor, then such debtor
7 shall be deemed the owner for the purpose of this chapter."

1 SEC. 10108. Section three hundred twenty-one point forty-five
2 (321.45), Code 1962, is amended by striking all of subsection two (2)
3 and inserting in lieu thereof the words "No person shall acquire any
4 right, title, claim or interest in or to any vehicle subject to registra-
5 tion under this chapter from the owner thereof except by virtue of a
6 certificate of title issued or assigned to him for such vehicle or by
7 virtue of a manufacturer's or importer's certificate delivered to him
8 for such vehicle; nor shall any waiver or estoppel operate in favor of
9 any person claiming title to or interest in any vehicle against a person
10 having possession of the certificate of title or manufacturer's or im-
11 porter's certificate for such vehicle for a valuable consideration except
12 in case of

13 1. the perfection of a lien or security interest by notation on the
14 certificate of title as provided in section three hundred twenty-one
15 point fifty (321.50), of the Code, or

16 2. the perfection of a security interest in new or used vehicles held
17 as inventory for sale as provided in Uniform Commercial Code, Article
18 9, or

19 3. a dispute between a buyer and the selling dealer who has failed
20 to deliver or procure the certificate of title as promised, or

21 4. except for the purposes of section three hundred twenty-one
22 point four hundred ninety-three (321.493), of the Code. Except in
23 the above enumerated cases, no court in any case at law or equity
24 shall recognize the right, title, claim or interest of any person in or
25 to any vehicle subject to registration sold or disposed of, or mort-
26 gaged or encumbered, unless evidenced by a certificate of title or
27 manufacturer's or importer's certificate duly issued or assigned in
28 accordance with the provisions of this chapter."

1 SEC. 10109. Section three hundred twenty-one point forty-seven
2 (321.47), Code 1962, is amended by striking the words "chattel mort-
3 gage, trust receipt, conditional sales contract or other like agree-
4 ment," in lines thirteen (13) to fifteen (15), inclusive, and inserting
5 in lieu thereof the words "security agreement," and by striking the
6 remainder of the section commencing with the words "chattel mort-
7 gage" in line fifty-six (56) and inserting in lieu thereof the words
8 "security interest was foreclosed as provided in Uniform Commercial
9 Code, Article 9, Part 5."

1 SEC. 10110. Section three hundred twenty-one point fifty
2 (321.50), Code 1962, is amended by repealing the entire section and
3 inserting in lieu thereof the following:

4 "1. A security interest in a vehicle subject to registration under
5 the laws of this state, except trailers whose empty weight is two
6 thousand pounds or less, and wagon box trailers subject to a regis-
7 tration fee of five dollars or less, and new or used vehicles held by a
8 dealer or manufacturer as inventory for sale, is perfected by the de-
9 livery to the county treasurer of the county where the certificate of
10 title was issued or, in the case of a new certificate, to the county
11 treasurer where the certificate will be issued of an application for

12 certificate of title which lists such security interest, or an application
13 for notation of security interest signed by the owner, or a certificate
14 of title from another jurisdiction which shows such security interest,
15 and a fee of one dollar for each security interest shown. If the owner
16 or secured party is in possession of the certificate of title, it must also
17 be delivered at this time in order to perfect the security interest. If
18 a vehicle is subject to a security interest when brought into this state,
19 the validity of the security interest and the date of perfection is
20 determined by the Uniform Commercial Code, Section 9103.

21 2. Upon receipt of the application and the required fee, the county
22 treasurer shall notify the holder of the certificate of title to deliver
23 to the county treasurer, within five days from the receipt of notice,
24 the certificate of title to permit notation of the security interest. If
25 the holder of the certificate of title shall fail to deliver it within the
26 said five days, he shall be liable to anyone harmed by his failure.

27 3. Upon receipt of the application, the certificate of title, if any,
28 and the required fee, the county treasurer shall note such security
29 interest, and the date thereof, on the certificate over the signature of
30 such officer or deputy and the seal of office. He shall also note such
31 security interest and the date thereof on the duplicate of same on file.
32 On that day he shall notify the department on forms provided by the
33 department, which shall note such security interests on the duplicate
34 title in its file. The county treasurer shall then mail the certificate
35 of title to the first secured party as shown thereon.

36 4. When a security interest is discharged, the holder thereof shall
37 execute a release within fifteen days after payment is received, such
38 release to contain the certificate of title number, the date of the nota-
39 tion thereof, and the name and address of the person to whom the title
40 shall be delivered when such delivery is requested as hereinafter pro-
41 vided. The holder shall also note a cancellation of same on the face
42 of the certificate of title over his, her or its signature, and deliver the
43 release and certificate of title to the county treasurer where title was
44 issued. The county treasurer shall immediately note the cancellation
45 of said security interest on the face of the certificate of title and on
46 the duplicate of same on file in his office. On the same day he shall
47 notify the department, which shall note such release on the duplicate
48 title in its file. The county treasurer shall on the same day deliver
49 the certificate of title to the then first secured party or, if there is no
50 such person, to the person as directed on the lien release or, if there
51 is no such person designated, then to the owner. Said cancellation of
52 the security interest shall be noted on the certificate of title by the
53 county treasurer without charge. The holder of a lien discharged by
54 payment who fails to release such lien as herein provided within fif-
55 teen days after being requested in writing to do so shall forfeit to the
56 person making such payment the sum of twenty-five dollars. Such
57 request shall be on the release form as prescribed by the department
58 and shall contain a statement signed by the owner setting forth the
59 name and address of the person to whom the title shall be delivered.

60 5. The Uniform Commercial Code, Article 9, shall apply to all trans-
61 actions intended to create a security in vehicles except as provided in
62 this chapter."

1 SEC. 10111. Section three hundred twenty-one point one hundred
2 nine (321.109), Code 1962, is amended by striking the last sentence
3 beginning at line forty-three (43).

1 SEC. 10112. Section three hundred twenty-one A point one
2 (321A.1), Code 1962, is amended by striking paragraph eight (8) and
3 inserting in lieu thereof the following:

4 "Owner. A person who holds the legal title of a motor vehicle, or
5 in the event a motor vehicle is the subject of a security agreement
6 with a right of possession in the debtor, then such debtor shall be
7 deemed the owner for the purpose of this chapter."

1 SEC. 10113. Section three hundred twenty-one A point thirty
2 (321A.30), Code 1962, is amended by striking the words "conditional
3 vendor, chattel mortgagee," in line ten (10) and inserting in lieu
4 thereof the words "secured party".

1 SEC. 10114. Section five hundred twenty-eight point nine (528.9),
2 Code 1962, is amended by striking the words "to loans against the
3 stock which the bank has acknowledged by written notice" in lines
4 sixteen (16) to eighteen (18), inclusive, and inserting in lieu thereof
5 the words "to security interests in the stock which have been per-
6 fected."

1 SEC. 10115. Section five hundred twenty-eight point thirty-four
2 (528.34), Code 1962, is amended by striking the words "Any draft
3 drawn and issued by any bank or trust company prior to its failure
4 or closing and given in payment of clearings and" in lines one (1)
5 to three (3), inclusive.

1 SEC. 10116. Section five hundred thirty-two point nineteen
2 (532.19), Code 1962, is amended by striking the words "and 528.81
3 to 528.85, inclusive," in lines eleven (11) and twelve (12) and insert-
4 ing in lieu thereof the words "528.81 to 528.85, inclusive, and Uniform
5 Commercial Code, Article 4".

1 SEC. 10117. Section five hundred thirty-six point fourteen
2 (536.14), Code 1962, is amended by striking the words "mortgage,
3 restore any pledge," in lines twenty-seven (27) and twenty-eight (28)
4 and inserting in lieu thereof the words "security interest, restore any
5 collateral,".

1 SEC. 10118. Section five hundred thirty-six point seventeen
2 (536.17), Code 1962, is amended by striking the words "chattel mort-
3 gage or other lien" in lines twenty-five (25) and twenty-six (26) and
4 inserting in lieu thereof the words "security agreement".

1 SEC. 10119. Section five hundred thirty-seven point three (537.3),
2 Code 1962, is amended by striking the words "negotiable instruments
3 law." in line five (5) and inserting in lieu thereof the words "Uniform
4 Commercial Code."

1 SEC. 10120. Section five hundred thirty-eight point five (538.5),
2 Code 1962, is repealed and inserted in lieu thereof is the following:
3 "Tender when holder absent from state. When an instrument for
4 the payment of money is due and the holder is absent from the state

5 or his identity or whereabouts are unknown and the instrument does
 6 not provide for a place of payment, the maker may tender payment
 7 at the last known residence or place of business of the last known
 8 holder, and if there be no person there authorized to receive payment
 9 and give proper credit therefor, the maker shall be deemed to have
 10 tendered payment and interest shall cease on the date of deposit if:

11 1. the maker deposits the amount due with the clerk of the district
 12 court in the county where the maker resided at the time of the mak-
 13 ing of the instrument, if he was then a resident of the state of Iowa,
 14 or if the maker was a nonresident of the state of Iowa at the time of
 15 making, with the clerk of the district court of Polk County, and

16 2. *a.* the maker files an affidavit with the clerk of the court that
 17 the identity or address of the holder is unknown and that he has made
 18 diligent inquiry to ascertain it, or

19 *b.* the maker within three days gives notice of such deposit by ordi-
 20 nary mail to the holder, if his identity and address are known.

21 Upon presentment of the instrument by the holder to the clerk, the
 22 clerk shall pay the holder of such instrument the funds in his hands.
 23 If such deposit is in full payment of the instrument the clerk shall
 24 deliver the instrument to the maker. If such deposit is a partial pay-
 25 ment thereof the clerk shall endorse such payment thereon and return
 26 the instrument to the holder."

1 SEC. 10121. Section five hundred thirty-nine point one (539.1),
 2 Code 1962, is amended by adding thereto the words "In case of con-
 3 flict between this section and Uniform Commercial Code, sections
 4 3805, 5116 or 9318, those sections control."

1 SEC. 10122. Section five hundred thirty-nine point two (539.2),
 2 Code 1962, is amended by adding thereto the words "In case of con-
 3 flict between this section and Uniform Commercial Code, sections
 4 3805, 5116 or 9318, those sections control."

1 SEC. 10123. Section five hundred thirty-nine point three (539.3),
 2 Code 1962, is amended by adding thereto the following: "In case of
 3 conflict Uniform Commercial Code, section 9318, controls."

1 SEC. 10124. Section five hundred forty-three point eighteen
 2 (543.18), Code 1962, is amended by striking the words "sections
 3 542.2 and 542.3," in lines seven (7) and eight (8) and inserting in
 4 lieu thereof the words "Uniform Commercial Code, sections 7202 and
 5 7204," and by further striking the words "section 542.2" in lines ten
 6 (10) and eleven (11) and inserting in lieu thereof the words "Uni-
 7 form Commercial Code, section 7202".

1 SEC. 10125. Section five hundred forty-three point nineteen
 2 (543.19), Code 1962, is repealed and the following words are enacted
 3 in lieu thereof: "Insofar as not inconsistent with the provisions of
 4 this chapter, original or duplicate receipts issued by licensed ware-
 5 housemen shall be deemed to have been issued under the provisions
 6 of Uniform Commercial Code, Article 7."

1 SEC. 10126. Section five hundred forty-three point twenty-two
 2 (543.22), Code 1962, is repealed and the following words are enacted
 3 in lieu thereof:

4 "When requested by the depositor of other than fungible agricul-
5 tural products, a nonnegotiable receipt may be issued omitting the
6 information specified in subsection 2 of section five hundred forty-
7 three point eighteen (543.18), of the Code."

1 SEC. 10127. Section five hundred forty-six point three (546.3),
2 Code 1962, is amended by striking the words "of any chattel mort-
3 gage," in lines three (3) and four (4) and inserting in lieu thereof
4 the words "the Uniform Commercial Code, section 9504, or of any".

1 SEC. 10128. Section five hundred seventy-one point two (571.2),
2 Code 1962, is amended by striking the words "mortgage lien" in line
3 three (3) and inserting in lieu thereof the words "security interest".

1 SEC. 10129. Section five hundred seventy-one point five (571.5),
2 Code 1962, is repealed and inserted in lieu thereof is the following:
3 "Said lien may be foreclosed in the manner provided in Uniform
4 Commercial Code, Article 9, Part 5."

1 SEC. 10130. Section five hundred seventy-six point two (576.2),
2 Code 1962, is repealed and inserted in lieu thereof is the following:
3 "Said lien may be foreclosed in the manner provided in the Uniform
4 Commercial Code, section 7308."

1 SEC. 10131. Section five hundred seventy-seven point two (577.2),
2 Code 1962, is repealed and inserted in lieu thereof is the following:
3 "Said lien may be foreclosed in the manner provided in the Uniform
4 Commercial Code, section 7308."

1 SEC. 10132. Section five hundred seventy-eight point two (578.2),
2 Code 1962, is repealed and inserted in lieu thereof is the following:
3 "Said lien may be foreclosed in the manner provided in the Uniform
4 Commercial Code, section 7308."

1 SEC. 10133. Section six hundred twenty-six point twenty-five
2 (626.25), Code 1962, is amended by striking the words "Stock or
3 interest" in line one (1) and inserting in lieu thereof the words "Any
4 interest which is not represented by a security as defined in the Uni-
5 form Commercial Code, section 8102".

1 SEC. 10134. Section six hundred twenty-six point thirty-four
2 (626.34), Code 1962, is repealed and inserted in lieu thereof is the fol-
3 lowing:
4 "Personal property subject to a security interest not exempt from
5 execution may be taken on attachment or execution issued against
6 the debtor, if the officer, or the attachment or execution creditor,
7 within ten days after such levy, shall pay to the secured party the
8 amount of the secured debt and interest accrued, or deposit the same
9 with the clerk of the district court of the county from which the
10 attachment or execution issued, for the use of the secured party, or
11 secure the same as in this chapter provided."

1 SEC. 10135. Section six hundred twenty-six point thirty-five
2 (626.35), Code 1962, is repealed and inserted in lieu thereof is the
3 following: "When the secured debt is not due as shown by the secu-
4 rity agreement, the officer or the attachment or execution creditor,

5 must also pay or deposit with the clerk interest on the principal sum
6 at the rate specified in the security agreement for the term of sixty
7 days from the date of the deposit, unless the debt secured falls due
8 in a less time, in which case interest shall be deposited for such
9 shorter period."

1 SEC. 10136. Section six hundred twenty-six point thirty-six
2 (626.36), Code 1962, is amended by striking the words "holder of the
3 mortgage" in lines seven (7) and eight (8) and inserting in lieu
4 thereof the words "secured party".

1 SEC. 10137. Section six hundred twenty-six point thirty-seven
2 (626.37), Code 1962, is amended by striking the words "holder of the
3 mortgage" in line two (2) and inserting in lieu thereof the words
4 "secured party" and by striking the words "mortgaged property" in
5 line six (6) and inserting in lieu thereof the word "collateral".

1 SEC. 10138. Section six hundred twenty-six point thirty-eight
2 (626.38), Code 1962, is repealed and inserted in lieu thereof is the
3 following: "If, for any reason, the levy upon the collateral is dis-
4 charged or released without a sale thereof, the attachment or execu-
5 tion creditor who has paid or deposited the amount of the secured
6 debt shall have all the rights under such security agreement pos-
7 sessed by the secured party at the time of the levy. If the secured
8 party thereof desires to be reinstated in his rights thereunder, he
9 may repay the money received by him, with interest thereon at the
10 rate borne by the secured debt for the time it has been held by him,
11 and demand the return of the security agreement, whereupon his
12 rights thereunder shall revest in him, and the attachment or execu-
13 tion creditor shall be entitled to the deposit made, or any part thereof
14 remaining in the hands of the clerk, or any money returned to the
15 clerk by the secured party."

1 SEC. 10139. Section six hundred twenty-six point thirty-nine
2 (626.39), Code 1962, is repealed and inserted in lieu thereof is the
3 following: "The secured party, before receiving the money tendered
4 to him by the attaching or execution creditor or which was deposited
5 with the clerk, shall state by a signed memorandum the amount due
6 or to become due and deliver the same along with the security agree-
7 ment, unless it has been filed as the financing statement, to the person
8 paying the said amount or the clerk with whom the deposit is made,
9 and the secured party shall only receive the amount so stated to be
10 due, and the surplus, if any, shall be returned to the person making
11 the deposit."

1 SEC. 10140. Section six hundred twenty-six point forty (626.40),
2 Code 1962, is amended by striking the word "mortgage" in lines three
3 (3) and six (6) and inserting in lieu thereof the words "security
4 agreement".

1 SEC. 10141. Section six hundred twenty-six point forty-one
2 (626.41), Code 1962, is repealed and inserted in lieu thereof is the
3 following: "If under execution sale the collateral does not sell for
4 enough to pay the secured debt, interest, and costs of sale, the judg-
5 ment creditor shall be liable for all costs thus made, but if a greater

6 sum is realized, the officer conducting the sale shall at once pay to the
7 secured party the amount due thereunder, and apply the surplus on
8 the execution."

1 SEC. 10142. Section six hundred twenty-six point forty-two
2 (626.42), Code 1962, is amended by striking the words "mortgage
3 debt" in lines six (6) and seven (7) and inserting in lieu thereof the
4 words "secured debt".

1 SEC. 10143. Section six hundred twenty-six point forty-three
2 (626.43), Code 1962, is amended by striking the word "mortgagee"
3 in line two (2) and inserting in lieu thereof the words "secured party"
4 and by striking the word "mortgage" in lines nine (9) and twelve
5 (12) and inserting in lieu thereof the words "security interest".

1 SEC. 10144. Section six hundred twenty-six point forty-four
2 (626.44), Code 1962, is amended by striking the word "mortgagee"
3 in line one (1) and inserting in lieu thereof the words "secured
4 party".

1 SEC. 10145. Section six hundred twenty-six point forty-five
2 (626.45), Code 1962, is amended by striking the word "mortgage" in
3 line three (3) and inserting in lieu thereof the words "security agree-
4 ment".

1 SEC. 10146. Section six hundred twenty-six point forty-six
2 (626.46), Code 1962, is amended by striking the word "mortgages"
3 in lines two (2) and six (6) and inserting in lieu thereof the words
4 "security agreements".

1 SEC. 10147. Section six hundred twenty-six point forty-seven
2 (626.47), Code 1962, is amended by striking the word "mortgage" in
3 line five (5) and inserting in lieu thereof the words "security agree-
4 ment".

1 SEC. 10148. Section six hundred twenty-six point forty-eight
2 (626.48), Code 1962, is amended by striking the words "lien of the
3 mortgage" in line four (4) and inserting in lieu thereof the words
4 "priority of the security interest".

1 SEC. 10149. Section six hundred twenty-six point forty-nine
2 (626.49), Code 1962, is repealed and inserted in lieu thereof is the
3 following: "If the secured party, before the levy of a writ of attach-
4 ment or execution, has been garnished at the suit of a creditor of a
5 debtor, a creditor desiring to seize the collateral under a writ of at-
6 tachment or execution shall pay to the secured party, or deposit with
7 the clerk, in addition to the secured debt, the sum claimed under the
8 garnishment, and the provisions of this chapter, so far as applicable,
9 in all respects shall govern proceedings relating thereto."

1 SEC. 10150. Section six hundred thirty-nine point forty (639.40),
2 Code 1962, is amended by striking the words "Mortgaged personal
3 property" in lines one (1) and two (2) and inserting in lieu thereof
4 the words "Personal property subject to a security interest".

1 SEC. 10151. Section six hundred forty point one (640.1), Code
2 1962, is amended by striking the words "mortgage of" in line two (2)
3 and inserting in lieu thereof the words "security interest in".

1 SEC. 10152. Section six hundred forty-two point seventeen
2 (642.17), Code 1962, is amended by inserting after the words "nego-
3 tiable paper" in line three (3) the words "other than negotiable
4 documents of title, or securities as defined in Uniform Commercial
5 Code, section 8102,".

1 SEC. 10153. Section seven hundred ten point twelve (710.12),
2 Code 1962, is repealed and inserted in lieu thereof is the following:
3 "If any debtor who has given a security interest in collateral willfully
4 and with intent to defraud, destroys, conceals, sells, or in any manner
5 disposes of the collateral while the security interest remains unsatis-
6 fied and without the written consent of the secured party, he shall be
7 guilty of larceny and punished accordingly."

1 SEC. 10154. Section seven hundred ten point thirteen (710.13),
2 Code 1962, is repealed and inserted in lieu thereof is the following:
3 "Failure to produce the property specifically described in such secu-
4 rity agreement and existing and owned by the debtor at the time it
5 was executed in accordance with the terms thereof, shall be prima
6 facie evidence that the property described in such security agreement
7 has been destroyed, concealed, sold, or otherwise disposed of by the
8 debtor. Nothing herein contained shall relieve the debtor from mak-
9 ing demand for satisfaction or return of the collateral."

1 SEC. 10155. Notwithstanding any other provision of the 1962
2 Code of Iowa, this Act shall, insofar as possible, be included in the
3 Code of Iowa as chapter five hundred fifty-four (554) with the section
4 numbers of this Act as the section numbers of chapter five hundred
5 fifty-four (554), and the Articles, Parts and descriptive word titles to
6 be retained as in this Act.

Approved April 22, 1965.

CHAPTER 414

COMMERCIAL CODE AMENDMENT

S. F. 597

AN ACT to amend and correct an Act known as the Uniform Commercial Code.

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

1 SECTION 1. Senate File two hundred twenty-seven (227), Acts,
2 61st General Assembly is amended as follows:

3 1. In section four thousand three hundred one (4301), line twelve
4 (12), by inserting a semicolon after the word "return";

5 2. In section four thousand five hundred one (4501), line seven (7),
6 by striking the word "brought" and inserting in lieu thereof the word
7 "bought";

8 3. In section nine thousand four hundred two (9402), line six (6),
9 by striking the comma after the word "debtor" and inserting in lieu
10 thereof the word "and";

11 4. In section nine thousand four hundred three (9403), second line
12 from the end, by inserting the word "filing" after the word "furnish-
13 ing";

14 5. In section ten thousand one hundred forty-four (10144), line
15 three (3), by striking the word "word" and inserting in lieu thereof
16 the word "words".

1 SEC. 2. The secretary of state, his employees or agents, are hereby
2 exempted from all personal liability as a result of errors or omissions
3 in the performance of any duty required by the Uniform Commercial
4 Code, Senate File two hundred twenty-seven, (227), Acts of the Sixty-
5 first General Assembly, except in cases of wilful negligence.

6 In the event of such error or omission the state of Iowa shall be
7 liable in respect to such claims in the same manner, and to the same
8 extent as a private individual under like circumstances.

9 Immunity of the state from suit and liability in such case is waived
10 to the extent provided in Senate File 322, Acts of the Sixty-first Gen-
11 eral Assembly, and said Act shall govern the extent of liability and the
12 practice and procedure necessary to establish any liability of the state.

Approved July 1, 1965.

CHAPTER 415

TRANSACTIONS AND INSTRUMENTS OF UTILITIES

S. F. 506

AN ACT relating to secured transactions and instruments of transmitting utilities, and the filing and recording thereof.

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

1 SECTION 1. As used in this Act, "transmitting utility" means any
2 corporation or other entity primarily engaged in the railroad or street
3 railway business, the furnishing of telephone or telegraph service, the
4 transmission of oil, gas, or petroleum products by pipeline, or the pro-
5 duction, transmission, or distribution of electricity, steam, gas, or
6 water.

1 SEC. 2. Notwithstanding subsections three (3) and four (4) of
2 section nine thousand three hundred two (9302), subsection one (1)
3 of section nine thousand four hundred one (9401), and sections nine
4 thousand four hundred two (9402) and nine thousand four hundred
5 three (9403) of the Uniform Commercial Code, Senate File two hun-
6 dred twenty-seven (227), Acts 61st General Assembly:

7 1. If filing is required under the Uniform Commercial Code, the
8 proper place to file in order to perfect a security interest in personal
9 property or fixtures of a transmitting utility is in the office of the
10 secretary of state.

11 2. When the financing statement covers goods of a transmitting

12 utility which are, or are to become, fixtures, no description of the real
13 estate concerned is required.

14 3. A security interest in rolling stock of a transmitting utility may
15 be perfected either as provided in section twenty (20), subsection "c"
16 of the Interstate Commerce Act or by filing a financing statement pur-
17 suant to the Uniform Commercial Code as provided in subsection one
18 (1) of this section.

19 4. A financing statement filed pursuant to subsection one (1) of this
20 section shall remain effective until terminated, without the need for
21 filing a continuation statement.

1 SEC. 3. Any mortgage or deed of trust upon real estate executed
2 by a transmitting utility may provide that property of the transmit-
3 ting utility, whether owned at the time of the execution of the instru-
4 ment or subsequently acquired, shall secure the obligations covered by
5 the instrument. Recording the instrument in the office of the recorder
6 of each county in which such property, or any part thereof, described
7 in the instrument is situated shall give constructive notice to all per-
8 sons of the lien of the mortgage or deed of trust from the time of
9 recording or, in the case of subsequently acquired real estate, from the
10 time of acquisition.

1 SEC. 4. Except as otherwise provided by this Act, the Uniform
2 Commercial Code and other applicable laws shall remain in full force
3 and effect and shall supplement the provisions of this Act.

1 SEC. 5. Section four hundred seventy-six point fifteen (476.15),
2 Code 1962, is hereby amended by striking all of said section following
3 the word "situated" in line seven (7).

1 SEC. 6. This Act shall become effective July 5, 1966.

Approved April 30, 1965.

CHAPTER 416

CORPORATIONS CONTROLLED BY ALIENS

S. F. 415

AN ACT to amend section five hundred sixty-seven point one (567.1), Code 1962, to permit corporations incorporated under the laws of any foreign country, or corporations organized in this country, one-half or more of the stock of which is owned or controlled by nonresident aliens, to own and acquire property of any kind, within the corporate limits of any city or town of this state, and to own land not to exceed six hundred forty acres outside of the corporate limits of any city or town.

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

1 SECTION 1. Section five hundred sixty-seven point one (567.1),
2 Code 1962, is amended by striking the third paragraph and inserting
3 in lieu thereof the following:

4 "Nothing in this section contained shall prevent aliens, or corpora-
5 tions organized under the laws of any foreign country, or corporations
6 organized in this country, one-half or more of the stock of which is
7 owned or controlled by nonresident aliens, from having title to or

8 acquiring property of any kind within the corporate limits of any city
 9 or town in the state, and lands not to exceed six hundred forty acres
 10 outside the corporate limits of any city or town in the state, or from
 11 alienating, mortgaging or devising the same."

Approved April 23, 1965.

CHAPTER 417

COUNTY SALES OF REAL PROPERTY

S. F. 148

AN ACT relating to the sale of real estate acquired by a county.

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

1 SECTION 1. Section five hundred sixty-nine point eight (569.8),
 2 Code 1962, is hereby amended as follows:
 3 1. By striking from line ten (10) the words "a majority of all".
 4 2. By striking from line eleven (11) the word "any" and inserting
 5 in lieu thereof the words "a majority".
 6 3. By inserting in line twelve (12) after the word "taxes." the fol-
 7 lowing:
 8 "However, where the total amount stated in the tax sale certificate
 9 including all endorsements of subsequent general taxes, interests, and
 10 costs does not exceed two hundred fifty (250) dollars, such real estate
 11 may be sold by the board of supervisors without the written approval
 12 of any of the tax levying and tax certifying bodies having any interest
 13 in said general taxes."

Approved May 13, 1965.

CHAPTER 418

ARTISAN'S LIEN

S. F. 266

AN ACT relating to the artisan's lien.

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

1 SECTION 1. Section five hundred seventy-seven point one (577.1),
 2 Code 1962, is amended by striking the period in line twelve (12) and
 3 inserting in lieu thereof the following:
 4 " , unless notice is given to all lien holders of record and written
 5 consent is obtained from all lien holders of record to the making, re-
 6 pairing, improving, or enhancing the value of any inanimate personal
 7 property and in this event the lien created under this section shall be
 8 prior to liens of record."

Approved May 20, 1965.

CHAPTER 419

LIEN FOR ANIMAL SERVICES

S. F. 333

AN ACT to provide a lien for services of bulls and also a lien for services by artificial insemination.

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

1 SECTION 1. Section five hundred eighty point one (580.1), Code
2 1962, is hereby amended as follows:

3 1. By inserting in line two (2) thereof after the word, "stallion"
4 the word, ", bull".

5 2. By inserting in line three (3) thereof after the word, "service"
6 the words, ", or any person, firm, or association which invokes preg-
7 nancy of animals for the public by means of artificial insemination".

8 3. By inserting in line four (4) thereof after the word, "stallion"
9 the word*, ", bull, artificial insemination".

10 4. By inserting in line five (5) thereof after the word, "owner" the
11 words, ", artificial inseminator".

1 SEC. 2. Section five hundred eighty point four (580.4), subsection
2 one (1), Code 1962, is hereby amended as follows:

3 1. By inserting in line one (1) thereof after the word, "stallion"
4 the word, ", bull".

5 2. By inserting in line one (1) thereof after the comma (,) the
6 words, "when used".

1 SEC. 3. Section five hundred eighty point seven (580.7), Code
2 1962, is hereby amended by inserting in line three (3) thereof after
3 the word, "stallion" the words, ", bull, inseminator".

Approved June 4, 1965.

*According to enrolled Act.

CHAPTER 420

SCHOOL BOUNDARIES LEGALIZED

S. F. 569

AN ACT to legalize and validate proceedings providing for the organization, reorganiza-
tion, enlargement, or change in the boundaries of school corporations.

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

1 SECTION 1. All proceedings taken prior to January 1, 1965, pur-
2 porting to provide for the organization, reorganization, enlargement,
3 or change in the boundaries of any school corporation in this state and
4 not heretofore declared invalid by any court are hereby legalized,
5 validated and confirmed.

1 SEC. 2. The foregoing shall not be construed to affect any litiga-
2 tion that may be pending at the time this Act becomes effective in-

3 volving the organization, reorganization, enlargement, or change in
4 boundaries of any school corporation.

Approved July 1, 1965.

CHAPTER 421

MUNICIPAL COURT DISTRICTS

S. F. 77

AN ACT relating to municipal court districts and the abolishing of civil offices by the annexation of a portion of a civil township to a city having a municipal court.

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

1 SECTION 1. Section six hundred two point one (602.1), Code 1962,
2 is amended by striking all of the last sentence therefrom and inserting
3 in lieu thereof the following:

4 "All that part of each civil township within the corporate limits of
5 such city shall constitute the municipal court district."

1 SEC. 2. This Act shall operate to reinstate any civil officers whose
2 elective terms may not have yet expired on the effective date of this
3 Act, but whose offices were abolished by operation of law prior to the
4 enactment hereof by annexation of a portion of a civil township to an
5 adjoining municipal corporation.

1 SEC. 3. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its publication in The
3 Farmer-Labor Press, a newspaper published in Council Bluffs, Iowa,
4 and The Coggan* Monitor, a newspaper published in Coggan,* Iowa.

Approved April 30, 1965.

*According to enrolled Act.

Pursuant to authority vested in the undersigned, Secretary of State, The Coggan Monitor, Coggan, Iowa, being nonexistent, the following paper, The Coggon Monitor, Coggon, Iowa, is designated to published the foregoing Act, Senate File 77.

GARY L. CAMERON, *Secretary of State.*

I hereby certify that the foregoing Act, Senate File 77, was published in The Farmer-Labor Press, Council Bluffs, Iowa, May 6, 1965, and in The Coggon Monitor, Coggon, Iowa, May 6, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 422

MUNICIPAL COURT JURY LISTS

H. F. 196

AN ACT relating to preparation of jury lists for municipal court.

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

- 1 SECTION 1. Section six hundred two point thirty-four (602.34),
 2 Code 1962, is amended by inserting in lines six (6) and fourteen (14)
 3 after the word "pollbooks" the words "or election register".

Approved April 16, 1965.

CHAPTER 423

MUNICIPAL COURT CLERKS AND BAILIFFS

H. F. 585

AN ACT relating to salaries of bailiffs and clerks of the municipal court.

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

- 1 SECTION 1. Section six hundred two point forty-nine (602.49),
 2 Code 1962, as amended by chapter three hundred twenty-one (321),
 3 Acts of the Sixtieth General Assembly, is further amended as follows:
 4 1. By striking from line five (5) the words "four thousand two
 5 hundred" and inserting in lieu thereof the words "six thousand two
 6 hundred (6,200)".
 7 2. By striking from line seven (7) the words "five thousand" and
 8 inserting in lieu thereof the words "seven thousand (7,000)".
 9 3. By striking from line nine (9) the words "five thousand eight
 10 hundred" and inserting in lieu thereof the words "seven thousand
 11 eight hundred (7,800)".
 12 4. By striking from line twelve (12) the words "seven thousand"
 13 and inserting in lieu thereof the words "nine thousand (9,000)".
 14 5. By striking from line thirteen (13) the word "The" and by strik-
 15 ing all of lines fourteen (14) through seventeen (17) thereof.
 16 6. By striking from line nineteen (19) the words "four thousand"
 17 and inserting in lieu thereof the words "six thousand (6,000)".
 18 7. By striking from lines twenty (20) and twenty-one (21) the
 19 words "four thousand seven hundred" and inserting in lieu thereof the
 20 words "six thousand seven hundred (6,700)".
 21 8. By striking from line twenty-three (23) the words "five thousand
 22 five hundred" and inserting in lieu thereof the words "seven thousand
 23 five hundred (7,500)".
 24 9. By striking from lines twenty-five (25) and twenty-six (26) the
 25 words "six thousand eight hundred" and inserting in lieu thereof the
 26 words "eight thousand eight hundred (8,800)".
 27 10. By striking all of lines twenty-eight (28) through thirty-one
 28 (31).

Approved May 28, 1965.

CHAPTER 424

COMPENSATION OF COURT REPORTERS

H. F. 234

AN ACT relating to the compensation of court reporters.

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

1 SECTION 1. Section six hundred five point eight (605.8), Code
2 1962, is hereby amended as follows:

3 1. By striking from lines two (2) and three (3) thereof the words
4 "twenty-seven dollars and fifty cents" and inserting in lieu thereof the
5 words "thirty-two dollars and fifty cents".

6 2. By adding thereto the following:

7 "Provided further that if any judicial district contains a city having
8 a population of fifty thousand (50,000) or more, the district court
9 judges of said district may by joint order fix the compensation of any
10 shorthand reporter of said district at an amount in excess of the per
11 diem designated herein, but not more than five percent (5%) thereof.
12 If any judicial district contains a city having a population of one
13 hundred fifty thousand (150,000) or more, the district court judges
14 of said district may by joint order fix the compensation of any short-
15 hand reporter of said district at an amount in excess of the per diem
16 designated herein, but not more than ten percent (10%) thereof."

1 SEC. 2. Section six hundred five point nine (605.9), Code 1962, is
2 hereby amended as follows:

3 By striking from lines three (3) and four (4) thereof, the words
4 "seventy-two hundred" and inserting in lieu thereof the words "eight
5 thousand".

1 SEC. 3. Section six hundred five point ten (605.10), Code 1962, is
2 hereby amended by striking from line seven (7) thereof the word
3 "nine" and inserting in lieu thereof the word "fifteen".

1 SEC. 4. Section six hundred two point forty-six (602.46), Code
2 1962, is hereby amended as follows:

3 1. By striking from line seven (7) thereof, the word "twenty-two"
4 and inserting in lieu thereof the word "twenty-seven".

5 2. By striking from line ten (10) thereof, the word "twenty-five"
6 and inserting in lieu thereof the word "thirty".

Approved March 18, 1965.

CHAPTER 425

PROBATE FEES OF CLERK OF COURT

S. F. 112

AN ACT relating to fees taxed by the clerk of the district court in probate matters.

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

1 SECTION 1. Section six hundred six point fifteen (606.15), Code
2 1962, is amended by striking all of subsection twenty-nine (29) and
3 inserting in lieu thereof the following:

4 "29. For all services performed in the settlement of the estate of
5 any decedent, minor, insane person, or other persons laboring under
6 any legal disability, except where actions are brought by the admin-
7 istrator, guardian, trustee, or person acting in a representative capac-
8 ity or against him, or as may be otherwise provided herein, where the
9 value of the personal property and real estate of such a person falls
10 within the following indicated amounts, the fee opposite such amount
11 shall be charged.

12 Value	13 Fee
13 Up to \$3,000.00	\$ 5.00
14 Between 3,000.00 and 5,000.00	10.00
15 Between 5,000.00 and 7,000.00	15.00
16 Between 7,000.00 and 10,000.00	20.00
17 Between 10,000.00 and 15,000.00	25.00
18 Between 15,000.00 and 25,000.00	30.00
19 For each additional \$25,000.00 or major fraction thereof	20.00"

Approved March 19, 1965.

CHAPTER 426

DISTRICT COURT CLERK'S FEES

H. F. 47

AN ACT to increase the amounts of certain fees collected by the clerk of the district court.

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

1 SECTION 1. Section six hundred six point fifteen (606.15), Code
2 1962, is hereby amended as follows:

3 1. By striking from line one (1) of subsection two (2) the words
4 "one dollar" and inserting in lieu thereof the words "two dollars".

5 2. By striking from line one (1) of subsection three (3) the word
6 "three" and inserting in lieu thereof the word "five".

7 3. By striking from lines one (1) and two (2) of subsection four
8 (4) the words "one dollar" and inserting in lieu thereof the words
9 "two dollars".

10 4. By striking from line two (2) of subsection six (6) the word
11 "two" and inserting in lieu thereof the word "five".

12 5. By striking from line two (2) of subsection seven (7) the words
13 "one dollar" and inserting in lieu thereof the words "two dollars".

- 14 6. By striking from line one (1) of subsection eight (8) the words
15 "thirty cents" and inserting in lieu thereof the words "one dollar".
16 7. By striking from line two (2) of subsection eleven (11) the
17 words "one dollar" and inserting in lieu thereof the words "two dol-
18 lars".
19 8. By striking from line one (1) of subsection thirteen (13) the
20 words "one dollar" and inserting in lieu thereof the words "two dol-
21 lars".
22 9. By striking from lines one (1) and two (2) of subsection fifteen
23 (15) the words "fifty cents" and inserting in lieu thereof the words
24 "one dollar".
25 10. By striking from line two (2) of subsection sixteen (16) the
26 words "one dollar" and inserting in lieu thereof the words "two dol-
27 lars".
28 11. By striking from line two (2) of subsection seventeen (17) the
29 words "one dollar" and inserting in lieu thereof the words "two dol-
30 lars".
31 12. By striking from line two (2) of subsection eighteen (18) the
32 words "one dollar" and inserting in lieu thereof the words "two dol-
33 lars".
34 13. By striking from line two (2) of subsection twenty (20) the
35 words "fifty cents" and inserting in lieu thereof the words "one dol-
36 lar".
37 14. By striking from line three (3) of subsection twenty-one (21)
38 the word "twenty" and inserting in lieu thereof the word "fifty".
39 15. By striking from line two (2) of subsection twenty-two (22)
40 the words "one dollar", and inserting in lieu thereof the words "two
41 dollars".
42 16. By striking from line three (3) of subsection twenty-six (26)
43 the word "twenty" and inserting in lieu thereof the word "fifty".
44 17. By striking from line two (2) of subsection thirty (30) the
45 words "one dollar" and inserting in lieu thereof the words "two dol-
46 lars".

Approved April 13, 1965.

CHAPTER 427

RECOVERY FOR WRONGFUL INJURY OR DEATH OF SPOUSE

H. F. 235

AN ACT to equalize the measure of damages for wrongful or negligent injury or death.

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

- 1 SECTION 1. Section six hundred thirteen point eleven (613.11),
2 Code 1962, is hereby amended by striking in lines ten (10) and eleven
3 (11) the following: "the value of her services as wife, or mother"
4 and inserting in lieu thereof the following: "in the case of both
5 women and men, such person, or the appropriate administrator, may
6 recover the value of services and support as spouse or parent".

1 SEC. 2. Chapter* six hundred thirteen point eleven (613.11), Code
2 1962, is hereby amended as follows:

3 1. By striking in line fifteen (15) thereof the word "husband" and
4 by inserting in lieu thereof the word* "spouse and children".

5 2. By striking in line fifteen (15) thereof the word "woman" and
6 by inserting in lieu thereof the word "person".

Approved April 19, 1965.

*According to enrolled Act.

CHAPTER 428

RESTRICTIONS AND REVERSIONS ON REAL ESTATE

H. F. 115

AN ACT relating to limitations of actions in regard to restrictions and reversions on real estate.

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

1 Chapter six hundred fourteen (614), Code 1962, is amended by
2 adding the following new sections thereto:

1 SECTION 1. No action based upon any claim arising or existing by
2 reason of the provisions of any deed or conveyance or contract or will
3 reserving or providing for any reversion, reverted interests or use
4 restrictions in and to the land therein described shall be maintained
5 either at law or in equity in any court to recover real estate in this
6 state or to recover or establish any interest therein or claim thereto,
7 legal or equitable, against the holder of the record title to such real
8 estate in possession after twenty-one years from the recording of such
9 deed of conveyance or contract or after twenty-one years from the
10 admission of said will to probate unless the claimant shall, by himself,
11 or by his attorney or agent, or if he is a minor or under legal disabili-
12 ty, by his guardian, trustee, or either parent or next friend, shall file
13 a verified claim with the recorder of the county wherein said real
14 estate is located within said twenty-one year period. In the event said
15 deed was recorded or will was admitted to probate more than twenty
16 years prior to the effective date of this Act, then said claim may be
17 filed on or before one year after the effective date of this Act. Such
18 claims shall set forth the nature thereof, also the time and manner in
19 which such interest was acquired. For the purposes of this section,
20 the claimant shall be any person or persons claiming any interest in
21 and to said land or in and to such reversion, reverter interest or use
22 restriction, whether the same is a present interest or an interest which
23 would come into existence if the happening or contingency provided
24 in said deed or will were to happen at once. Said claimant further
25 shall include any member of a class of persons entitled to or claiming
26 such rights or interests.

1 SEC. 2. The filing of such claim shall extend for a further period
2 of twenty-one years the time within which such action may be brought

3 by any person entitled thereto, and successive claims for further like
4 extensions may be filed.

1 SEC. 3. The provisions of section six hundred fourteen point
2 eighteen (614.18) of the Code are made applicable to the provisions
3 of these sections.

1 SEC. 4. The provisions of section six hundred fourteen point eight
2 (614.8) of the Code as to the rights of minors and insane persons
3 shall not be applicable against the provisions of these sections.

1 SEC. 5. The provisions of these sections, or the filing of a claim or
2 claims, hereunder, shall not revive or permit an action to be brought
3 or maintained upon any claim or cause of action which is barred by
4 any other statute. Provided further, that nothing contained in these
5 sections shall affect litigation pending on the effective date of this Act.

Approved March 15, 1965.

CHAPTER 429

SERVICE OF NOTICE ON ABSENT RESIDENTS

H. F. 551

AN ACT relating to service of process on persons who commit a tort and leave the state before personal service can be completed within the state of Iowa.

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

1 SECTION 1. Chapter three hundred twenty-five (325), Acts of the
2 Sixtieth General Assembly, section one (1), is hereby amended by
3 inserting after the period in line twenty-four (24) a new sentence as
4 follows: "The term 'nonresident person' shall include any person who
5 was, at the time of the tort, a resident of the state of Iowa but who
6 removed from the state before the commencement of such action or
7 proceedings and ceased to be a resident of Iowa or, a resident who has
8 remained continuously absent from the state for at least a period of
9 six months following commission of the tort."

Approved May 24, 1965.

CHAPTER 430

CONTRIBUTORY NEGLIGENCE

H. F. 206

AN ACT to amend chapter six hundred nineteen (619), Code 1962, relating to the burden of proof of contributory negligence in civil actions.

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

1 SECTION 1. Chapter six hundred nineteen (619), Code 1962, is
2 hereby amended by adding a new section thereto as follows:

3 "In all actions brought in the courts of this state to recover damages
 4 of a defendant in which contributory negligence of the plaintiff, actual
 5 or imputed, was heretofore a complete defense or bar to recovery, the
 6 plaintiff shall not hereafter, have the burden of pleading and proving
 7 his freedom from contributory negligence, and if the defendant relies
 8 upon negligence of the plaintiff as a complete defense or bar to plain-
 9 tiff's recovery, the defendant shall have the burden of pleading and
 10 proving negligence of the plaintiff, if any, and that it was a proximate
 11 cause of the injury or damage. As used in this section, the term 'plain-
 12 tiff' shall include a defendant filing a counterclaim or cross-petition,
 13 and the term 'defendant' shall include a plaintiff against whom a coun-
 14 terclaim or cross-petition has been filed."

Approved April 19, 1965.

CHAPTER 431

EXAMINATION AND CROSS-EXAMINATION OF WITNESSES

H. F. 236

AN ACT to amend section six hundred twenty-four point one (624.1), Code 1962, relating to the examination and cross-examination of witnesses.

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

1 SECTION 1. Section six hundred twenty-four point one (624.1),
 2 Code 1962, is hereby amended by adding thereto the following:
 3 "1. A party may interrogate any unwilling or hostile witness by
 4 leading questions. A party may call an adverse party or an officer,
 5 director, or managing agent of a public or private corporation or of a
 6 partnership or association which is an adverse party, and interrogate
 7 him by leading questions and contradict and impeach him in all re-
 8 spects as if he had been called by the adverse party, and the witness
 9 thus called may be contradicted and impeached by or on behalf of the
 10 adverse party also, and may be cross-examined by the adverse party
 11 only upon the subject matter of his examination in chief."

Approved April 14, 1965.

CHAPTER 432

AMENDMENTS TO PROBATE CODE

S. F. 49

AN ACT relating to various amendments to the Probate Code and old age assistance and medical assistance for the aged.

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

1 SECTION 1. Section three (3) of chapter three hundred twenty-six
 2 (326), Acts 60th General Assembly is amended by striking from lines

3 forty-six (46) and forty-seven (47) the words "to whom letters have
4 been issued".

1 SEC. 2. Section twenty-one (21) of chapter three hundred twenty-
2 six (326), Acts 60th General Assembly is amended by adding in line
3 four (4) before the word "other" the words "inheritance tax apprais-
4 ers,".

1 SEC. 3. Section twenty-eight (28) of chapter three hundred twen-
2 ty-six (326), Acts 60th General Assembly is amended by adding at the
3 end thereof the following:

4 "When the clerk docket a trust proceedings under this section, he
5 shall place and keep in such file a true copy of the will creating such
6 trust."

1 SEC. 4. Section thirty-two (32) of chapter three hundred twenty-
2 six (326), Acts 60th General Assembly is amended by numbering the
3 paragraphs as subsections one (1) and two (2) and adding a new sub-
4 section as follows:

5 "3. The reports required by this section thirty-two (32) shall indi-
6 cate thereon all cases in which the attorney, or the fiduciary or his
7 surety, is deceased, or insolvent, or cannot be found, or has removed
8 from this state, and where it is shown by said reports, or it otherwise
9 appears that there are no known assets belonging to the estate, the
10 judge may, on his own motion, order said estate closed, and may, in
11 his discretion, waive costs, or, on reasonable notice to the fiduciary,
12 tax costs against the fiduciary. Such order shall not operate to prevent
13 the reopening of such estate."

1 SEC. 5. Section thirty-eight (38) of chapter three hundred twenty-
2 six (326), Acts 60th General Assembly is amended by striking from
3 line one (1) the word "The" and inserting in lieu thereof the words
4 "Except as otherwise provided in this Code, the".

1 SEC. 6. Section forty (40) of chapter three hundred twenty-six
2 (326), Acts 60th General Assembly is hereby repealed and the follow-
3 ing enacted in lieu thereof:

4 "Sec. 40. **Notice in probate proceedings.**

5 "1. *Court prescribing notice.* Except as otherwise provided in this
6 Code, the court shall fix the time and place of hearing of any matter
7 requiring notice and shall prescribe the time and manner of service
8 of the notice of such hearing.

9 "2. *Notice by publication.* In the case of proceedings against un-
10 known persons or persons whose address or whereabouts are unknown,
11 the court shall prescribe that notice may be served by publication
12 within the time and in the manner provided by the Rules of Civil
13 Procedure.

14 "3. *No notice by posting.* No notice shall be served at any time by
15 posting."

1 SEC. 7. Section sixty-four (64) of chapter three hundred twenty-
2 six (326), Acts 60th General Assembly is hereby repealed and the fol-
3 lowing sections are enacted in lieu thereof:

4 "Sec. 63. **Qualification of fiduciary.** Any natural person of full
5 age, and any corporation authorized to do business in this state and

6 to act in a fiduciary capacity, is qualified to serve as a fiduciary in this
7 state except the following:

8 "1. One who is a mental retardate, mentally ill, a chronic alcoholic,
9 or a spendthrift.

10 "2. Any other person whom the court determines to be unsuitable.

11 "Sec. 64. **Nonresident fiduciaries.** A nonresident of this state
12 who is qualified under the provisions of section sixty-three (63) may,
13 upon application, be appointed fiduciary, provided a resident fiduciary
14 is appointed to serve with such nonresident fiduciary; and provided
15 further that the court, for good cause shown, may appoint such non-
16 resident fiduciary to serve alone without the appointment of a resident
17 fiduciary."

1 SEC. 8. Division three (III) of chapter three hundred twenty-six
2 (326), Acts 60th General Assembly is amended by adding at the be-
3 ginning of Part three (3) a new section as follows:

4 "Sec. 93. **Limitation on actions affecting deeds.** No action for
5 recovery of any real estate sold by any fiduciary can be maintained by
6 any person claiming under the deceased, the ward, or a beneficiary,
7 unless brought within five years after the date of the recording of the
8 conveyance."

1 SEC. 9. Section one hundred twenty-three (123) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and the following enacted in lieu thereof:

4 "Sec. 123. **Model prudent man investment Act.**

5 "1. *Investments by fiduciaries.* In acquiring, investing, reinvest-
6 ing, exchanging, retaining, selling and managing property for the
7 benefit of another, a fiduciary shall exercise the judgment and care
8 under the circumstances then prevailing, which men of prudence,
9 discretion and intelligence exercise in the management of their own
10 affairs, not for the purpose of speculation, but with regard to the
11 permanent disposition of their funds, considering the probable income,
12 as well as the probable safety, of their capital. Within the limitations
13 of the foregoing standards, a fiduciary is authorized to acquire and
14 retain every kind of property and every kind of investment, specific-
15 ally including, but not by way of limitation, bonds, debentures, and
16 other corporate obligations, and stocks and shares, preferred or com-
17 mon, which men of prudence, discretion and intelligence acquire or
18 retain for their own account.

19 "2. *Limitations.* Nothing contained in this Code shall be construed
20 as authorizing any departure by a fiduciary from, or his variation of,
21 the express terms or limitations set forth in any will, agreement, court
22 order, or other instrument creating or defining the fiduciary's duties
23 and powers, but the terms 'legal investment' or 'authorized invest-
24 ment', or words of similar import, as used in any such instrument,
25 shall be taken to mean any investment that is permitted by the provi-
26 sions of subsection one (1) hereof.

27 "3. *Powers of court to authorize investment.* Nothing contained in
28 this section one hundred twenty-three (123) shall be construed as
29 restricting the power of the court, after such notice as the court may
30 prescribe, to permit a fiduciary to deviate from the terms of any will,
31 agreement, or other instrument relating to the acquisition, investment,

32 reinvestment, exchange, retention, sale or management of fiduciary
33 property.

34 "4. *Scope of application.* The provisions of this section one hun-
35 dred twenty-three (123) shall govern all fiduciaries acting under the
36 jurisdiction of the court whether the wills, agreements or other instru-
37 ments under which they are acting now exist, or are hereafter made."

1 SEC. 10. Section one hundred twenty-four (124) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from line two (2) the words "If court approval is first ob-
4 tained,".

1 SEC. 11. Section one hundred fifty-five (155) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is amended by
3 adding at the end thereof the following:

4 "Every application of a fiduciary seeking an order under the provi-
5 sions of this section shall specify in detail the reasons for such appli-
6 cation and the facts justifying the requested order. The notice shall
7 have a copy of the application attached, or, if published, it shall con-
8 tain a detailed statement of the reasons and facts justifying the re-
9 quested order."

1 SEC. 12. Section one hundred seventy (170) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is amended by
3 numbering as subsection one (1) and adding as subsection two (2)
4 the following:

5 "2. *Bonds fixed by clerk.* Unless a bond is waived by will under the
6 authority of section one hundred seventy-two (172), or by other in-
7 strument creating the estate, or in accordance with section one hun-
8 dred seventy-three (173), or by prior order of court, the clerk shall fix
9 the bond in the amount provided by subsection one (1) of this section
10 one hundred seventy (170). The clerk shall not thereafter increase or
11 decrease a bond."

1 SEC. 13. Section two hundred twenty (220) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from lines one (1) and two (2) the words "Descendants and
4 other".

1 SEC. 14. Section two hundred twenty-nine (229) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking lines ten (10) and eleven (11) and inserting in lieu thereof
4 the following:

5 "4. The estimated value of the personal property of the estate plus
6 the estimated gross annual income of the estate during the period of
7 administration."

1 SEC. 15. Section two hundred thirty (230) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is amended by
3 striking lines seven (7) to eleven (11), inclusive, and inserting in lieu
4 thereof the following:

5 "Notice of appointment of administrator and notice to creditors
 6 In the District Court of Iowa
 7 in and for County.
 8 In the Estate of Probate No.

9 To All Persons Interested in the Estate of
 10 deceased:
 11 deceased:

11 You are hereby notified that on the day of,
 12 19....., the undersigned was appointed administrator of said estate.
 13 Notice is hereby given that all persons indebted to said estate are".

1 SEC. 16. Section two hundred thirty-seven (237) of chapter three
 2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
 3 pealed and the following enacted in lieu thereof:

4 "Sec. 237. **Presumption that surviving spouse elects to take under**
 5 **will.** Where a voluntary election to take or refuse to take under a
 6 will has not been filed by a surviving spouse within two (2) months
 7 of the date of the second publication of notice of admission of the will
 8 to probate, and the surviving spouse is not the executor of such will, it
 9 shall be the duty of the executor to cause to be served a written notice
 10 upon the surviving spouse in the manner directed by the court, advis-
 11 ing the surviving spouse that the will of such decedent has been ad-
 12 mitted to probate, stating the name of the court where the will was
 13 admitted and the date when the will was admitted to probate, and
 14 notifying such spouse that unless within four (4) months after serv-
 15 ice of such notice, he files an election in writing with the clerk of such
 16 court refusing to take under the provisions of such will, such surviv-
 17 ing spouse shall take under the provisions of the will; provided that
 18 if the surviving spouse files his election to take under the will at any
 19 time the requirements of this section for serving notice are thereby
 20 waived; provided, further, that if within the before described period
 21 of four (4) months an affidavit is filed setting forth that such sur-
 22 viving spouse is incapable to make such election, the court shall deter-
 23 mine whether there shall be an election to take against the will in
 24 accordance with section two hundred thirty-eight (238); provided
 25 further, that the court on application may, prior to the expiration of
 26 such period of four (4) months, for cause shown, enter an order ex-
 27 tending the time for making such election. If such surviving spouse
 28 shall be an executor of the will and fails, within six (6) months after
 29 the date of the second publication of notice of admission of the will to
 30 probate, to file with the clerk of the court an election to refuse to take
 31 under the provisions of the will of the deceased, it shall be conclusively
 32 presumed that such survivor consents to the provisions of the will
 33 and elects to take thereunder; provided, further, that the court on
 34 application may, prior to the expiration of such period of six (6)
 35 months, on cause shown, enter an order extending the time for making
 36 such election."

1 SEC. 17. Substitute for the head notes of section two hundred
 2 ninety-one (291) of chapter three hundred twenty-six (326), Acts
 3 60th General Assembly the words "Contents of petition for probate
 4 of will."

1 SEC. 18. Substitute for the head notes of section two hundred
2 ninety-two (292) of chapter three hundred twenty-six (326), Acts
3 60th General Assembly the words "**Contents of petition for appoint-**
4 **ment of executor.**"

5 Section two hundred ninety-two (292) of chapter three hundred
6 twenty-six (326), Acts 60th General Assembly is amended by striking
7 lines eight (8) and nine (9) and inserting in lieu thereof the follow-
8 ing:

9 "of the personal property of the estate plus the estimated gross
10 annual income of the estate during the period of administration."

1 SEC. 19. Section two hundred ninety-three (293) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and the following enacted in lieu thereof:

4 "Sec. 293. **Hearing upon petition.** Upon the filing of a petition
5 for probate of a will, the court or the clerk may, in its or his discre-
6 tion, hear it forthwith, or at such time and place as the court or clerk
7 may direct, with or without requiring notice, and upon proof of due
8 execution of the will, admit the same to probate."

1 SEC. 20. Section two hundred ninety-five (295) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and sections two hundred ninety-six (296) to three hundred
4 two (302), inclusive, are renumbered as two hundred ninety-five
5 (295) to three hundred one (301), inclusive.

1 SEC. 21. Chapter three hundred twenty-six (326), Acts 60th Gen-
2 eral Assembly is amended by adding as sections three hundred two
3 (302) and three hundred three (303) the following:

4 "Sec. 302. **Clerk filing copies of will.** When the clerk places an
5 original will in a separate file as provided in section three hundred one
6 (301), he shall place and keep a true copy of such will in the probate
7 file containing the proceedings in the estate which it governs."

8 "Sec. 303. **Charitable trusts—copy of wills to attorney general.**
9 When a will creating a charitable trust has been admitted to probate,
10 or when any instrument establishing a charitable trust has been filed
11 with the clerk, the clerk shall forthwith mail a copy of such will or
12 instrument to the attorney general. At any time, the attorney general
13 may investigate for the purpose of determining and ascertaining
14 whether or not such estate or trust is being administered in accord-
15 ance with law and within the terms and purposes thereof, and may,
16 at any time, make application to the court for such orders therein as
17 may appear to be reasonable and proper to carry out the purposes of
18 the trust. The words 'charitable trust' as used in this section shall
19 mean any fiduciary relationship with respect to property arising as a
20 result of manifestation of an intention to create it and subjecting the
21 person by whom the property is held to equitable duties to deal with
22 the property for charitable, educational or religious purposes."

1 SEC. 22. Section three hundred three (303) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is hereby repealed
3 and the following enacted as section three hundred four (304) in lieu
4 thereof:

5 "Sec. 304. **Notice of probate of will with administration.** On

6 admission of a will to probate, the executor shall, as soon as letters are
 7 issued, cause to be published once each week for two consecutive weeks
 8 in a daily or weekly newspaper of general circulation published in the
 9 county in which the estate is pending, a notice of admission of the will
 10 to probate and of the appointment of the executor, in which shall be
 11 included a notice that any action to set aside the probate of said will
 12 must be brought within one year from the date of the second publica-
 13 tion of said notice or thereafter be forever barred, and there shall also
 14 be included therein a notice to debtors to make payment, and to cred-
 15 itors having claims against said estate to file them with the clerk
 16 within six months from the second publication of said notice, or there-
 17 after be forever barred.

18 Such notice shall be substantially in the following form:

19 Notice of Probate of Will, of Appointment of Executor, and Notice
 20 to Creditors

21 In the District Court of Iowa

22 in and for County Probate No.

23 In the Estate of, Deceased

24 To All Persons Interested in the Estate

25 of Deceased:

26 You are hereby notified that on the day of,
 27 19....., the last will and testament of, deceased,
 28 bearing date of the day of, 19....., was ad-
 29 mitted to probate in the above named court and that
 30 was appointed executor of said estate. Any action to set aside said will
 31 must be brought in the district court of said county within one year
 32 from the date of the second publication of this notice, or thereafter be
 33 forever barred.

34 Notice is further given that all persons indebted to said estate are
 35 requested to make immediate payment to the undersigned, and cred-
 36 itors having claims against said estate shall file them with the clerk of
 37 the above named district court, as provided by law, duly authenticated,
 38 for allowance; and unless so filed within six months from the second
 39 publication of this notice (unless otherwise allowed or paid) such
 40 claim shall thereafter be forever barred.

41 Dated this day of, 19.....

42
 43 Executor of said estate

44
 45 Address

46
 47 Attorney for said executor

48
 49 Address

50 Date of second publication
 51 day of, 19.....

52 (date to be inserted by publisher)"

1 SEC. 23. Section three hundred four (304) of chapter three hun-
 2 dred twenty-six (326), Acts 60th General Assembly is hereby repealed
 3 and the following enacted as section three hundred five (305) in lieu
 4 thereof:

5 "Sec. 305. Notice where no administration. On admission of a
 6 will to probate without administration of the estate, and upon ad-

7 vanced payment of the costs thereof by the proponent, the clerk shall
 8 cause to be published, in the manner prescribed in the preceding sec-
 9 tion, a notice of the admission of the will to probate in which shall be
 10 included a notice that any action to set aside said will must be brought
 11 within one year from the date of the second publication of said notice
 12 or thereafter be barred.

13 Such notice shall be substantially in the following form:

14 Notice of Proof of Will Without Administration

15 In the District Court of Iowa

16 in and for County. Probate No.

17 In the Estate of, Deceased

18 To All Persons Interested in the Estate of

19, Deceased:

20 You are hereby notified that on the day of,
 21 19....., the last will and testament of, deceased,
 22 bearing date of the day of, 19....., was ad-
 23 mitted to probate in the above named court and there will be no pres-
 24 ent administration of the estate. Any action to set aside said will must
 25 be brought in the district court of said county within one year from the
 26 date of the second publication of this notice or thereafter be forever
 27 barred.

28 Dated this day of, 19.....

29

.....
 Clerk of the district court

30

.....
 Attorney for said estate

31

.....
 Address

32 Date of second publication

33 day of, 19.....

(date to be inserted by publisher)"

1 SEC. 24. Sections three hundred five (305) to three hundred nine-
 2 teen (319), inclusive of chapter three hundred twenty-six (326), Acts
 3 60th General Assembly are renumbered as sections three hundred six
 4 (306) to three hundred twenty (320), inclusive.

1 SEC. 25. Section three hundred thirty-six (336) of chapter three
 2 hundred twenty-six (326), Acts 60th General Assembly is amended by
 3 adding in line five (5) after the word "estate" the following:

4 " , except debts and charges of the first, second, third and fifth
 5 classes".

1 SEC. 26. Chapter three hundred twenty-six (326), Acts 60th Gen-
 2 eral Assembly is amended by adding a new section before section three
 3 hundred forty-nine (349) as follows:

4 "Sec. 348. **Right to retain existing property.** Notwithstanding
 5 the provisions of section one hundred twenty-three (123), any per-
 6 sonal representative may continue to hold any investment or property
 7 originally received by him and also any increase thereof."

1 SEC. 27. Section three hundred fifty-two (352), of chapter three
 2 hundred twenty-six (326), Acts 60th General Assembly is amended by
 3 striking from line three (3) the words "such property" and inserting
 4 in lieu thereof the words "the property of which he has possession".

1 SEC. 28. Section three hundred sixty-five (365) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 inserting a comma in line two (2) after the word "purposes".

1 SEC. 29. Section three hundred eighty-six (386) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and the following enacted in lieu thereof:

4 "Sec. 386. **Sale, mortgage, pledge, lease or exchange of property—**
5 **purposes.**

6 "1. Any real or personal property belonging to the decedent, except
7 exempt personal property and the homestead, may be sold, mortgaged,
8 pledged, leased or exchanged by the personal representative for any of
9 the following purposes:

10 a. The payment of debts and charges against the estate;

11 b. The distribution of the estate or any part thereof;

12 c. Any other purpose in the best interests of the estate.

13 "2. Exempt personal property under such provisions as the court
14 may direct, if not set off to the surviving spouse, may be sold, mort-
15 gaged, pledged, leased, or exchanged, provided that the surviving
16 spouse consents thereto.

17 "3. The homestead, under such provisions as the court may direct,
18 if not set off to the surviving spouse and if the surviving spouse has
19 not elected to occupy the homestead, may be sold, mortgaged, pledged,
20 leased or exchanged.

21 "4. The proceeds from the sale of any exempt personal property or
22 from the sale of the homestead shall be held by the personal represent-
23 ative subject to the rights of the surviving spouse or issue, unless such
24 surviving spouse or issue has expressly waived his rights to such pro-
25 ceeds."

1 SEC. 30. Section three hundred eighty-seven (387) of chapter
2 three hundred twenty-six (326), Acts 60th General Assembly is here-
3 by repealed and the following enacted in lieu thereof:

4 "Sec. 387. **Sale of personal property without order of court.** Per-
5 sonal property of a perishable nature and personal property for which
6 there is a regularly established market may be sold by the personal
7 representative without order of court."

1 SEC. 31. Section three hundred eighty-nine (389) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and the following enacted in lieu thereof:

4 "Sec. 389. **Notice and hearing on sale, mortgage, exchange, pledge**
5 **or lease of property.** Upon the filing of the petition, the court shall
6 fix the time and place of hearing of the petition, and prescribe the time
7 and manner of service of the notice of such hearing on all persons
8 interested in such property, provided, however, that as to personal
9 property and as to the lease of real property not specifically devised,
10 for a period of not to exceed one year, the court may, in its discretion,
11 hear the petition without notice. In those instances where notice is
12 required, the notice shall state briefly the nature of the application.
13 At the hearing and upon satisfactory proof, the court may order the
14 sale, mortgage, exchange, pledge or lease of the property described,
15 or any part thereof, at such price and upon such terms and conditions
16 as the court may authorize."

1 SEC. 32. Section three hundred ninety (390) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is hereby repealed
3 and the following enacted in lieu thereof:

4 "Sec. 390. **Sale subject to mortgage.** When a claim is secured by
5 a mortgage on property, the court may, with the consent of the mort-
6 gagee, order the sale of the property subject to the mortgage, and such
7 consent shall release the estate should a deficiency later appear."

1 SEC. 33. Section three hundred ninety-one (391) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and the following enacted in lieu thereof:

4 "Sec. 391. **Quieting adverse claims.** A petition to determine ques-
5 tions of conflicting and controverted title, or to remove clouds from
6 any title or interest of property involved, may be combined with the
7 petition provided in section three hundred eighty-eight (388)."

1 SEC. 34. Section three hundred ninety-four (394) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and the following enacted in lieu thereof:

4 "Sec. 394. **Order to sell, mortgage, pledge, exchange or lease to be
5 refused if bond given.**

6 "1. *Bond to prevent sale.* Any person interested in the estate may
7 prevent a sale, mortgage, pledge, exchange or lease of the whole or any
8 part of the real estate or personal property for any purpose, by giving
9 bond to the satisfaction of the court, conditioned that he will pay such
10 demands against the estate as the court shall require, not to exceed the
11 value of the property thus kept from sale, mortgage, pledge, exchange,
12 or lease, as soon as called upon by the court for that purpose.

13 "2. *Breach of bond—procedure.* If the conditions of such bond are
14 broken, the property will be liable for the debts, unless it has passed
15 into the hands of innocent purchasers, and the executor or adminis-
16 trator may take possession thereof and sell it under the direction of
17 the court, or he may prosecute the bond, or pursue both remedies at
18 the same time, if the court so directs.

19 "3. *Effect of bond.* If the conditions of the bond are complied with,
20 the property shall pass by devise, bequest, distribution, or descent in
21 the same manner as though there had been no debts against the
22 estate."

1 SEC. 35. Section three hundred ninety-nine (399) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and the following enacted in lieu thereof:

4 "Sec. 399. **Report for approval.** After making any such sale,
5 mortgage, exchange or lease of real property, the personal representa-
6 tive shall make a verified report thereof to the court. The court shall
7 examine said report, and if satisfied that the sale, mortgage, exchange,
8 or lease has been at a price and upon terms advantageous to the estate,
9 and, in all respects, made in conformity with law, and that it ought to
10 be confirmed, shall confirm the same and order the personal represent-
11 ative to deliver a deed, mortgage, lease or other proper instruments to
12 the persons entitled thereto; provided, however, that in the event said
13 real property has been sold at private sale without an appraisal for
14 inheritance tax purposes or for purpose of such sale, or, if it has been
15 so appraised and has been sold at private sale for less than the ap-

16 praised value thereof, then, upon the filing of such report, the court
17 may enter an order fixing a time and place for hearing thereon and
18 prescribe a notice of such hearing to be served upon all interested
19 persons, any one of whom, prior to the time fixed for such hearing,
20 may file written objections to the entry of an order approving said
21 sale. If not satisfied that the sale, mortgage, exchange, or lease has
22 been made in conformity with law and that it is to the best interests
23 of the estate, the court may reject the sale, mortgage, exchange, or
24 lease, and enter such orders as the court may deem advisable.”

1 SEC. 36. Section four hundred (400) of chapter three hundred
2 twenty-six (326), Acts 60th General Assembly is hereby repealed and
3 the following enacted in lieu thereof:

4 “Sec. 400. **Joining report with petition.** The report of any pri-
5 vate sale, mortgage, exchange, or lease of real property, as provided
6 in section three hundred ninety-nine (399), may be joined with the
7 petition provided in section three hundred eighty-eight (388) of this
8 Code.”

1 SEC. 37. Sections four hundred one (401), four hundred two
2 (402) and four hundred four (404) of chapter three hundred twenty-
3 six (326), Acts 60th General Assembly are hereby repealed and section
4 four hundred three (403) renumbered as section four hundred one
5 (401).

1 SEC. 38. Section four hundred ten (410) of chapter three hundred
2 twenty-six (326), Acts 60th General Assembly is amended by striking
3 from line two (2) the words “costs of administration” and inserting in
4 lieu thereof the word “charges”.

1 SEC. 39. Section four hundred fifteen (415) of chapter three hun-
2 dred twenty-six (326), Acts of the 60th General Assembly, is amended
3 by striking the first two paragraphs thereof and substituting in lieu
4 thereof the following:

5 “Any action pending against the decedent at the time of his death
6 that survives, shall also be considered a claim filed against the estate
7 if notice of substitution is served upon the personal representative as
8 defendant within the time provided for filing claims in section four
9 hundred ten (410). A copy of the proof of service of notice of such
10 proceedings shall be filed in the probate proceedings but shall not be
11 jurisdictional.

12 A separate action based on a debt or other liability of the decedent
13 may be commenced against a personal representative of the decedent
14 in lieu of filing a claim in the estate. Such an action shall be com-
15 menced by serving an original notice on the personal representative
16 within the time provided for filing claims in section four hundred ten
17 (410) and such action shall also be considered a claim filed against the
18 estate. Such action may be commenced only in a county wherein the
19 venue would have been proper had the decedent survived and the
20 action been commenced against him. A copy of the proof of service of
21 notice shall be filed in the probate proceedings but shall not be juris-
22 dictional.”

1 SEC. 40. Section four hundred thirty-nine (439) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from line three (3) the word "shall" and inserting in lieu
4 thereof the word "may".

1 SEC. 41. Section four hundred forty-four (444) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from lines six (6) and seven (7) the words "as otherwise
4 provided herein" and inserting in lieu thereof the following:
5 "; provided, however, that a restatement of such claim shall not be
6 barred by the provisions of section four hundred ten (410) of this
7 Code."

1 SEC. 42. Section four hundred forty-nine (449) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from line four (4) the words "and, in testate matters, from
4 the residue of the estate,".

1 SEC. 43. Change the word "Proceeds" in the head note to section
2 four hundred seventy-two (472) of chapter three hundred twenty-six
3 (326), Acts 60th General Assembly to the word "Property".

1 SEC. 44. Section four hundred seventy-eight (478) of chapter
2 three hundred twenty-six (326), Acts 60th General Assembly is here-
3 by repealed and the following enacted in lieu thereof:

4 "Sec. 478. **Notice of application for discharge.** Unless notice be
5 waived in writing, no personal representative shall be discharged from
6 further duty or responsibility upon final settlement until notice of
7 hearing on his final report or of an application for discharge shall have
8 been served upon all persons interested at such time and in such man-
9 ner as the court may prescribe by an order made before or after the
10 filing of the final report."

1 SEC. 45. Change the head note to section four hundred eighty
2 (480) of chapter three hundred twenty-six (326), Acts 60th General
3 Assembly to "**Certificate to county auditor for tax purposes with ad-
4 ministration.**"

1 SEC. 46. Change the head note to section four hundred eighty-one
2 (481) of chapter three hundred twenty-six (326), Acts 60th General
3 Assembly to "**Certificate to county auditor for tax purposes without
4 administration.**"

1 SEC. 47. Section four hundred eighty-seven (487) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from lines eleven (11) and twelve (12) the words and figures
4 "one hundred ninety (190)" and inserting in lieu thereof the words
5 and figures "one hundred eighty-six (186)".

1 SEC. 48. Section four hundred ninety-seven (497) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from lines two (2) and three (3) the words and figures "pro-
4 vided in section three hundred thirty-one (331)" and inserting in lieu
5 thereof the words "from the date of the death of the decedent".

1 SEC. 49. Section four hundred ninety-nine (499) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed.

1 SEC. 50. Section five hundred (500) of chapter three hundred
2 twenty-six (326), Acts 60th General Assembly is amended by striking
3 from line one (1) the word "If" and inserting in lieu thereof the words
4 "Notwithstanding any other provision of this Code, if".

1 SEC. 51. Section five hundred two (502) of chapter three hundred
2 twenty-six (326), Acts 60th General Assembly is amended by striking
3 from line one (1) the word "The" and inserting in lieu thereof the
4 words "Notwithstanding any other provision of this Code, the".

1 SEC. 52. Section five hundred twenty-seven (527) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from line two (2) the words and figures "and five hundred
4 twenty-four (524)" and inserting in lieu thereof the following:
5 "five hundred twenty-four (524) and five hundred twenty-six
6 (526)".

1 SEC. 53. Section five hundred sixty-six (566) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking subsection four (4) and inserting in lieu thereof the follow-
4 ing:

5 "4. The estimated present value of the real estate, the estimated
6 value of the personal property, and the estimated gross annual income
7 of the estate. If any money is payable, or to become payable, to the
8 proposed ward by the United States through the Veterans Adminis-
9 tration, the petition shall so state."

1 SEC. 54. Section five hundred eighty (580) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is amended by
3 striking subsection four (4) and inserting in lieu thereof the follow-
4 ing:

5 "4. A general description of the property of the proposed ward
6 within this state and of his right to receive property; also, the esti-
7 mated present value of the real estate, the estimated value of the per-
8 sonal property, and the estimated gross annual income of the estate.
9 If any money is payable, or to become payable, to the proposed ward
10 by the United States through the Veterans Administration, the peti-
11 tion shall so state."

1 SEC. 55. Section six hundred sixteen (616) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from line five (5) the word "ward" and inserting in lieu
4 thereof the word "veteran".

1 SEC. 56. Section six hundred eighteen (618) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from line six (6) the word "twenty-five" and inserting in lieu
4 thereof the word "fifty".

1 SEC. 57. Add as a head note to section six hundred twenty-two
2 (622) of chapter three hundred twenty-six (326), Acts 60th General
3 Assembly the words "**Powers and restrictions**".

4 Said section is amended by striking all of subsection three (3) and
5 renumbering the following subsections.

1 SEC. 58. Section six hundred thirty-five (635) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking all of lines six (6) and seven (7) and inserting in lieu thereof
4 the following:

5 "court shall combine the hearing on such petitions and determine
6 who shall be appointed guardian or conservator, and such petition
7 shall be triable to the court."

1 SEC. 59. Section six hundred forty-five (645) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from line three (3) the word "either".

1 SEC. 60. Section six hundred forty-six (646) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is hereby repealed
3 and the following enacted in lieu thereof:

4 "Sec. 646. **Powers of the conservator without order of court.** The
5 conservator shall have the full power, without prior order of court,
6 with relation to the estate of his ward:

7 "1. To collect, receive, receipt for any principal or income, and to
8 enforce, defend against or prosecute any claim by or against the ward
9 or the conservator; to sue on and defend claims in favor of, or against,
10 the ward or the conservator.

11 "2. To sell and transfer personal property of a perishable nature
12 and personal property for which there is a regularly established mar-
13 ket.

14 "3. To vote at corporate meetings in person or by proxy.

15 "4. To receive additional property from any source.

16 "5. Notwithstanding the provisions of section one hundred twenty-
17 three (123), to continue to hold any investment or other property
18 originally received by him, and also any increase thereof, pending the
19 timely filing of the first annual report."

1 SEC. 61. Section six hundred forty-seven (647) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 inserting after subsection four (4) a new subsection as follows and
4 renumbering the next subsection:

5 "5. To compromise or settle any claim by or against the ward or the
6 conservator; to adjust, arbitrate or compromise claims in favor of or
7 against the ward or the conservator."

1 SEC. 62. Section six hundred forty-eight (648) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking from line three (3) the word* and figures "six hundred forty-
4 six (646)" and inserting in lieu thereof the following:

5 "six hundred forty-seven (647)".

1 SEC. 63. Section six hundred seventy-one (671) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking subsection three (3) and inserting in lieu thereof the follow-
4 ing:

*According to enrolled Act.

5 "3. Any changes in investments since the last previous report, in-
6 cluding a list of all assets, and recommendations of the conservator for
7 the retention or disposition of any property held by the conservator."

1 SEC. 64. Section six hundred seventy-seven (677) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is hereby re-
3 pealed and the following enacted in lieu thereof:

4 "Sec. 677. **Accounting to ward—notice of hearing.** Upon the ter-
5 mination of a conservatorship, the conservator shall pay the costs of
6 administration, and render a full and complete accounting to the ward
7 or his personal representative and to the court. Notice of hearing on
8 the final report of a conservator shall be served on the ward or his
9 personal representative, unless such notice is waived, at such time and
10 in such manner as the court may prescribe."

1 SEC. 65. Section six hundred ninety-nine (699) of chapter three
2 hundred twenty-six (326), Acts 60th General Assembly is amended by
3 striking subsection two (2) and inserting in lieu thereof the follow-
4 ing:

5 "2. To acquire, manage, invest, reinvest, exchange, retain, grant
6 options on, contract to sell, to sell at public auction or private sale,
7 and, to convey, any or all property, real or personal, at any time, form-
8 ing a part of the trust estate, in such manner and upon such terms and
9 conditions as shall be deemed by such trustee to be for the best inter-
10 ests of the trust."

1 SEC. 66. Section seven hundred (700) of chapter three hundred
2 twenty-six (326), Acts 60th General Assembly is amended by striking
3 subsection three (3) and inserting in lieu thereof the following:

4 "3. Any changes in investments since the last previous report, in-
5 cluding a list of all assets, and recommendations of the trustee for the
6 retention or disposition of any property held by the trustee."

1 SEC. 67. Section seven hundred one (701) of chapter three hun-
2 dred twenty-six (326), Acts 60th General Assembly is hereby repealed
3 and the following enacted in lieu thereof:

4 "Sec. 701. **Final report of trustee.** Upon the partial or total ter-
5 mination of a trust, or upon the transfer of the trusteeship due to
6 resignation, removal, dissolution, or other disqualification of the trus-
7 tee of any trust pending in court, the trustee shall make a final report
8 to the court, showing for the period since the filing of the last report
9 the facts required for an intermediate report; provided, however, that
10 unless specifically required by the court to do so, he shall not in any
11 event, be required to report such facts for any period of time as to
12 which he has, under any of the provisions of section seven hundred
13 (700), been expressly relieved from reporting. In any event, the final
14 report of the trustee shall include the following:

15 "1. The name and last known address of each beneficiary.

16 "2. A statement as to those beneficiaries who are known to be
17 minors or under any other legal disability.

18 "3. Distributions made or to be made to each beneficiary at the time
19 of such termination."

1 SEC. 68. Section seven hundred two (702) of chapter three hun-
 2 dred twenty-six (326), Acts 60th General Assembly is hereby repealed
 3 and the following enacted in lieu thereof:

4 "Sec. 702. **Notice of application for discharge.** Unless notice is
 5 waived in writing, no final report of a trustee of a trust pending in
 6 court shall be approved, and no such trustee shall be discharged from
 7 further duty or responsibility upon final settlement, until notice of his
 8 application for discharge shall have been served upon all persons inter-
 9 ested at such time and in such manner as the court may prescribe by
 10 an order made either before or after the filing of the final report of the
 11 trustee."

1 SEC. 69. Sections six hundred eighty-two point forty-eight
 2 (682.48) to six hundred eighty-two point fifty-nine (682.59), inclu-
 3 sive, Code 1962, are hereby repealed.

1 SEC. 70. Section two hundred forty-nine point nineteen (249.19),
 2 Code 1962, is amended by striking from line eight (8) the word
 3 "second" and inserting in lieu thereof the word "sixth".

1 SEC. 71. Section two hundred forty-nine A point thirteen
 2 (249A.13), Code 1962, is hereby amended by striking from line
 3 twenty-one (21) the word "second" and inserting in lieu thereof the
 4 word "sixth".

1 SEC. 72. Section two hundred forty-nine A point fourteen
 2 (249A.14), Code 1962, is hereby amended by striking from line seven
 3 (7) the word "second" and inserting in lieu thereof the word "sixth".

1 SEC. 73. Section two hundred forty-nine point nineteen (249.19),
 2 Code 1962, is hereby amended by striking from line eight (8) the word
 3 "second" and inserting in lieu thereof the word "sixth".

Approved May 7, 1965.

CHAPTER 433

COSTS OF HABEAS CORPUS PROCEEDINGS

H. F. 354

AN ACT to pay out of state funds the costs and fees of habeas corpus proceedings on behalf of plaintiffs confined in state institutions where such proceedings are successful or where the plaintiff is not able to pay.

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

1 Section six hundred sixty-three point forty-four (663.44), Code
 2 1962, is hereby amended by adding thereto the following:

3 "However, where the plaintiff is an inmate of any state institution,
 4 and is discharged in habeas corpus proceedings, or where the habeas
 5 corpus proceedings fail and costs and fees cannot be collected from
 6 the person liable to pay the same, such costs and fees shall be paid by
 7 the county in which such state institution is located. The facts of such
 8 payment and the proceedings on which it is based, with a statement of

9 the amount of fees or costs incurred, with approval in writing by the
 10 presiding judge appended to such statement or endorsed thereon, shall
 11 then be certified by the clerk of the district court under his seal of
 12 office to the state executive council. The executive council shall then
 13 review the proceedings and authorize reimbursement for all such fees
 14 and costs or such part thereof as the executive council shall find justi-
 15 fied, and shall notify the state comptroller to draw a warrant to such
 16 county treasurer on the state general fund for the amount authorized."

Approved May 10, 1965.

CHAPTER 434

SUPREME COURT OFFICES

S. F. 55

AN ACT to amend section twenty-seven (27) of chapter eighty (80), Acts of the 60th General Assembly relating to offices for the supreme court.

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

1 SECTION 1. Section twenty-seven (27) of chapter eighty (80),
 2 Acts of the 60th General Assembly, is amended by striking from line
 3 two (2) "January 1, 1968" and inserting in lieu thereof "January 1,
 4 1970".

Approved April 12, 1965.

CHAPTER 435

DEATH PENALTY ABOLISHED

H. F. 8

AN ACT to abolish the death penalty as a punishment for certain crimes and to substitute therefor imprisonment for life.

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

1 SECTION 1. Section six hundred ninety point two (690.2), Code
 2 1962, is hereby amended by striking all of such section after the word
 3 "punished" in line eight (8) and by inserting in lieu thereof the
 4 words "by imprisonment for life at hard labor in the penitentiary."

1 SEC. 2. Section six hundred ninety point five (690.5), Code 1962,
 2 is hereby amended as follows:

3 1. By striking from line five (5) of such section the words "death
 4 or".

1 SEC. 3. Section seven hundred six point three (706.3), Code 1962,
 2 is hereby amended as follows:

3 1. By striking from line nineteen (19) of such section the words
 4 "with death or" and by inserting in lieu thereof the word "by".

1 SEC. 4. Chapter seven hundred ninety-two (792), Code 1962, is
2 hereby repealed.

Approved February 24, 1965.

CHAPTER 436

DEATH PENALTY ABOLITION

H. F. 595

AN ACT relating to the abolition of the death penalty in Iowa.

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

1 SECTION 1. Section one (1) of House File eight (8), Acts of the
2 Sixty-first General Assembly, is hereby amended by inserting after
3 the word "penitentiary" in line five (5) the words "and the court shall
4 enter judgment and pass sentence accordingly".

1 SEC. 2. Section seven hundred six point three (706.3), Code 1962,
2 as amended, is further amended by striking from the end thereof the
3 words "as determined by the jury, or the court if the defendant pleads
4 guilty." and inserting in lieu thereof the words "and the court shall
5 enter judgment and pass sentence accordingly."

1 SEC. 3. Section seven hundred sixty-three point one (763.1), Code
2 1962, is hereby amended by striking in lines three (3) and four (4)
3 the words "offenses punishable with death under the laws of the state"
4 and inserting in lieu thereof the words "murder in the first degree and
5 kidnapping for ransom".

1 SEC. 4. Section six hundred ninety point five (690.5), Code 1962,
2 is hereby repealed.

Approved May 14, 1965.

CHAPTER 437

FIREARMS PERMITS

H. F. 46

AN ACT relating to firearms permits.

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

1 SECTION 1. Section six hundred ninety-five point four (695.4),
2 Code 1962, is amended by inserting in line two (2), immediately fol-
3 lowing the word "only", the words "which shall be valid throughout
4 the state,".

1 SEC. 2. Section six hundred ninety-five point two (695.2), Code
2 1962, is hereby amended as follows:

- 3 1. In line 16, the word "license" is stricken and the word "permit"
 4 is substituted therefor.
 5 2. The following new sentence is added at the end of said section:
 6 "However, it shall be lawful to carry one or more unloaded pistols or
 7 revolvers for the purpose of or in connection with lawful target prac-
 8 tice, lawful hunting, lawful sale or attempted sale, lawful exhibit or
 9 showing, or other lawful use, if such unloaded weapon or weapons are
 10 carried either (1) in the trunk compartment of a vehicle or (2) in a
 11 closed container which is too large to be effectively concealed on the
 12 person or within the clothing of an individual, and such container may
 13 be carried in a vehicle or in any other manner; and no permit shall be
 14 required therefor."

Approved May 26, 1965.

CHAPTER 438
 CONSUMER FRAUDS

H. F. 561

AN ACT outlawing certain consumer frauds, and providing more effective regulatory and enforcement procedures.

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

- 1 SECTION 1. Section seven hundred thirteen point twenty-four
 2 (713.24), Code 1962, is hereby amended by striking the present sec-
 3 tion in its entirety and inserting in lieu thereof the following:
 4 1. Definitions:
 5 a. The term "advertisement" includes the attempt by publication,
 6 dissemination, solicitation or circulation to induce directly or indi-
 7 rectly any person to enter into any obligation or acquire any title or
 8 interest in any merchandise;
 9 b. The term "merchandise" includes any objects, wares, goods,
 10 commodities, intangibles, securities, bonds, debentures, stocks, real
 11 estate or services;
 12 c. The term "person" includes any natural person or his legal rep-
 13 resentative, partnership, corporation (domestic and foreign), com-
 14 pany, trust, business entity or association, and any agent, employee,
 15 salesman, partner, officer, director, member, stockholder, associate,
 16 trustee or cestui que trust thereof;
 17 d. The term "sale" includes any sale, offer for sale, or attempt to
 18 sell any merchandise for cash or on credit.
 19 e. The term "subdivided lands" refers to improved or unimproved
 20 land or lands divided or proposed to be divided for the purpose of
 21 sale or lease, whether immediate or future, into five or more lots or
 22 parcels; provided, however, it does not apply to the leasing of apart-
 23 ments, offices, stores or similar space within an apartment building,
 24 industrial building or commercial building unless an undivided in-
 25 terest in the land is granted as a condition precedent to occupying
 26 space in said structure.
 27 2. a. The act, use or employment by any person of any deception,

28 fraud, false pretense, false promise, misrepresentation, or the con-
29 cealment, suppression, or omission of any material fact with intent
30 that others rely upon such concealment, suppression or omission, in
31 connection with the sale or advertisement of any merchandise,
32 whether or not any person has in fact been misled, deceived or dam-
33 aged thereby, is declared to be an unlawful practice.

34 *b.* The advertisement for sale, lease or rent, or the actual sale,
35 lease, or rental of any merchandise at a price or with a rebate or pay-
36 ment to the purchaser which is contingent upon the procurement of
37 prospective customers provided by the purchaser, or the procurement
38 of sales, leases, or rentals to persons suggested by the purchaser, is
39 declared to be an unlawful practice, unless the agreement or promise
40 of such contingent price, rebate, or payment, is in writing and made
41 a part of the contract of such sale, lease or rental. The rights and
42 obligations of the contract relating to such contingent price, rebate,
43 or payment shall be interdependent and inseverable from the rights
44 and obligations relating to the sale, lease, or rental.

45 *c.* It shall be unlawful for any person to advertise the sale of mer-
46 chandise at reduced rates due to cessation of business operations and
47 after the date of the first such advertisement remain in business
48 under the same, or substantially the same, ownership, under the
49 same, or substantially the same trade name, or continue to offer for
50 sale the same type of merchandise at the same location for more than
51 one hundred twenty (120) days.

52 *d.* (1) No person shall offer or advertise within this state for sale
53 or lease, any subdivided lands without first filing with the real estate
54 commission, true and accurate copies of all road plans, plats, field
55 notes and diagrams of water, sewage and electric power lines as they
56 exist at the time of such filing, provided such filing shall not be re-
57 quired for a subdivision subject to section three hundred six point
58 fifteen (306.15) or chapter four hundred nine (409) of the Code.
59 Each such filing shall be accompanied by a fee of fifty (50) dollars
60 for each subdivision included, payable to the real estate commission.

61 (2) False or misleading statements filed pursuant to subparagraph
62 one (1) of paragraph "d" of subsection two (2) of section one (1)
63 of this Act or section three hundred six point fifteen (306.15) or
64 chapter four hundred nine (409) of the Code, and advertising, offers
65 to sell, or contracts not in substantial conformity with the filings
66 made pursuant to section three hundred six point fifteen (306.15) or
67 chapter four hundred nine (409) of the Code are unlawful.

68 3. When it appears to the attorney general that a person has en-
69 gaged in, is engaging in, or is about to engage in any practice declared
70 to be unlawful by this Act or when he believes it to be in the public
71 interest that an investigation should be made to ascertain whether a
72 person in fact has engaged in, is engaging in or is about to engage in,
73 any such practice, he may:

74 *a.* Require such person to file on such forms as he may prescribe a
75 statement or report in writing under oath or otherwise, as to all the
76 facts and circumstances concerning the sale or advertisement of
77 merchandise by such person, and such other data and information
78 as he may deem necessary;

- 79 *b.* Examine under oath any person in connection with the sale or
80 advertisement of any merchandise;
- 81 *c.* Examine any merchandise or sample thereof, record, book, docu-
82 ment, account or paper as he may deem necessary; and
- 83 *d.* Pursuant to an order of a district court impound any record,
84 book, document, account, paper, or sample of merchandise that is
85 produced in accordance with this Act, and retain the same in his
86 possession until the completion of all proceedings in connection with
87 which the same are produced.
- 88 4. *a.* To accomplish the objectives and to carry out the duties pre-
89 scribed by this Act, the attorney general, in addition to other powers
90 conferred upon him by this Act, may issue subpoenas to any person,
91 administer an oath or affirmation to any person, conduct hearings in
92 aid of any investigation or inquiry, prescribe such forms and promul-
93 gate such rules and regulations as may be necessary, which rules and
94 regulations shall have the force of law.
- 95 *b.* No information or evidence provided the attorney general by a
96 person pursuant to subsections three (3) and four (4) of this Act
97 shall be admitted in evidence, or used in any manner whatsoever, in
98 any criminal prosecution. If a criminal prosecution under the pro-
99 visions of this Act is initiated in a state court against a person who
100 has provided information pursuant to subsections three (3) and four
101 (4) of this Act, the state shall have the burden of proof that the
102 information so provided was not used in any manner to further the
103 criminal investigation or prosecution.
- 104 5. Service by the attorney general of any notice requiring a person
105 to file a statement or report, or of a subpoena upon any person, shall
106 be made personally within this state, but if such cannot be obtained,
107 substituted service therefor may be made in the following manner:
- 108 *a.* Personal service thereof without this state; or
- 109 *b.* The mailing thereof by registered mail to the last known place
110 of business, residence or abode within or without this state of such
111 person for whom the same is intended; or
- 112 *c.* As to any person other than a natural person, in the manner
113 provided in the Rules of Civil Procedure as if a petition had been
114 filed; or
- 115 *d.* Such service as a district court may direct in lieu of personal
116 service within this state.
- 117 6. If any person fails or refuses to file any statement or report, or
118 obey any subpoena issued by the attorney general, the attorney gen-
119 eral may, after notice, apply to a district court and, after hearing
120 thereof, request an order:
- 121 *a.* Granting injunctive relief, restraining the sale or advertisement
122 of any merchandise by such persons;
- 123 *b.* Dissolving a corporation created by or under the laws of this
124 state or revoking or suspending the certificate of authority to do
125 business in this state of a foreign corporation or revoking or sus-
126 pending any other licenses, permits or certificates issued pursuant to
127 law to such person which are used to further the allegedly unlawful
128 practice; and
- 129 *c.* Granting such other relief as may be required; until the person
130 files the statement or report, or obeys the subpoena.

131 7. Whenever it appears to the attorney general that a person has
132 engaged in, is engaging in or is about to engage in any practice de-
133 clared to be unlawful by this Act he may seek and obtain in an action
134 in a district court an injunction prohibiting such person from con-
135 tinuing such practices or engaging therein or doing any acts in fur-
136 therance thereof after appropriate notice to such person. Such notice
137 shall state generally the relief sought and be served in accordance
138 with subsection five (5) of section one (1) of this Act at least three
139 (3) days prior to the institution of such action. The court may make
140 such orders or judgments as may be necessary to prevent the use or
141 employment by a person of any prohibited practices, or which may be
142 necessary to restore to any person in interest any moneys or prop-
143 erty, real or personal which may have been acquired by means of any
144 practice in this Act declared to be unlawful including the appoint-
145 ment of a receiver in cases of substantial and willful violation of the
146 provisions of this Act.

147 8. When a receiver is appointed by the court pursuant to this Act,
148 he shall have the power to sue for, collect, receive and take into his
149 possession all the goods and chattels, rights and credits, moneys and
150 effects, lands and tenements, books, records, documents, papers,
151 choses in action, bills, notes and property of every description, de-
152 rived by means of any practice declared to be illegal and prohibited
153 by this Act, including property with which such property has been
154 mingled if it cannot be identified in kind because of such comming-
155 ling, and to sell, convey, and assign the same and hold and dispose of
156 the proceeds thereof under the direction of the court. Any person
157 who has suffered damages as a result of the use or employment of
158 any unlawful practices and submits proof to the satisfaction of the
159 court that he has in fact been damaged, may participate with general
160 creditors in the distribution of the assets to the extent he has sus-
161 tained out-of-pocket losses. In the case of a partnership or business
162 entity, the receiver shall settle the estate and distribute the assets
163 under the direction of the court. The court shall have jurisdiction
164 of all questions arising in such proceedings and may make such orders
165 and judgments therein as may be required.

166 9. Subject to an order of the court terminating the business affairs
167 of any person after receivership proceedings held pursuant to this
168 Act, the provisions of this Act shall not bar any claim against any
169 person who has acquired any moneys or property, real or personal,
170 by means of any practice herein declared to be unlawful.

171 10. In any action brought under the provisions of this Act, the
172 attorney general is entitled to recover costs for the use of this state.

173 11. If any provision of this Act or the application thereof to any
174 person or circumstances is held invalid, the invalidity shall not affect
175 other provisions of applications of the Act which can be given effect
176 without the invalid provision or application and to this end the pro-
177 visions of this Act are severable.

178 12. Nothing contained in this Act shall apply to the owner or
179 publisher of newspapers, magazines, publications or printed matter
180 wherein such advertisement appears, or to the owner or operator of
181 a radio or television station which disseminates such advertisement
182 when the owner, publisher or operator has no knowledge of the in-

183 tent, design or purpose of the advertiser; and provided, further, that
 184 nothing herein contained shall apply to any advertisement which
 185 complies with the rules and regulations of, and the statutes admin-
 186 istered by the Federal Trade Commission.

1 SEC. 2. Section seven hundred thirteen point twenty-five
 2 (713.25), Code 1962, is hereby repealed.

1 SEC. 3. Section four hundred ninety-six A point ninety-one
 2 (496A.91), Code 1962, is hereby amended by adding the following
 3 subsection:

4 "3. The corporation has failed or refused to file a statement or
 5 report, or obey a subpoena issued by the attorney general, as pro-
 6 vided in section seven hundred thirteen point twenty-four (713.24)
 7 of the Code."

1 SEC. 4. Section three hundred six point fifteen (306.15), Code
 2 1962, is hereby amended by striking the present section in its en-
 3 tirety and inserting in lieu thereof the following:

4 "All road plans, plats and field notes and true and accurate dia-
 5 grams of water, sewage and electric power lines for rural subdivi-
 6 sions shall be filed with and recorded by the county auditor and
 7 approved by the board of supervisors and the county engineer before
 8 the subdivision is laid out and platted, and if any proposed rural
 9 subdivision is within one (1) mile of the corporate limits of any city
 10 or town such road plans shall also be approved by the city engineer
 11 or council of the adjoining municipality. Such plans shall be clearly
 12 designated as 'completed', 'partially completed' or 'proposed' with a
 13 statement of the portion completed and the expected date of full
 14 completion. In the event such road plans are not approved as herein
 15 provided such roads shall not become the part of any road system as
 16 defined in chapter three hundred six (306) of the Code."

Approved May 20, 1965.

CHAPTER 439

SIMULATED LEGAL PROCESS

H. F. 164

AN ACT relating to documents which simulate legal process.

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

1 SECTION 1. Chapter seven hundred thirteen (713), Code 1962, is
 2 hereby amended by adding the following new section:

3 "Whoever sends or delivers to another any document which simu-
 4 lates a petition, original notice or other court process with intent
 5 thereby to induce payment of a claim shall be fined not exceeding one
 6 hundred dollars (\$100.00), or be imprisoned in the county jail not
 7 exceeding thirty (30) days.

8 1. Proof that the document was mailed or was delivered to any

9 person with intent that it be forwarded to the intended recipient shall
10 be sufficient proof of sending.

11 2. This section applies even though the simulating document con-
12 tains a statement to the effect that it is not legal process.

13 3. Violations of this section may be prosecuted in either the county
14 where the document was sent or the county in which it was delivered.”

Approved May 24, 1965.

CHAPTER 440

INSTRUCTIONAL CORRESPONDENCE COURSES

S. F. 560

AN ACT relating to the advertising and selling of courses of instruction.

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

1 SECTION 1. It shall be unlawful for any person, firm, association,
2 or corporation maintaining, advertising, or conducting in Iowa any
3 course of instruction for profit, or for tuition charge, whether by class-
4 room instructions or by correspondence, to:

5 1. Falsely advertise or represent to any person any matter material
6 to such course of instruction. All advertising of such courses of in-
7 struction shall adhere to and comply with the rules and regulations of
8 the federal trade commission as of the effective date of this Act.

9 2. Collect tuition or other charges in excess of one hundred fifty
10 (150) dollars in advance of the actual attendance of a pupil in the
11 school, or in the case of correspondence courses of study, in advance
12 of the receipt and approval by the pupil of the first assignment or
13 lesson of such course. Any contract providing for advance payment
14 of more than one hundred fifty (150) dollars shall be voidable on the
15 part of the pupil or any person liable for the tuition provided for in
16 the contract.

17 3. Promise or guarantee employment utilizing information, train-
18 ing, or skill purported to be provided or otherwise enhanced by a
19 course, unless the promisor or guarantor offers the student or pros-
20 pective student a bona fide contract of employment agreeing to employ
21 said student or prospective student for a period of not less than one
22 hundred twenty (120) days in a business or other enterprise regularly
23 conducted by the promisor or guarantor and in which such informa-
24 tion, training, or skill is a normal condition of employment.

1 SEC. 2. Every person, firm, association, or corporation maintain-
2 ing or conducting in Iowa any such course of instruction, by classroom
3 instruction or by correspondence, or soliciting in Iowa the sale of such
4 course, shall file with the superintendent of public instruction:

5 1. A continuous corporate surety bond to the state of Iowa in the
6 sum of ten thousand (10,000) dollars conditioned for the faithful per-
7 formance of all contracts and agreements with students made by such
8 person, firm, association, or corporation, or their salesmen; provided,
9 however, that the aggregate liability of the surety for all breaches of

10 conditions of the bond shall, in no event, exceed the sum of said bond.
11 The surety on the bond shall have the right to cancel said bond upon
12 giving 30 days written notice to the superintendent of public instruc-
13 tion and thereafter shall be relieved of liability for any breach of
14 condition occurring after the effective date of said cancellation.

15 2. A statement designating a resident agent for the purpose of re-
16 ceiving service in civil actions. In the absence of such designation,
17 service may be had upon the superintendent of public instruction if
18 service cannot otherwise be made in this state.

19 3. A copy of any catalog, prospectus, brochure, or other advertising
20 material intended for distribution in Iowa. Such material shall state
21 the cost of the course offered, the schedule of refunds for portions of
22 the course not completed, and if no refunds are to be paid, the material
23 shall so state. Any contract induced by advertising materials not pre-
24 viously filed as provided in this Act shall be voidable on the part of the
25 pupil or any person liable for the tuition provided for in the contract.

1 SEC. 3. None of the provisions of this Act shall apply to the follow-
2 ing:

3 1. Colleges or universities authorized by the laws of Iowa or any
4 other state or foreign country to grant degrees.

5 2. Schools of nursing accredited by the board of nurse examiners
6 or an equivalent public board of another state or foreign country.

7 3. Public schools.

8 4. Private and nonprofit schools recognized by the state department
9 of public instruction or a local school board for the purpose of comply-
10 ing with chapter two hundred ninety-nine (299) of the Code and
11 employing certified teachers.

12 5. Nonprofit schools exclusively engaged in training physically
13 handicapped persons in the State of Iowa.

14 6. Schools and educational programs conducted by firms, corpora-
15 tions, or persons for the training of their own employees, for which
16 no fee is charged.

17 7. Seminars, refresher courses and schools of instruction sponsored
18 by professional, business, or farming organizations or associations for
19 the members and employees of members of such organizations or
20 associations.

21 8. Private business schools accredited by The Accrediting Commis-
22 sion for Business Schools or an acknowledged accrediting agency.

23 9. Trade or vocational schools approved or accredited by any depart-
24 ment or agency of any state or the federal government.

1 SEC. 4. It shall be unlawful to sell more than one (1) lifetime con-
2 tract to any one person.

1 SEC. 5. Violation of any of the provisions of this Act shall be a
2 misdemeanor, punishable upon conviction by a fine not exceeding one
3 hundred (100) dollars or thirty (30) days in jail, or both.

1 SEC. 6. If any provision of this Act or the application thereof to
2 any person or persons shall be invalid, such invalidity shall not affect
3 the provisions or application of this Act which can be given effect

4 without the invalid provisions or application, and to this end the
5 provisions of the Act are declared severable.

Approved June 30, 1965.

CHAPTER 441

LOTTERY DEFINED

S. F. 261

AN ACT to define a lottery.

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

1 SECTION 1. Section seven hundred twenty-six point eight (726.8),
2 Code 1962, is hereby amended by adding thereto the following:
3 "When used in this section, lottery shall mean any scheme, arrange-
4 ment, or plan whereby a prize is awarded by chance or any process
5 involving a substantial element of chance to a participant who has
6 paid or furnished a consideration for such chance."

1 SEC. 2. Chapter seven hundred twenty-six (726), Code 1962, is
2 hereby amended by adding thereto the following section:
3 "For the purpose of determining the existence of a lottery under
4 section seven hundred twenty-six point eight (726.8) of the Code, a
5 consideration shall be deemed to have been paid or furnished only in
6 such cases where as a direct or indirect requirement or condition of
7 obtaining a chance to win a prize, the participants are required to
8 make an expenditure of money or something of monetary value
9 through a purchase, payment of an entry or admission fee, or other
10 payment or the participants are required to make a substantial ex-
11 penditure of effort; provided, however, that no substantial expendi-
12 ture of effort shall be deemed to have been expended by any participant
13 solely by reason of the registration of the participant's name, address,
14 and related information, the obtaining of an entry blank or participa-
15 tion sheet, by permitting or taking part in a demonstration of any
16 article or commodity, by making a personal examination of posted lists
17 of prize winners, or by acts of a comparable nature, whether per-
18 formed or accomplished in person at any store, place of business, or
19 other designated location, through the mails, or by telephone; and
20 further provided, that no participant shall be required to be present
21 in person or by representative at any designated location at the time
22 of the determination of the winner of the prize, and that the winner
23 shall be notified either by the same method used to communicate the
24 offering of the prize or by regular mail."

Approved April 30, 1965.

CHAPTER 442
STRIKEBREAKERS

H. F. 24

AN ACT to amend chapter seven hundred thirty-six B (736B), Code 1962, relating to persons or agencies engaging in the traffic of professional strikebreakers.

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

- 1 SECTION 1. Chapter seven hundred thirty-six B (736B), Code
2 1962, is hereby amended by adding thereto the following section:
3 "It shall be unlawful for any person, persons, partnership, agency,
4 firm, or corporation, or agent thereof:
5 1. Unless directly involved in a labor dispute, to knowingly recruit,
6 procure, supply or refer for employment in the place of employees
7 involved in such labor dispute any person or persons who customarily
8 or repeatedly offer themselves as replacements for employees involved
9 in labor disputes.
10 2. If directly involved in a labor dispute, to knowingly employ in
11 place of employees involved in such dispute persons who customarily
12 or repeatedly offer themselves as replacements for employees involved
13 in labor disputes.
14 3. To solicit or advertise for employees to replace employees in-
15 volved in a labor dispute without notice in such solicitation or adver-
16 tisement that the employment offered is in place of employees engaged
17 in a labor dispute.
18 4. To enter into an agreement, contract or arrangement with other
19 persons, partnerships, agencies, firms or corporations, or agents there-
20 of, to commit acts prohibited by subsections one (1), two (2) or three
21 (3) of this section."

Approved June 2, 1965.

CHAPTER 443
BRIBERY INVOLVING ATHLETICS

H. F. 452

AN ACT relating to the sentence of an individual convicted of bribery involving athletic contests.

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

- 1 SECTION 1. Section seven hundred thirty-nine point twelve
2 (739.12), Code 1962, is hereby amended by striking from lines twenty-
3 five (25) and twenty-six (26) the words "undergo imprisonment" and
4 inserting in lieu thereof the words "to imprisonment in the peniten-
5 tiary".

Approved June 2, 1965.

CHAPTER 444

PUBLIC OFFENSES BY REPEAT OFFENDERS

H. F. 565

AN ACT establishing a procedure for indictment, trial and sentencing of defendants for public offenses which carry a heavier penalty because of prior convictions.

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

1 SECTION 1. Section seven hundred forty-seven point one (747.1),
2 Code 1962, is hereby amended by striking from line sixteen (16)
3 through line eighteen (18) the words “, provided such former judg-
4 ments shall be referred to in the indictment, stating the court, date
5 and place of rendition”.

1 SEC. 2. Section seven hundred forty-seven point two (747.2), Code
2 1962, is hereby amended by striking from line seven (7) through line
3 nine (9) the words “, provided such former judgments shall be re-
4 ferred to in the indictment, stating the court, date and place of ren-
5 dition”.

1 SEC. 3. Chapter seven hundred sixty-nine (769), Code 1962, is
2 hereby amended by adding after section seven hundred sixty-nine
3 point five (769.5) the following section:

4 “If the offense charged is one for which the defendant, if convicted,
5 will be subject by reason of the Code, to an increased penalty because
6 of prior convictions, the allegation of such convictions, if any, shall be
7 contained in the (information). A supplemental (information) shall
8 be prepared for the purpose of trial of the facts of the current offense
9 only, and shall satisfy all pertinent requirements of the Code, except
10 that it shall make no mention, directly or indirectly, of the allegation
11 of the prior convictions, and shall be the only information read or
12 otherwise presented to the jury prior to conviction of the current
13 offense. The effect of this section shall be to alter the procedure for
14 trying, in one criminal proceeding, the offenses appropriate to its
15 provisions, and not to alter in any manner the basic elements of an
16 offense as provided by law.”

1 SEC. 4. Chapter seven hundred seventy-three (773), Code 1962, is
2 hereby amended by adding after section seven hundred seventy-three
3 point two (773.2) the following section:

4 “If the offense charged is one for which the defendant, if convicted,
5 will be subject by reason of the Code, to an increased penalty because
6 of prior convictions, the allegation of such convictions, if any, shall be
7 contained in the (indictment). A supplemental (indictment) shall be
8 prepared for the purpose of trial of the facts of the current offense
9 only, and shall satisfy all pertinent requirements of the Code, except
10 that it shall make no mention, directly or indirectly, of the allegation
11 of the prior convictions, and shall be the only indictment read or
12 otherwise presented to the jury prior to conviction of the current
13 offense. The effect of this section shall be to alter the procedure for
14 trying, in one criminal proceeding, the offenses appropriate to its
15 provisions, and not to alter in any manner the basic elements of an
16 offense as provided by law.”

1 SEC. 5. Chapter seven hundred eighty-five (785), Code 1962, is
 2 hereby amended by adding after section seven hundred eighty-five
 3 point fifteen (785.15) the following section:

4 "After conviction, but prior to pronouncement of sentence, if the
 5 indictment alleges one or more prior convictions which by the Code,
 6 subject the offender to an increased sentence, he shall have the oppor-
 7 tunity in open court to affirm or deny that he is identical with the
 8 person previously convicted. If he denies the identity, sentence shall
 9 be postponed for such time as to permit a trial before a jury on the
 10 sole issue of the offender's identity with the person previously con-
 11 victed.

12 The court may in its discretion reconvene the jury which heard the
 13 current offense or dismiss that jury and submit the issue of identity
 14 to another jury to be later impaneled. If the offender is found by the
 15 jury to be the person previously convicted, or if he acknowledges that
 16 he is such person, he shall be sentenced as prescribed in the Code."

1 SEC. 6. Section seven hundred eighty point five (780.5), subsec-
 2 tion one (1), Code 1962, is hereby amended by adding in line two (2)
 3 after the word "indictment" the following:

4 "or, the supplemental indictment as required under the provisions
 5 of the Code."

1 SEC. 7. Section seven hundred sixty-two point three (762.3), Code
 2 1962, is hereby amended by adding a new subsection four (4) as fol-
 3 lows:

4 "4. The provisions of section three (3) of this Act shall be appli-
 5 cable to the prosecution before a justice of the peace of cases within
 6 its jurisdiction."

1 SEC. 8. Section six hundred three point eleven (603.11), Code
 2 1962, is hereby amended by striking after the word "prescribe" in line
 3 four (4) the period (.) and inserting in lieu thereof the words:

4 "and the provisions of section three (3) of this Act shall be appli-
 5 cable to all such actions."

Approved May 24, 1965.

CHAPTER 445

CRIMINAL DETAINERS COMPACT

S. F. 445

AN ACT relating to criminal procedure; to adopt the agreement on detainers and provide for implementation thereof.

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

1 SECTION 1. The agreement on detainers is hereby enacted into
 2 law and entered into by this state with all other jurisdictions legally
 3 joining therein in the form substantially as follows:

4 The contracting states solemnly agree that:

5

ARTICLE I

6 The party states find that charges outstanding against a prisoner,
7 detainees based on untried indictments, informations or complaints,
8 and difficulties in securing speedy trial of persons already incarcerated
9 in other jurisdictions, produce uncertainties which obstruct pro-
10 grams of prisoner treatment and rehabilitation. Accordingly, it is
11 the policy of the party states and the purpose of this agreement to
12 encourage the expeditious and orderly disposition of such charges
13 and determination of the proper status of any and all detainees based
14 on untried indictments, informations or complaints. The party states
15 also find that proceedings with reference to such charges and de-
16 tainers, when emanating from another jurisdiction, cannot prop-
17 erly be had in the absence of cooperative procedures. It is the further
18 purpose of this agreement to provide such cooperative procedures.

19

ARTICLE II

20 As used in this agreement:

21 (a) "State" shall mean a state of the United States; the United
22 States of America; a territory or possession of the United States;
23 the District of Columbia; the Commonwealth of Puerto Rico.

24 (b) "Sending state" shall mean a state in which a prisoner is in-
25 carcerated at the time that he initiates a request for final disposition
26 pursuant to Article III hereof or at the time that a request for cus-
27 tody or availability is initiated pursuant to Article IV hereof.

28 (c) "Receiving state" shall mean the state in which trial is to be
29 had on an indictment, information or complaint pursuant to Article
30 III or Article IV hereof.

31

ARTICLE III

32 (a) Whenever a person has entered upon a term of imprisonment
33 in a penal or correctional institution of a party state, and whenever
34 during the continuance of the term of imprisonment there is pending
35 in any other party state any untried indictment, information or com-
36 plaint on the basis of which a detainer has been lodged against the
37 prisoner, he shall be brought to trial within one hundred eighty days
38 after he shall have caused to be delivered to the prosecuting officer
39 and the appropriate court of the prosecuting officer's jurisdiction
40 written notice of the place of his imprisonment and his request for a
41 final disposition to be made of the indictment, information or com-
42 plaint: provided that for good cause shown in open court, the pris-
43 oner or his counsel being present, the court having jurisdiction of
44 the matter may grant any necessary or reasonable continuance. The
45 request of the prisoner shall be accompanied by a certificate of the
46 appropriate official having custody of the prisoner, stating the term
47 of commitment under which the prisoner is being held, the time
48 already served, the time remaining to be served on the sentence, the
49 amount of good time earned, the time of parole eligibility of the
50 prisoner, and any decisions of the state parole agency relating to the
51 prisoner.

52 (b) The written notice and request for final disposition referred
53 to in paragraph (a) hereof shall be given or sent by the prisoner to

54 the warden, commissioner of corrections or other official having cus-
55 tody of him, who shall promptly forward it together with the certifi-
56 cate to the appropriate prosecuting official and court by registered or
57 certified mail, return receipt requested.

58 (c) The warden, commissioner of corrections or other official hav-
59 ing custody of the prisoner shall promptly inform him of the source
60 and contents of any detainer lodged against him and shall also inform
61 him of his right to make a request for final disposition of the indict-
62 ment, information or complaint on which the detainer is based.

63 (d) Any request for final disposition made by a prisoner pursuant
64 to paragraph (a) hereof shall operate as a request for final disposi-
65 tion of all untried indictments, informations or complaints on the
66 basis of which detainees have been lodged against the prisoner from
67 the state to whose prosecuting official the request for final disposition
68 is specifically directed. The warden, commissioner of corrections or
69 other official having custody of the prisoner shall forthwith notify all
70 appropriate prosecuting officers and courts in the several jurisdic-
71 tions within the state to which the prisoner's request for final dis-
72 position is being sent of the proceeding being initiated by the pris-
73 oner. Any notification sent pursuant to this paragraph shall be ac-
74 companied by copies of the prisoner's written notice, request, and the
75 certificate. If trial is not had on any indictment, information or
76 complaint contemplated hereby prior to the return of the prisoner
77 to the original place of imprisonment, such indictment, information
78 or complaint shall not be of any further force or effect, and the court
79 shall enter an order dismissing the same with prejudice.

80 (e) Any request for final disposition made by a prisoner pursuant
81 to paragraph (a) hereof shall also be deemed to be a waiver of extra-
82 dition with respect to any charge or proceeding contemplated thereby
83 or included therein by reason of paragraph (d) hereof, and a waiver
84 of extradition to the receiving state to serve any sentence there
85 imposed upon him, after completion of his term of imprisonment in
86 the sending state. The request for final disposition shall also con-
87 stitute a consent by the prisoner to the production of his body in any
88 court where his presence may be required in order to effectuate the
89 purposes of this agreement and a further consent voluntarily to be
90 returned to the original place of imprisonment in accordance with
91 the provisions of this agreement. Nothing in this paragraph shall
92 prevent the imposition of a concurrent sentence if otherwise per-
93 mitted by law.

94 (f) Escape from custody by the prisoner subsequent to his execu-
95 tion of the request for final disposition referred to in paragraph (a)
96 hereof shall void the request.

97

ARTICLE IV

98 (a) The appropriate officer of the jurisdiction in which an untried
99 indictment, information or complaint is pending shall be entitled to
100 have a prisoner against whom he has lodged a detainer and who is
101 serving a term of imprisonment in any party state made available in
102 accordance with Article V (a) hereof upon presentation of a written
103 request for temporary custody or availability to the appropriate
104 authorities of the state in which the prisoner is incarcerated: pro-

105 vided that the court having jurisdiction of such indictment, informa-
106 tion or complaint shall have duly approved, recorded and transmitted
107 the request: and provided further that there shall be a period of
108 thirty days after receipt by the appropriate authorities before the
109 request be honored, within which period the governor of the sending
110 state may disapprove the request for temporary custody or avail-
111 ability, either upon his own motion or upon motion of the prisoner.

112 (b) Upon receipt of the officer's written request as provided in
113 paragraph (a) hereof, the appropriate authorities having the pris-
114 oner in custody shall furnish the officer with a certificate stating the
115 term of commitment under which the prisoner is being held, the time
116 already served, the time remaining to be served on the sentence, the
117 amount of good time earned, the time of parole eligibility of the pris-
118 oner, and any decisions of the state parole agency relating to the pris-
119 oner. Said authorities simultaneously shall furnish all other officers
120 and appropriate courts in the receiving state who have lodged det-
121ainers against the prisoner with similar certificates and with notices
122 informing them of the request for custody or availability and of the
123 reasons therefor.

124 (c) In respect of any proceeding made possible by this Article,
125 trial shall be commenced within one hundred twenty days of the ar-
126 rival of the prisoner in the receiving state, but for good cause shown
127 in open court, the prisoner or his counsel being present, the court
128 having jurisdiction of the matter may grant any necessary or rea-
129 sonable continuance.

130 (d) Nothing contained in this Article shall be construed to deprive
131 any prisoner of any right which he may have to contest the legality
132 of his delivery as provided in paragraph (a) hereof, but such deliv-
133 ery may not be opposed or denied on the ground that the executive
134 authority of the sending state has not affirmatively consented to or
135 ordered such delivery.

136 (e) If trial is not had on any indictment, information or complaint
137 contemplated hereby prior to the prisoner's being returned to the
138 original place of imprisonment pursuant to Article V (e) hereof,
139 such indictment, information or complaint shall not be of any further
140 force or effect, and the court shall enter an order dismissing the same
141 with prejudice.

142

ARTICLE V

143 (a) In response to a request made under Article III or Article IV
144 hereof, the appropriate authority in a sending state shall offer to
145 deliver temporary custody of such prisoner to the appropriate au-
146 thority in the state where such indictment, information or complaint
147 is pending against such person in order that speedy and efficient
148 prosecution may be had. If the request for final disposition is made
149 by the prisoner, the offer of temporary custody shall accompany the
150 written notice provided for in Article III of this agreement. In the
151 case of a federal prisoner, the appropriate authority in the receiving
152 state shall be entitled to temporary custody as provided by this agree-
153 ment or to the prisoner's presence in federal custody at the place for
154 trial, whichever custodial arrangement may be approved by the cus-
155 todian.

156 (b) The officer or other representative of a state accepting an offer
157 of temporary custody shall present the following upon demand:

158 (1) Proper identification and evidence of his authority to act for
159 the state into whose temporary custody the prisoner is to be given.

160 (2) A duly certified copy of the indictment, information or com-
161 plaint on the basis of which the detainer has been lodged and on the
162 basis of which the request for temporary custody of the prisoner has
163 been made.

164 (c) If the appropriate authority shall refuse or fail to accept
165 temporary custody of said person, or in the event that an action on
166 the indictment, information or complaint on the basis of which the
167 detainer has been lodged is not brought to trial within the period
168 provided in Article III or Article IV hereof, the appropriate court
169 of the jurisdiction where the indictment, information or complaint
170 has been pending shall enter an order dismissing the same with
171 prejudice, and any detainer based thereon shall cease to be of any
172 force or effect.

173 (d) The temporary custody referred to in this agreement shall be
174 only for the purpose of permitting prosecution on the charge or
175 charges contained in one or more untried indictments, informations
176 or complaints which form the basis of the detainer or detainers or
177 for prosecution on any other charge or charges arising out of the
178 same transaction. Except for his attendance at court and while being
179 transported to or from any place at which his presence may be re-
180 quired, the prisoner shall be held in a suitable jail or other facility
181 regularly used for persons awaiting prosecution.

182 (e) At the earliest practicable time consonant with the purposes
183 of this agreement, the prisoner shall be returned to the sending state.

184 (f) During the continuance of temporary custody or while the
185 prisoner is otherwise being made available for trial as required by
186 this agreement, time being served on the sentence shall continue to
187 run but good time shall be earned by the prisoner only if, and to the
188 extent that, the law and practice of the jurisdiction which imposed
189 the sentence may allow.

190 (g) For all purposes other than that for which temporary custody
191 as provided in this agreement is exercised, the prisoner shall be
192 deemed to remain in the custody of and subject to the jurisdiction of
193 the sending state and any escape from temporary custody may be
194 dealt with in the same manner as an escape from the original place
195 of imprisonment or in any other manner permitted by law.

196 (h) From the time that a party state receives custody of a pris-
197 oner pursuant to this agreement until such prisoner is returned to
198 the territory and custody of the sending state, the state in which the
199 one or more untried indictments, informations or complaints are
200 pending or in which trial is being had shall be responsible for the
201 prisoner and shall also pay all costs of transporting, caring for, keep-
202 ing and returning the prisoner. The provisions of this paragraph
203 shall govern unless the states concerned shall have entered into a
204 supplementary agreement providing for a different allocation of
205 costs and responsibilities as between or among themselves. Nothing
206 herein contained shall be construed to alter or affect any internal
207 relationship among the departments, agencies and officers of and in

208 the government of a party state, or between a party state and its
209 subdivisions, as to the payment of costs, or responsibilities therefor.

210 ARTICLE VI

211 (a) In determining the duration and expiration dates of the time
212 periods provided in Articles III and IV of this agreement, the run-
213 ning of said time periods shall be tolled whenever and for as long as
214 the prisoner is unable to stand trial, as determined by the court hav-
215 ing jurisdiction of the matter.

216 (b) No provision of this agreement, and no remedy made available
217 by this agreement, shall apply to any person who is adjudged to be
218 mentally ill.

219 ARTICLE VII

220 Each state party to this agreement shall designate an officer who,
221 acting jointly with like officers of other party states, shall promul-
222 gate rules and regulations to carry out more effectively the terms and
223 provisions of this agreement, and who shall provide, within and with-
224 out the state, information necessary to the effective operation of this
225 agreement.

226 ARTICLE VIII

227 This agreement shall enter into full force and effect as to a party
228 state when such state has enacted the same into law. A state party
229 to this agreement may withdraw herefrom by enacting a statute
230 repealing the same. However, the withdrawal of any state shall not
231 affect the status of any proceedings already initiated by inmates or
232 by state officers at the time such withdrawal takes effect, nor shall it
233 affect their rights in respect thereof.

234 ARTICLE IX

235 This agreement shall be liberally construed so as to effectuate its
236 purposes. The provisions of this agreement shall be severable and if
237 any phrase, clause, sentence or provision of this agreement is de-
238 clared to be contrary to the constitution of any party state or of the
239 United States or the applicability thereof to any government, agency,
240 person or circumstance is held invalid, the validity of the remainder
241 of this agreement and the applicability thereof to any government,
242 agency, person or circumstance shall not be affected thereby. If this
243 agreement shall be held contrary to the constitution of any state party
244 hereto, the agreement shall remain in full force and effect as to the
245 remaining states and in full force and effect as to the state affected
246 as to all severable matters.

1 SEC. 2. The phrase "appropriate court" as used in the agreement
2 on detainers shall, with reference to the courts of this state, mean
3 any court with criminal jurisdiction in the matter involved.

1 SEC. 3. All courts, departments, agencies, officers, and employees
2 of this state and its political subdivisions are hereby directed to en-
3 force the agreement on detainers and to cooperate with one another

4 and with other party states in enforcing the agreement and effectuating its purpose.
5

1 SEC. 4. Nothing in this Act or in the agreement on detainers shall
2 be construed to require the application of chapter seven hundred
3 forty-seven (747) of the Code to any person on account of any conviction had in a proceeding brought to final disposition by reason of
4 the use of this agreement.
5

1 SEC. 5. Escape from custody while in another state, pursuant to
2 this agreement on detainers shall constitute an offense against the
3 laws of this state to the same extent and degree as an escape from
4 the institution in which the prisoner was confined immediately prior
5 to having been sent to another state pursuant to the provisions of the
6 agreement on detainers and shall be punishable in the same manner
7 as an escape from said institution.

1 SEC. 6. It shall be lawful and mandatory upon the warden or
2 other official in charge of a penal or correctional institution in this
3 state to give over the person of any inmate thereof whenever so required by the operation of the agreement on detainers.
4

1 SEC. 7. Pursuant to the agreement on detainers, the governor is
2 hereby authorized to designate an officer or alternate who shall be
3 the central administrator of and information agent for the agreement
4 on detainers and who, acting jointly with like officers of other party
5 states, shall have power to formulate rules and regulations to carry
6 out more effectively the terms of the agreement, and shall serve subject to the pleasure of the governor.
7

1 SEC. 8. Copies of this Act shall, upon its approval, be transmitted
2 to the governor of each state, the attorney general, and the administrator of general services of the United States, and the council of
3 state governments.
4

Approved May 24, 1965.

CHAPTER 446

BAIL

H. F. 617

AN ACT relating to bail.

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

1 SECTION 1. Section seven hundred sixty-three point three (763.3),
2 Code 1962, is hereby amended by adding thereto the following:
3 "Except as provided in section seven hundred sixty-three point two
4 (763.2) of the Code, bail initially given shall remain valid until final
5 disposition of the offense. If the amount of bail is deemed insufficient
6 by the court before whom the action is pending, the court may order

7 an increase thereof and the defendant must provide the additional
8 undertaking, written or cash, to secure his release."

Approved May 14, 1965.

CHAPTER 447

USE OF SUBPOENAS

S. F. 430

AN ACT to amend section seven hundred sixty-nine point eighteen (769.18), Code 1962, relating to the use of subpoenas by county attorneys.

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

1 SECTION 1. Amend section seven hundred sixty-nine point eigh-
2 teen (769.18), Code 1962, by adding the following sentence at the end
3 thereof: "After preliminary information, indictment, or information
4 the defendant shall be present and have the opportunity to cross-
5 examine any witnesses whose appearance before the county attorney
6 is required by this section."

1 SEC. 2. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 The West Des Moines Express, a newspaper published at West Des
4 Moines, Iowa, and in The Muscatine Journal, a newspaper published
5 at Muscatine, Iowa.

Approved June 30, 1965.

I hereby certify that the foregoing Act, Senate File 430, was published in The West Des Moines Express, West Des Moines, Iowa, July 8, 1965, and in The Muscatine Journal, Muscatine, Iowa, July 6, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 448

CLERK OF GRAND JURY

H. F. 475

AN ACT relating to the compensation of the clerk of the grand jury in certain counties.

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

1 SECTION 1. Section seven hundred seventy point twenty-one
2 (770.21), Code 1962, as amended by chapter three hundred thirty-
3 one (331), Acts of the Sixtieth General Assembly, is hereby amended
4 by striking from line twenty-one (21) the word "six" and inserting in
5 lieu thereof the word "seven (7)".

Approved May 24, 1965.

CHAPTER 449

COURT-APPOINTED ATTORNEYS

H. F. 597

AN ACT to eliminate statutory fees for court-appointed attorneys and allow the court to establish each fee in consideration of the service performed.

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

1 SECTION 1. Section seven hundred seventy-five point five (775.5),
2 Code 1962, is hereby repealed and the following enacted in lieu there-
3 of:

4 "An attorney appointed by the court to defend any person charged
5 with a crime in this state shall be entitled to a reasonable compensa-
6 tion to be decided in each case by the court, including such sum or
7 sums as the court may determine are necessary for investigation in
8 the interests of justice and in the event of appeal the cost of obtaining
9 the transcript of the trial and the printing of the trial record and
10 necessary briefs in behalf of the defendant. Such attorney need not
11 follow the case into another county or into the supreme court unless
12 so directed by the court at the request of the defendant, where grounds
13 for further litigation are not capricious or unreasonable, but if he does
14 so his fee shall be determined accordingly. Only one (1) attorney fee
15 shall be so awarded in any one (1) case."

Approved July 1, 1965.

SPECIAL AND LEGALIZING ACTS

SPECIAL AND LEGALIZING ACTS

CHAPTER 450

EXECUTIVE AGENCIES REORGANIZATION STUDY

S. F. 547

AN ACT directing the governor to examine the organization of all executive agencies of state government, to prepare plans and legislative proposals for the reorganization of such executive agencies, and to make an appropriation therefor.

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

1 SECTION 1. It is hereby designated to be the intent of this Act that
2 the public interest demands that the governor examine and study the
3 organization of all executive agencies of state government prior to
4 January 1, 1967 and report the findings of the examination and study
5 to the general assembly upon convening of the Sixty-second General
6 Assembly.

1 SEC. 2. For the purpose of this Act:

2 1. "Agency" means any executive department, commission, inde-
3 pendent establishment, corporation wholly or partly owned by the
4 state of Iowa, board, bureau, division, service, office, officer, authority,
5 administration, or other establishment in the executive branch of the
6 state government.

7 2. "Reorganization" means any transfer, consolidation, coordina-
8 tion, abolition, change or designation of name or title, disposition,
9 terminating of affairs, or provision for the appointment and compen-
10 sation of the chief administrative officer or officers and assistants of
11 any agency.

1 SEC. 3. The governor is hereby directed to examine and study the
2 organization of all executive agencies of the state government and
3 determine what changes are necessary to accomplish the following
4 purposes:

5 1. To reduce expenditures and promote economy to the fullest extent
6 consistent with the efficient operation of the state government.

7 2. To increase the efficiency of the operations of the state govern-
8 ment to the fullest extent practicable.

9 3. To group, coordinate, and consolidate agencies and functions of
10 the state government as nearly as may be according to major purposes.

11 4. To reduce the number of agencies by consolidating those having
12 similar functions and to abolish such agencies or functions thereof as
13 may not be necessary for the efficient conduct of the state government.

14 5. To eliminate overlapping and duplication of effort in the agencies
15 of the state government.

1 SEC. 4. The governor, after examination and study, shall deter-
2 mine what reorganization of agencies of the state government is neces-

3 sary, shall prepare a plan of reorganization, and shall transmit the
4 plan to the general assembly. The plan shall be accompanied by pro-
5 posed legislation to accomplish the recommendations of the plan. The
6 plan shall include when the findings so determine:

7 1. The transfer of the whole or any part of any agency or of the
8 whole or any part of the functions thereof to the jurisdiction and
9 control of any other agency.

10 2. The abolition of all or any part of the functions of any agency.

11 3. The consolidation or coordination of the whole or any part of any
12 agency or of the whole or any part of the functions thereof with the
13 whole or any part of any other agency or the functions thereof.

14 4. The consolidation or coordination of any part of any agency or
15 the functions thereof with any other part of the same agency or the
16 functions thereof.

17 5. The abolition of the whole or any part of any agency which
18 agency or part does not have or upon the taking effect of the re-
19 organizations specified in the reorganization plan will not have any
20 functions.

1 SEC. 5. The reorganization plan transmitted by the governor:

2 1. Shall change, when deemed necessary, the name of any agency
3 affected by reorganization and the title of the chief administrative
4 officer or officers of the agency and shall designate the name of any
5 agency and the title of the officer or officers resulting from the sug-
6 gested reorganization.

7 2. Shall include provisions for the appointment and compensation
8 of the chief administrative officer or officers and one (1) or more
9 assistants of any agency. The chief administrator of any agency may
10 be a single individual or may be a commission of such size determined
11 by the governor. The governor shall determine the term of office and
12 the method of appointment of each chief administrator.

13 3. Shall make provision for the transfer or other disposition of the
14 records, property, and personnel affected by any reorganization.

15 4. Shall make provisions for the transfer of such unexpended bal-
16 ances of appropriations available, when deemed necessary, for use in
17 connection with any function or agency transferred, consolidated, or
18 coordinated. Any unexpended balances so transferred shall be used
19 only for the purpose for which the appropriation was originally made.

20 5. Shall make provisions for terminating the affairs of any agency
21 abolished.

22 6. Shall make such other provisions as shall be necessary to accom-
23 plish the purpose of this Act.

1 SEC. 6. The governor shall transmit the plan accompanied by pro-
2 posed legislation necessary to carry out the recommended reorganiza-
3 tion to the Sixty-second General Assembly no later than the day of
4 the convening of the general assembly. Copies of the plan with the
5 recommended legislation shall be transmitted to the president of the
6 senate and the speaker of the house of representatives whereupon the
7 respective presiding officer shall within ten (10) legislative days after
8 the date of receipt, assign the proposed legislation to the appropriate
9 standing committee for committee consideration. Each such commit-
10 tee shall issue a report on the proposed legislation to the respective

11 chamber within sixty (60) legislative days after the convening of the
12 general assembly with a recommendation for passage, amendment, or
13 postponement and the reasons therefor.

1 SEC. 7. The governor is hereby authorized to employ such profes-
2 sional, technical, and administrative assistance as shall be necessary
3 to accomplish the purpose of this Act. The governor may call upon
4 past governors of Iowa for suggestions and recommendations relating
5 to improving the management, efficiency, and economy of the state
6 government.

1 SEC. 8. It shall be the duty of each office, agency, board* commis-
2 sion or department of the state government, to make available for
3 examination by the governor, its records and files and to furnish
4 within a reasonable time to be fixed by the governor, information as
5 the governor may determine necessary for the purposes of this act.

1 SEC. 9. There is hereby created an advisory commission to be com-
2 posed of fifteen members, three of which shall be members of the
3 Senate, three of which shall be members of the House of Representa-
4 tives and nine of which shall be citizens of Iowa, who are interested
5 and knowledgeable in the executive branch of the state government.

6 All members shall be appointed by the governor to serve at his
7 pleasure. Any vacancy in the membership of the commission shall be
8 filled by appointment in the same manner and ratio as the original
9 appointments.

10 The members of the commission shall receive their actual expenses
11 to be audited by the comptroller and such compensation as may be
12 determined and allowed by the Sixty-second General Assembly.

1 SEC. 10. There is hereby appropriated from the general fund of
2 the state to the office of the governor the sum of one hundred thousand
3 (100,000) dollars for the biennium beginning July 1, 1965 and ending
4 June 30, 1967. Funds so appropriated shall be used for employment
5 of such professional, technical, and administrative staff and assistance
6 on such basis as shall be determined by the governor and for such
7 other expenses as shall be necessary to accomplish the purpose of this
8 Act, including actual expenses incurred by commission members as
9 provided in section nine (9) of this Act.

Approved May 25, 1965.

*According to enrolled Act.

CHAPTER 451

STATE OFFICE BUILDING

S. F. 559

AN ACT to provide for the erection of a new state office building to be erected on the capitol grounds as they now exist or may be extended and to make an appropriation.

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

1 SECTION 1. A new State Office Building is hereby authorized to be
2 constructed on the capitol grounds to be located as provided in the
3 report of the Capitol Planning Commission.

4 The Executive Council and the Legislative Advisory Committee,
5 hereinafter created, are authorized and empowered to employ archi-
6 tects for the preparation of plans and specifications for said building.

7 The Executive Council and Advisory Committee are empowered to
8 approve such plans or order such changes as they may deem necessary
9 and enter into contracts for the erection of said building. The total
10 cost of said building shall not exceed the sum of three million dollars
11 which amount is hereby appropriated to the Executive Council for
12 said purpose. All contracts for the erection of said building shall be
13 let in accordance with chapters nineteen (19) and seventy-three (73)
14 of the Code.

1 SEC. 2. There is hereby created a bi-partisan Legislative Advisory
2 Committee consisting of three members of the Senate and three mem-
3 bers of the House of Representatives to be appointed by the respective
4 presiding officers for the purpose of complying with the purposes and
5 intent of this Act. The terms of the members of said committee shall
6 expire thirty days after the convening of the next General Assembly.
7 Vacancies of said committee shall be filled by the presiding officer
8 making the original appointment.

1 SEC. 3. The Legislative Advisory Committee and the Executive
2 Council shall meet jointly on the second Monday in June, 1965 for
3 organization and for the purposes of this Act. Meetings thereafter
4 shall be as determined by a majority of the joint committee and coun-
5 cil or on call by the chairman.

1 SEC. 4. Each member of the Legislative Advisory Committee shall
2 be entitled to his necessary expenses from the appropriation made by
3 this Act.

1 SEC. 5. This Act, being deemed of immediate importance, shall
2 take effect and be in force from and after its publication in the Mar-
3 shalltown Times-Republican, a newspaper published in Marshalltown,
4 Iowa, and in The Sac Sun, a newspaper published in Sac City, Iowa.

Approved May 24, 1965.

I hereby certify that the foregoing Act, Senate File 559, was published in the Mar-
shalltown Times-Republican, Marshalltown, Iowa, May 27, 1965, and The Sac Sun, Sac
City, Iowa, June 2, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 452

TOWN OF WILLIAMS LAND PATENT

S. F. 189

AN ACT to authorize the issuance to present owners of a certificate or patent of Dubuque and Pacific Railroad lands which include portions of the town of Williams, in Hamilton county, Iowa.

WHEREAS, portions of the Town of Williams, in Hamilton County, Iowa, are platted and located on portions of the Southeast Quarter (SE $\frac{1}{4}$) and the Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$), all in Section Twenty-seven (27), Township Eighty-nine (89) North, Range Twenty-three (23), West of the Fifth P.M., which land was part of the Dubuque and Pacific Railroad lands, and

WHEREAS, in accordance with Section 10.12 of the 1962 Code of Iowa, certificates or patents have been issued by the Secretary of State for some of the lots in said Town, and

WHEREAS, the process of issuing separate certificates for each lot or tract is costly, time consuming, and encumbers the records with useless duplication; NOW, THEREFORE,

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

1 *The Secretary of State and the Governor are hereby authorized
 2 and directed to issue a certificate in accordance with Section 10.12 of
 3 the 1962 Code of Iowa as to said real estate, to-wit:
 4 Southeast Quarter (SE $\frac{1}{4}$) and the Southeast Quarter of the
 5 Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$), all in Section Twenty-seven
 6 (27), Township Eighty-nine (89) North, Range Twenty-three
 7 (23), West of the Fifth P.M., Hamilton County, Iowa. That said
 8 certificate shall state that said real estate has inured in and to
 9 all of the present owners who obtained their title under mesne
 10 conveyance from John I. Blair, the original grantee of the Trus-
 11 tee's Deed executed by the Dubuque and Pacific Railroad Com-
 12 pany.

Approved May 14, 1965.

*According to enrolled Act.

CHAPTER 453

MARION COUNTY LAND PATENT

S. F. 528

AN ACT to authorize and directing the issuance of a patent to certain real estate to marion county, by the governor and secretary of state.

WHEREAS, it appears of record that real estate described as, Government lot four (4), except beginning at the northwest corner of said lot four (4), thence east eight (8) chains, thence south ten (10) chains, thence west three (3) chains, thence south ten (10) chains, thence west

five (5) chains, thence north to the place of beginning in section fifteen (15), township seventy-seven (77), north, range 21, west of the fifth (5th) P.M. containing forty (40) acres, more or less, was mortgaged to W. F. and Nettie E. Cowman by Marion County, Iowa, for benefit of the school fund for said county, and,

WHEREAS, said mortgagors conveyed by quit claim deeds of the foregoing described property to Marion County, Iowa, as recorded in book eighty-seven (87), pages two hundred forty-five (245) and two hundred forty-seven (247), Marion County recorder's office, and,

WHEREAS, the amount due the state of Iowa has been duly accounted for by Marion County to the school fund of the state of Iowa, and,

WHEREAS, it appears that through error or oversight that no patent was ever issued by the state of Iowa covering said aforescribed real estate relinquishing and conveying the rights of the state of Iowa in and to the above described real estate to Marion County, and,

WHEREAS, by mesne conveyances, said real estate as hereinafter described has been conveyed to Marion County; NOW THEREFORE,

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

1 SECTION 1. That the governor of the state of Iowa and the secre-
2 tary of state of the state of Iowa are hereby authorized and directed
3 to issue a patent of the following described real estate, to-wit:

4 Government lot four (4), except beginning at the northwest
5 corner of said lot four (4), thence east eight (8) chains, thence
6 south ten (10) chains, thence west three (3) chains, thence south
7 ten (10) chains, thence west five (5) chains, thence north to the
8 place of beginning in section fifteen (15), township seventy-seven
9 (77), north, range 21, west of the fifth (5th) P.M. containing
10 forty (40) acres, more or less,
11 to Marion County, Iowa.

1 SEC. 2. Nothing in this Act shall be deemed or construed to affect
2 pending litigation.

1 SEC. 3. This Act being deemed of immediate importance shall take
2 effect and be in full force from and after its passage and publication
3 in The West Des Moines Express, a newspaper published at West Des
4 Moines, Iowa, and in the Marion County News, a newspaper published
5 at Pleasantville, Iowa.

Approved May 14, 1965.

I hereby certify that the foregoing Act, Senate File 528, was published in The West Des Moines Express, West Des Moines, Iowa, May 20, 1965, and the Marion County News, Pleasantville, Iowa, May 20, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 454

LAND PATENT IN WAPELLO COUNTY

S. F. 514

AN ACT to authorize and direct the issuance of a patent to certain real estate by the governor and secretary of state to Clovie D. Walter.

WHEREAS, it appears of record that the following property: The South 21.65 Acres of the Northeast fractional Quarter of the Northwest Quarter; and the Northeast Quarter of the Southeast Quarter of the Northwest Quarter; and the West Half of the Southeast Quarter of the Northwest Quarter, all in Section 2, Township 71 North, Range 13 West of the 5th P.M., in Wapello County, Iowa, containing 51.65 Acres, more or less, was mortgaged by Thayer Rupe and Belle Rupe to Wapello County, Iowa, for the use and benefit of the School Fund of the State of Iowa, by Mortgage dated December 8, 1931, and recorded in School Fund Mortgage record B Page 256, and,

WHEREAS, said Mortgage was foreclosed in a Chancery Action No. 17098, Docket 117 page 255, in Wapello County, Iowa, District Court; and,

WHEREAS, at the Sheriff's Execution Sale thereunder, Wapello County, Iowa, for the benefit of the School Fund for said County bid in said land; and took a Sheriff's Certificate of Sale therefore; and,

WHEREAS, thereafter the subsequent owners of said property executed a deed to said property to Wapello County, Iowa, and

WHEREAS, Wapello County, Iowa, sold and deeded said land to B. H. Burns; and,

WHEREAS, Wapello County has paid and accounted for the said School Fund Mortgage to the permanent School Fund of the State of Iowa, and the State of Iowa no longer has any interest in said land, and

WHEREAS, it appears that through inadvertence or oversight, no Patent was issued by the State of Iowa for the above land, relinquishing and conveying the interest of the State of Iowa therein, although all owners of record of said land have understood and believe that they owned said land by fee simple clear title, and

WHEREAS, by mesne conveyances, said land has been deeded to Clovie D. Walter, the present record Title owner thereof, NOW THEREFORE,

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

- 1 SECTION 1. That the Governor and the Secretary of the State of
- 2 Iowa, are hereby authorized and directed to issue a patent for the fol-
- 3 lowing described land, to Clovie D. Walter, to-wit:
- 4 The South 21.65 Acres of the Northeast Fractional Quarter of the
- 5 Northwest Quarter; and the Northeast Quarter of the Southeast
- 6 Quarter of the Northwest Quarter; and the West Half of the
- 7 Southeast Quarter of the Northwest Quarter, all in Section 2,

8 Township 71 North, Range 13 West of the 5th P.M., in Wapello
9 County, Iowa, containing 51.65 Acres, more or less.

1 SEC. 2. Nothing in this Act shall be deemed or construed to affect
2 any pending litigation.

Approved May 7, 1965.

CHAPTER 455

ARMSTRONG FIRE DISTRICT LEGALIZING ACT

H. F. 343

AN ACT to legalize and validate the proceedings for the organization and establishment of the Armstrong Benefited Fire District, in the counties of Emmet and Kossuth, state of Iowa, and declaring said district a duly and legally organized corporate body as provided by law.

WHEREAS, the Armstrong Benefited Fire District, in the counties of Emmet and Kossuth, state of Iowa, was organized and established pursuant to the provisions of chapter three hundred fifty-seven A (357A), Code 1962, and the existence of said district is of general public interest and vital to the public interest and welfare of the area contained within its boundaries; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of the proceedings for the organization and establishment of said district, and it is deemed advisable and necessary to put such doubts and all others that might arise concerning same forever at rest; NOW, THEREFORE,

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

1 SECTION 1. That all proceedings heretofore taken in connection
2 with the organization, creation, and establishment of the Armstrong
3 Benefited Fire District, in the counties of Emmet and Kossuth, state
4 of Iowa, are hereby declared to be valid, legal and sufficient to create
5 and establish the body corporate and politic known as the Armstrong
6 Benefited Fire District in the counties of Emmet and Kossuth, state
7 of Iowa, and the same are hereby legalized, validated, and confirmed,
8 and said fire district is declared to be a legal entity under the provi-
9 sions of and for the purposes contemplated in chapter three hundred
10 fifty-seven A (357A) of the Code.

1 SEC. 2. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 The Armstrong Journal, a newspaper published at Armstrong, Iowa,
4 without expense to the state.

Approved April 8, 1965.

Only one newspaper having been named in this Act, I, the undersigned, do hereby designate The Swea City Herald, Swea City, Iowa, to publish House File 343, pursuant to section 3.9, Code 1962.

GARY L. CAMERON, *Secretary of State.*

I hereby certify as an amendment to the foregoing certification that the correct names of the newspapers designated to publish House File 343, are The Swea City Herald, Swea City, Iowa and The Armstrong Journal, Armstrong, Iowa.

GARY L. CAMERON, *Secretary of State.*

I hereby certify that the foregoing Act, House File 343, was published in The Swea City Herald, Swea City, Iowa, April 22, 1965, and in The Armstrong Journal, Armstrong, Iowa, April 29, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 456

CLAY COUNTY SCHOOL TAX REFUND

S. F. 537

AN ACT relating to school taxes in the Gillett Grove Rural School District in Clay county, Iowa.

WHEREAS, the Gillett Grove Rural School District of Clay county levied a school tax of 30.391 mills on the taxable property in said district in the year 1964, and

WHEREAS, it now appears that the aforesaid levy was unnecessary and should be voided, and

WHEREAS, it is now deemed advisable to return to the taxpayers the amount of said unnecessary tax which is in the sum of approximately \$10,060.00; now therefore,

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

- 1 SECTION 1. The board of directors of the Gillett Grove Rural
- 2 School District in Clay county, Iowa is hereby directed to return to the
- 3 county treasurer of Clay county the sum of approximately \$10,060.00
- 4 which represents an amount levied on the property of taxpayers in
- 5 said district in the year 1964 for school tax purposes.
- 6 The county treasurer is directed to refund to the taxpayers all
- 7 moneys so returned by the school board and to make such refunds in
- 8 the manner provided by law for the return of taxes erroneously paid.

Approved May 14, 1965.

CHAPTER 457

BUCHANAN SCHOOL LEGALIZING ACT

H. F. 685

AN ACT to legalize and validate the proceedings of the Buchanan county board of education providing for the reorganization of all or substantial parts of the following named school districts, to-wit: Buffalo Township, Byron Township, Hazelton Township, Independence Independent, Liberty Township, Perry Township, Rowley Consolidated, Seward Township, Sumner Township, Washington Township, and Westburg Township, and the establishment therefrom of the Independence Community School District all of said school districts located in Buchanan county, state of Iowa, and declaring the boundaries of the Independence Community School District in the county of Buchanan, state of Iowa, to be legally established.

WHEREAS, a petition was filed asking for the organization of the Independence Community School District, and

WHEREAS, a hearing was held on November 6, 1964, by the Buchanan county board of education to consider objections to the formation of said community school district, and

WHEREAS, the final determination of the boundaries of said proposed Independence Community School District was set by the Buchanan county board of education, and

WHEREAS, the notice of determination of said boundaries was published according to law, and

WHEREAS, the establishment of said Independence Community School District was approved by the requisite number of qualified voters residing within the boundaries of said Independence Community School District at a special election held pursuant to the provisions of chapter two hundred seventy-five (275) of the Code on the eleventh day of December, 1964, and

WHEREAS, complete written descriptions of the boundaries of the new Independence Community School District have heretofore been filed with the county auditor and the county recorder of deeds of Buchanan county, Iowa, and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said proceedings for the above described reorganization and establishment of the boundaries of the Independence Community School District in the county of Buchanan, state of Iowa, and it is deemed advisable and necessary to put such doubts and all others that might arise concerning the establishment of said school district and the establishment of its boundaries forever at rest; NOW, THEREFORE,

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

- 1 SECTION 1. All proceedings heretofore taken by the Buchanan
- 2 county board of education providing for the reorganization of the
- 3 Buffalo township, Byron township, Hazelton township, Independence
- 4 independent, Liberty township, Perry township, Rowley consolidated,
- 5 Seward township, Sumner township, Washington township, and West-
- 6 burg township school districts into the Independence Community
- 7 School District and the establishment of the boundaries of said Inde-
- 8 pendence Community School District are hereby legalized, validated,

9 and confirmed and said school district is hereby declared to constitute
 10 a legal community school corporation created in conformity with the
 11 provisions of chapter two hundred seventy-five (275) of the Code, and
 12 the boundaries of the Independence Community School District, in the
 13 county of Buchanan, state of Iowa, as shown by the records of the
 14 county auditor of Buchanan county, Iowa, are hereby declared to be
 15 the legally established boundaries of said school district.

Approved June 2, 1965.

CHAPTER 458

IOWA CITY SCHOOL LEGALIZING ACT

H. F. 650

AN ACT to legalize and validate the proceedings for the organization and establishment of the Iowa City Community School District in the county of Johnson, state of Iowa, and fixing the boundaries thereof and declaring said district a duly and legally organized corporate body as provided by law.

WHEREAS, pursuant to proceedings taken by the county superintendent of schools and the county board of education of Johnson county, Iowa, an election was held on February 13, 1964, at which the voters approved the proposition of establishing a new school district to be known as the Iowa City Community School District in the county of Johnson, state of Iowa, by uniting territory then lying within the boundaries of the following school districts:

Iowa City Community School District in the county of Johnson, state of Iowa.

Independent School District of Coralville in the county of Johnson, state of Iowa; and

WHEREAS, pursuant to the favorable results of said election, description of the boundaries of the new Iowa City Community School District in the county of Johnson, state of Iowa, was filed with the county auditor of Johnson county, Iowa, and a new school corporation was organized in accordance with the county plan effective July 1, 1964, which has been operating for over six (6) months and which is known and has been officially designated as the "Iowa City Community School District in the county of Johnson, state of Iowa"; and

WHEREAS, doubts may arise in the future concerning the validity and legal sufficiency of the proceedings taken for the organization and establishment of said Iowa City Community School District in the county of Johnson, state of Iowa, and it is deemed advisable and necessary to put any doubts that may arise concerning same forever at rest; NOW, THEREFORE

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

1 SECTION 1. All proceedings heretofore taken in connection with
 2 the organization, creation, and establishment of the school corporation
 3 now known and identified as the "Iowa City Community School Dis-
 4 trict in the county of Johnson, state of Iowa" are hereby legalized,

5 validated, and confirmed and said school district is hereby declared to
 6 constitute a legal community school corporation created in conformity
 7 with the provisions of chapter two hundred seventy-five (275), Code
 8 1962, and the boundaries of the Iowa City Community School District
 9 as now shown by the records of the county auditor of Johnson county,
 10 state of Iowa, are hereby declared to be the legally established bound-
 11 aries of said school district.

Approved May 27, 1965.

CHAPTER 459

LINN COUNTY SCHOOL LEGALIZING ACT

S. F. 503

AN ACT to legalize and validate the proceedings of the board of directors of the Linn-Mar Community School District of Linn county, Iowa (also known as the Linn-Mar Community School District, in the county of Linn, state of Iowa) authorizing and providing for the issuance of school building bonds and for the levy of taxes for the payment of said bonds and declaring the bonds issued pursuant to said proceedings to be enforceable obligations of said school district.

WHEREAS, it appears from the records of the board of directors of the Linn-Mar community school district in Linn County, Iowa (also known as the Linn-Mar community school district, in the county of Linn, state of Iowa), that at a special school election held in and for said school district on January 11, 1965, the proposition of issuing bonds of said school district in the sum of three hundred sixty thousand (360,000) dollars for the purpose of carrying out a school building program consisting of constructing and equipping additions to the Linn-Mar high school building and to the main elementary school building and remodeling the basement floor of the main elementary school building was approved by more than sixty (60) per cent of the total number of votes cast for and against said proposition, and in reliance upon said election, said board of directors thereafter by resolution authorized and provided for the issuance of school building bonds to the amount and for the purpose aforesaid and made provision for the levy of taxes to pay said bonds and the interest thereon; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said election and proceedings and provisions made for the issuance and payment of said bonds and it is deemed advisable to put such doubts and all others that might arise concerning same forever at rest; Now, Therefore,

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

1 SECTION 1. That all proceedings heretofore taken by the board of
 2 directors of the Linn-Mar community school district of Linn County,
 3 Iowa (also known as the Linn-Mar community school district, in the
 4 county of Linn, state of Iowa), preliminary to and in connection with
 5 the election on said bonds held in said school district on January 11,
 6 1965, and providing for the issuance and delivery of school building
 7 bonds of said school district in the amount of three hundred sixty
 8 thousand (360,000) dollars pursuant to said election, and for the levy

9 of taxes to pay said bonds and interest thereon, are hereby legalized,
 10 validated and confirmed and said school building bonds issued, sold
 11 and delivered pursuant to and in accordance with said proceedings are
 12 hereby declared to be legal and to constitute the valid and binding obli-
 13 gations of said school district.

1 SEC. 2. This Act being of immediate importance shall be in full
 2 force and effect from and after its passage and publication in the
 3 Cedar Rapids Gazette, a newspaper published at Cedar Rapids, Iowa,
 4 and The Marion Sentinel, a newspaper published at Marion, Iowa,
 5 without expense to the State.

Approved April 19, 1965.

I hereby certify that the foregoing Act, Senate File 503, was published in the Cedar Rapids Gazette, Cedar Rapids, Iowa, April 27, 1965, and in The Marion Sentinel, Marion, Iowa, April 29, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 460

OSAGE SCHOOL LEGALIZING ACT

H. F. 350

AN ACT to legalize and validate the proceedings of the board of directors of the Osage Community School District, in the counties of Mitchell and Floyd, state of Iowa, authorizing and providing for the issuance of school building bonds and for the levy of taxes for the payment of said bonds and declaring the bonds issued pursuant to said proceedings to be enforceable obligations of said school district.

WHEREAS, it appears from the records of the board of directors of the Osage Community School District, in the counties of Mitchell and Floyd, state of Iowa, that at a special school election held in and for said school district on January 14, 1965, the proposition of issuing bonds of said school district in the amount of seven hundred thousand dollars for the purpose of carrying out a school building program consisting of building and furnishing a new elementary school building, a new junior high school building and an addition to the existing Washington Elementary School building was approved by more than sixty percent of the total number of votes cast for and against said proposition, and in reliance upon said election said board of directors thereafter by resolution authorized and provided for the issuance of school building bonds to the amount and for the purpose aforesaid and made provision for the levy of taxes to pay said bonds and the interest thereon; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said election and proceedings and provisions made for the issuance and payment of said bonds and it is deemed advisable to put such doubts and all others that might arise concerning same forever at rest; now, therefore,

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

1 SECTION 1. That all proceedings heretofore taken by the board of
 2 directors of the Osage Community School District, in the counties of

3 Mitchell and Floyd, state of Iowa, preliminary to and in connection
 4 with the election on said bonds held in said school district on January
 5 14, 1965, and providing for the issuance and delivery of school build-
 6 ing bonds of said school district in the amount of seven hundred thou-
 7 sand dollars pursuant to said election, and for the levy of taxes to pay
 8 said bonds and interest thereon, are hereby legalized, validated and
 9 confirmed and said school building bonds issued, sold and delivered
 10 pursuant to and in accordance with said proceedings are hereby de-
 11 clared to be legal and to constitute the valid and binding obligations
 12 of said school district.

1 SEC. 2. This Act being of immediate importance shall be in full
 2 force and effect from and after its passage and publication in The
 3 Mitchell County Press-News, a newspaper published at Osage, Iowa,
 4 and the Charles City Press, a newspaper published at Charles City,
 5 Iowa, without expense to the state.

Approved April 8, 1965.

I hereby certify that the foregoing Act, House File 350, was published in The Mitchell County Press-News, Osage, Iowa, April 22, 1965, and in the Charles City Press, Charles City, Iowa, April 14, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 461

SOUTH HAMILTON SCHOOL LEGALIZING ACT

S. F. 35

AN ACT to legalize and validate the proceedings in which the school board of the South Hamilton Community School District, approved a 1-mill levy to be added to the school house fund for school site in the 1962-63 school budget, and declaring the proceedings of said school board to be legalized.

WHEREAS, it appears from the records of the Board of Directors of the South Hamilton Community School District, in the County of Hamilton, State of Iowa, that on or about July 9, 1962, the School Board of the South Hamilton Community School District approved a 1-mill levy to be added to the School House Fund for school site and thereafter realized \$15,468.29 from the said 1-mill levy, and

WHEREAS, the South Hamilton Community School District does not have a city within the district of two thousand population or more, and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said 1-mill levy and collection of said tax to be added to the School House Fund for school site and it is deemed advisable to put such doubts and all others that might arise concerning same forever at rest; NOW, THEREFORE,

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

1 SECTION 1. That all proceedings heretofore taken by the Board of
 2 Directors of the South Hamilton Community School District, in the
 3 County of Hamilton, State of Iowa, preliminary to and in connection
 4 with the approval and authorization of a 1-mill levy to be added to
 5 the School House Fund for school site and the resulting collection of
 6 \$15,468.29 pursuant thereto, are hereby legalized, validated and con-

7 firmed and said proceedings and collection are hereby declared to be
 8 legal and legally added to the School House Fund for school site in
 9 said district. Nothing in this Act shall be construed to authorize the
 10 continuation of any such levy for said purpose.

1 SEC. 2. This Act being of immediate importance shall be in full
 2 force and effect from and after its passage and publication in The
 3 Jewell Record, a newspaper published at Jewell, Iowa, and in the
 4 Ellsworth News, a newspaper published at Ellsworth, Iowa, without
 5 expense to the state.

Approved March 26, 1965.

I hereby certify that the foregoing Act, Senate File 35, was published in The Jewell Record, Jewell, Iowa, April 22, 1965, and in the Ellsworth News, Ellsworth, Iowa, April 21, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 462

UNITED COMMUNITY SCHOOL LEGALIZING ACT

H. F. 35

AN ACT to legalize and validate the proceedings for the merger of certain land into the United Community School District, in the counties of Boone and Story, state of Iowa, and declaring the boundaries of said school district to be legally established provided however an appeal is not perfected from pending proceedings.

WHEREAS, a school corporation which is known and has been officially designated as the "United Community School District, in the counties of Boone and Story, state of Iowa," was organized under the provisions of chapter two hundred seventy-five (275), Code 1954, as amended, and has been continuously organized and existing since July 1, 1955; and

WHEREAS, pursuant to authority contained in section two hundred seventy-five point forty (275.40), Code 1962, as amended, and proceedings taken by the boards of education of Boone and Story counties, Iowa, and the boards of directors of the United Community School District, and an election held on May 4, 1964, the area contained within the former Douglas Number Three Independent School District, in Boone county, Iowa was merged into said United Community School District, effective July 1, 1964, and complete written descriptions of the boundaries of the new and enlarged United Community School District were filed with the county auditors of Boone and Story counties, Iowa; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of the proceedings taken for the merger of the aforesaid area of land into the United Community School District, in the counties of Boone and Story, state of Iowa, and it is deemed advisable and necessary to put such doubts and all others that might arise concerning same forever at rest; NOW, THEREFORE,

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

1 SECTION 1. That all proceedings heretofore taken relating to and
 2 in connection with the merger into the United Community School Dis-

3 trict of the area contained within the former Douglas Number Three
 4 Independent School District are hereby legalized, validated and con-
 5 firmed, and the boundaries of said United Community School District,
 6 in the counties of Boone and Story, state of Iowa, as now shown by the
 7 records of the county auditors of Boone and Story counties, Iowa, are
 8 hereby declared to be the legally established boundaries of said school
 9 district. In the event an appeal is perfected to the supreme court of
 10 the state of Iowa from a district court decision of May 12th in this
 11 matter by August 15, 1965, this Act shall become null and void.

1 SEC. 2. This Act being of immediate importance shall be in full
 2 force and effect from and after its publication in The Boone News-
 3 Republican, a newspaper published at Boone, Iowa, and in the Ames
 4 Daily Tribune, a newspaper published at Ames, Iowa, without expense
 5 to the state.

Approved June 7, 1965.

I hereby certify that the foregoing Act, House File 35, was published in The Boone News-Republican, Boone, Iowa, June 10, 1965, and in the Ames Daily Tribune, Ames, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 463

UNITED SCHOOL LEGALIZING ACT

H. F. 36

AN ACT to legalize and validate the proceedings of the board of directors of the United Community School District, in the counties of Boone and Story, state of Iowa, authorizing and providing for the issuance of school building bonds and for the levy of taxes for the payment of said bonds and declaring the bonds issued pursuant to said proceedings to be enforceable obligations of said school district provided however an appeal is not perfected from pending proceedings.

WHEREAS, it appears from the records of the board of directors of the United Community School District, in the counties of Boone and Story, state of Iowa, that at a special school election held in and for said school district on December 14, 1964, the proposition of issuing bonds of said school district in the amount of seven hundred thousand dollars for the purpose of building the* furnishing a new schoolhouse and procuring a site therefore was approved by more than sixty per cent of the total number of votes cast for and against said proposition, and in reliance upon said election said board of directors thereafter by resolution authorized and provided for the issuance of school building bonds to the amount and for the purpose aforesaid and made provision for the levy of taxes to pay said bonds and the interest thereon; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said election and proceedings and provisions made for the issuance and payment of said bonds and it is deemed advisable to put such doubts and all others that might arise concerning same forever at rest;
 NOW, THEREFORE,

*According to enrolled Act.

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

1 SECTION 1. That all proceedings heretofore taken by the board of
2 directors of the United Community School District, in the counties of
3 Boone and Story, state of Iowa, preliminary to and in connection with
4 the election on said bonds held in said school district on December 14,
5 1964, and providing for the issuance and delivery of school building
6 bonds of said school district in the amount of seven hundred thousand
7 dollars pursuant to said election, and for the levy of taxes to pay said
8 bonds and interest thereon, are hereby legalized, validated and con-
9 firmed and said school building bonds issued, sold and delivered pur-
10 suant to and in accordance with said proceedings are hereby declared
11 to be legal and to constitute valid and binding obligations of said school
12 district. In the event an appeal is perfected to the supreme court of
13 the state of Iowa from a district court decision of May 12th in this
14 matter by August 15, 1965, this Act shall become null and void.

1 SEC. 2. This Act being of immediate importance shall be in full
2 force and effect from and after its passage and publication in The
3 Boone News-Republican, a newspaper published at Boone, Iowa, and
4 the Ames Daily Tribune, a newspaper published at Ames, Iowa, with-
5 out expense to the state.

Approved June 7, 1965.

I hereby certify that the foregoing Act, House File 36, was published in The Boone News-Republican, Boone, Iowa, June 6, 1965, and in the Ames Daily Tribune, Ames, Iowa, June 10, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 464

WATERLOO SCHOOL LEGALIZING ACT

H. F. 518

AN ACT to legalize and validate the proceedings of the boards of directors of the Independent School District of the city of Waterloo, in the county of Black Hawk, state of Iowa, the Consolidated School District of Orange Township, in the county of Black Hawk, state of Iowa, and the School township of East Waterloo, in the county of Black Hawk, state of Iowa, providing for the merger of substantial portions of the Consolidated School District of Orange township and the School Township of East Waterloo into the Independent School District of the city of Waterloo, in the county of Black Hawk, state of Iowa, and declaring the enlarged boundaries of the Independent School District of the city of Waterloo, in the county of Black Hawk, state of Iowa, to be legally established.

WHEREAS, pursuant to concurrent action taken by the boards of directors of the Independent School District of the City of Waterloo, in the County of Black Hawk, State of Iowa, and the Consolidated School District of Orange Township, in the County of Black Hawk, State of Iowa, on August 5, 1963, the boundary lines of these contiguous school corporations were changed with the approval of the County Board of Education of Black Hawk County, Iowa, so as to include within the boundaries of the Independent School District of the City of Waterloo, in the County of Black

Hawk, State of Iowa, all except four government sections of the land formerly lying within the boundaries of the Consolidated School District of Orange Township, in the County of Black Hawk, State of Iowa, effective July 1, 1964; and

WHEREAS, pursuant to concurrent action taken by the boards of directors of the Independent School District of the City of Waterloo, in the County of Black Hawk, State of Iowa, and the School Township of East Waterloo, in the County of Black Hawk, State of Iowa, on October 14, 1963, the boundary lines of these contiguous school corporations were changed with the approval of the County Board of Education of Black Hawk County, Iowa, so as to include within the boundaries of the Independent School District of the City of Waterloo, in the County of Black Hawk, State of Iowa, all except four government sections of the land formerly lying within the boundaries of the School Township of East Waterloo, in the County of Black Hawk, State of Iowa, effective July 1, 1964; and

WHEREAS, complete written descriptions of the new and enlarged boundaries of the Independent School District of the City of Waterloo, in the County of Black Hawk, State of Iowa, have heretofore been filed with the County Auditor and the County Recorder of Deeds of Black Hawk County, Iowa; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of the said proceedings taken for the above described changes in the boundaries of the Independent School District of the City of Waterloo, in the County of Black Hawk, State of Iowa, and it is deemed advisable and necessary to put such doubts and all others that might arise concerning these changes in boundaries forever at rest; now, therefore,

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

- 1 SECTION 1. That all proceedings heretofore taken by the boards
- 2 of directors of the Independent School District of the City of Water-
- 3 loo, in the County of Black Hawk, State of Iowa, the Consolidated
- 4 School District of Orange Township, in the County of Black Hawk,
- 5 State of Iowa, and the School Township of East Waterloo, in the
- 6 County of Black Hawk, State of Iowa, providing for the enlargement
- 7 of the boundaries of the Independent School District of the City of
- 8 Waterloo, in the County of Black Hawk, State of Iowa, by merging
- 9 substantial portions of the Consolidated School District of Orange
- 10 Township and the School Township of East Waterloo, into the Inde-
- 11 pendent School District of the City of Waterloo, in the County of
- 12 Black Hawk, State of Iowa, are hereby legalized, validated and con-
- 13 firmed and the following described boundaries of the Independent
- 14 School District of the City of Waterloo, in the County of Black Hawk,
- 15 State of Iowa, being those now shown by the records of the County
- 16 Auditor of Black Hawk County, Iowa, are hereby declared to be the
- 17 legally established boundaries of said School District, to-wit:
- 18 Commencing at the Northwest Corner of Section 32, Township 90
- 19 North, Range 13 West of the 5th P.M., Black Hawk County, Iowa;
- 20 Thence East along the North line of said Section to the Northeast
- 21 Corner thereof;

- 22 Thence South along the East line of said Section to the Southeast
 23 Corner thereof;
- 24 Thence East along the North line of Sections 4, 3, 2, and 1 Town-
 25 ship 89 North, Range 13 West of 5th P.M., and along the North line
 26 of Sections 6 and 5 to the North quarter corner of Section 5, Town-
 27 ship 89 North, Range 12 West of the 5th P.M.;
- 28 Thence South along the center line of Sections 5 and 8, Township
 29 89 North, Range 12 to the South quarter corner of said Section 8;
- 30 Thence East along the South line of Section* 8, 9, and 10, Township
 31 89 North, Range 12 to the South quarter corner of said Section 10;
- 32 Thence South along the center line of Section 15, Township 89
 33 North, Range 12 West of 5th P.M. to the center of said Section 15;
- 34 Thence East along the center line of said Section 15 to the East
 35 line of said Section 15;
- 36 Thence South along East line of Section* 15 and 22 said Township
 37 and Range to the East quarter corner of said Section 22;
- 38 Thence West along the center line of said Section 22 to the center
 39 of said Section 22;
- 40 Thence South along the center line of Section* 22 and 27 said
 41 Township and Range to the North line of Section 34 said Township
 42 and Range;
- 43 Thence East along the North line of said Section 34 to the North-
 44 east corner of said Section 34;
- 45 Thence South along the East line of said Section 34 to the North
 46 line of Section 3, Township 88 North, Range 12 West of the 5th
 47 P.M.;
- 48 Thence West along the North line of said Section 3 to the North-
 49 east corner of Section 4 said Township and Range;
- 50 Thence South along the East line of Section* 4 and 9 said Town-
 51 ship and Range to a cutoff in the Cedar River;
- 52 Thence along the Easterly line of Lot No. 4 in Section 15, Town-
 53 ship 88 North, Range 12 to the East line of Section 16, Township 88
 54 North, Range 12;
- 55 Thence Southerly along the River to the East quarter corner of
 56 Section 27, Township 88 North, Range 12;
- 57 Thence West to the West quarter corner of said Section 27;
- 58 Thence South to the Southwest corner of said Section 27;
- 59 Thence West to the Southwest corner of Section 28, Township 88
 60 North, Range 12;
- 61 Thence South to the Southeast corner of Section 32, Township 88
 62 North, Range 12;
- 63 Thence West to the Southwest corner of said Section 32;
- 64 Thence South to the Southeast corner of Section 6, Township 87
 65 North, Range 12;
- 66 Thence West to the Southwest corner of said Section 6;
- 67 Thence North to the Northwest corner of said Section 6;
- 68 Thence West to the North quarter corner of Section 2, Township
 69 87 North, Range 13;
- 70 Thence South to the Center of said Section 2;
- 71 Thence East to the East quarter corner of said Section 2;
- 72 Thence South to the Southeast corner of said Section 2;

*According to enrolled Act.

- 73 Thence West to the South quarter corner of said Section 2;
 74 Thence South one-fourth mile to the Southeast corner of the North-
 75 east quarter of the Northwest quarter of Section 11, Township 87
 76 North, Range 13;
 77 Thence West to the West line of said Section 11;
 78 Thence South to the West quarter corner of said Section 11;
 79 Thence West to the center of Section 9, Township 87 North, Range
 80 13;
 81 Thence North to the South quarter corner of Section 33; Township
 82 88 North, Range 13;
 83 Thence West to the Southwest corner of Section 31, Township 88
 84 North, Range 13;
 85 Thence North to the West quarter corner of said Section 31;
 86 Thence East to the center of said Section 31;
 87 Thence North to the North quarter corner of Section 31;
 88 Thence East to the Northeast corner of said Section 31;
 89 Thence North to the East quarter corner of Section 30, Township
 90 88 North, Range 13;
 91 Thence West to the center of said Section 30;
 92 Thence North to the North quarter corner of said Section 30;
 93 Thence West to the Southwest corner of Section 19; Township 88
 94 North, Range 13;
 95 Thence North to the Northwest corner of Section 6, Township 88
 96 North, Range 13;
 97 Thence West to the Southwest corner of Section 31, Township 89
 98 North, Range 13;
 99 Thence North of the S.W. corner of the N.W. $\frac{1}{4}$ of N.W. $\frac{1}{4}$ of
 100 Section 30, Township 89 North, Range 13;
 101 Thence East on a line parallel to the North lines of Section* 30 and
 102 29 to the S.E. corner of the N.W. $\frac{1}{4}$ of the N.E. $\frac{1}{4}$ of Section 29,
 103 Township 89 North, Range 13;
 104 Thence North on a line parallel to the East line of Section* 29, 20,
 105 and 17, Township 89 North, Range 13, to the Cedar River;
 106 Thence Northerly and Westerly along said Cedar River to the West
 107 line of Section 8 said Township and Range;
 108 Thence North along the West line of Section* 8 and 5 said Town-
 109 ship and Range and along the West line of Section 32, Township 90,
 110 North, Range 13 West of the 5th P.M., to the place of beginning.

Approved May 24, 1965.

*According to enrolled Act.

CHAPTER 465

TOWN OF CALAMUS LEGALIZING ACT

H. F. 645

AN ACT to legalize and validate the proceedings of the town council of the town of Calamus, in Clinton county, Iowa, authorizing and providing for the issuance, sale and delivery of water and sewer revenue bonds of said town to defray part of the cost of constructing a municipal sewerage system in and for said town and the provisions made for the payment of said bonds and declaring the bonds issued pursuant to said proceedings to be enforceable obligations of said town.

WHEREAS, it appears from the records of the town council of the town of Calamus, in Clinton County, Iowa, that pursuant to notice published in a newspaper printed and published in Clinton County, Iowa, and having a general circulation in said town, the town council thereof has by ordinance authorized and provided for the issuance, sale and delivery of water and sewer revenue bonds of said town in the amount of one hundred seventy-five thousand dollars (\$175,000) to pay the cost, to that amount of constructing a municipal sewerage system consisting of sanitary sewers, a lift station, outfall sewer and lagoon type sewage treatment plant in and for said town, and by said ordinance provided for the payment of the principal of and interest on said bonds from the net revenues to be derived from the operation of the combined municipal waterworks and sewerage system of said town; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said proceedings and the provisions made for the payment of said bonds and the interest thereon and it is deemed advisable to put said doubts and all others that might arise concerning same forever at rest; NOW, THEREFORE,

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

1 SECTION 1. That all proceedings heretofore taken by the town
2 council of the town of Calamus, in Clinton County, Iowa, authorizing
3 and providing for the issuance, sale and delivery of water and sewer
4 revenue bonds of said town of Calamus, Iowa, in the amount of one
5 hundred seventy-five thousand dollars (\$175,000) and providing for
6 the payment of the principal of and interest on said bonds from the
7 net revenues to be derived from the operation of the combined munic-
8 ipal waterworks and sewerage system of said town are hereby legal-
9 ized, validated and confirmed and said water and sewer revenue bonds
10 issued, sold and delivered pursuant to and in accordance with said
11 proceedings are hereby declared to be legal and to constitute valid and
12 binding obligations of said town payable solely and only from such net
13 revenues, but said bonds shall not be a corporate indebtedness of said
14 town, nor shall said town be authorized to levy ad valorem taxes to
15 pay either principal thereof or interest thereon.

1 SEC. 2. This Act being of immediate importance shall be in full
2 force and effect from and after its passage and publication in The

3 Clinton Herald, a newspaper published at Clinton, Iowa, and The
 4 Times-Democrat, a newspaper published at Davenport, Iowa, without
 5 expense to the state.

Approved May 27, 1965.

I hereby certify that the foregoing Act, House File 645, was published in The Clinton Herald, Clinton, Iowa, June 3, 1965, and in The Times-Democrat, Davenport, Iowa, June 1, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 466

TOWN OF CALAMUS LEGALIZING ACT

H. F. 644

AN ACT to legalize and validate the proceedings of the town council of the town of Calamus, in Clinton county, Iowa, authorizing and providing for the issuance, sale and delivery of sewer bonds and for the levy of taxes for the payment of said bonds and declaring the bonds issued pursuant to said proceedings to be enforceable obligations of said town.

WHEREAS, it appears from the records of the town council of the town of Calamus, in Clinton County, Iowa, that pursuant to notice published in a newspaper printed and published in Clinton County, Iowa, and having a general circulation in said town, the town council thereof has by ordinance authorized and provided for the issuance, sale and delivery of sewer bonds of said town in the amount of forty thousand dollars (\$40,000) to pay the cost, to that amount, of building and constructing sewers and a lagoon type sewer outlet and purifying plant in and for said town, and made provision for the levy of taxes to pay said bonds and the interest thereon; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said proceedings and provisions made for the issuance and sale of said bonds and for the levy and collection of taxes to pay the principal of and the interest on said bonds as the same become due, and it is deemed advisable to put such doubts and all others that might arise concerning same forever at rest; NOW, THEREFORE,

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

1 SECTION 1. That all proceedings heretofore taken by the town
 2 council of the town of Calamus, in Clinton County, Iowa, authorizing
 3 and providing for the issuance, sale and delivery of sewer bonds of
 4 said town of Calamus, Iowa, in the amount of forty thousand dollars
 5 (\$40,000) to pay the cost, to that amount, of building and constructing
 6 sewers and a lagoon type sewer outlet and purifying plant in and for
 7 said town, and for the levy of taxes to pay said bonds and interest
 8 thereon, are hereby legalized, validated and confirmed, and said sewer
 9 bonds issued, sold and delivered pursuant to and in accordance with
 10 said proceedings are hereby declared to be legal and to constitute valid
 11 and binding obligations of said town.

1 SEC. 2. This Act being of immediate importance shall be in full
 2 force and effect from and after its passage and publication in The
 3 Clinton Herald, a newspaper published at Clinton, Iowa, and The

4 Times-Democrat, a newspaper published at Davenport, Iowa, without
5 expense to the state.

Approved May 28, 1965.

I hereby certify that the foregoing Act, House File 644, was published in The Clinton Herald, Clinton, Iowa, June 3, 1965, and in The Times-Democrat, Davenport, Iowa, June 1, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 467

CITY OF ELDORA LAND TRANSFER

H. F. 136

AN ACT authorizing the sale to the city of Eldora of certain land now comprising a part of the Iowa Training School for Boys at Eldora, Iowa.

WHEREAS, the city of Eldora, Iowa is desirous of obtaining a parcel of land adjacent to said corporate limits for a location to construct a municipal hospital;

WHEREAS, the Iowa Training School for Boys has land lying on a city street adjoining the city of Eldora that is an ideal location for such a municipal institution;

WHEREAS, the board of control of state institutions is desirous of transferring the jurisdiction of said parcel of land to the city of Eldora for such a municipal purpose since the board accepted a gift of four hundred (400) acres of land from the Eldora community in the year one thousand eight hundred and seventy-two (1872) to move said training school to its present site; and

WHEREAS, the board of control of state institutions feels that such a hospital facility adjacent to the training school will be of benefit to the school, its employees, and to the community; NOW, THEREFORE

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

1 SECTION 1. The property forming a part of the Iowa Training
2 School for Boys located at Eldora, Hardin County, Iowa, more spe-
3 cifically described as: Commencing thirty-three feet south of a point
4 in the center of Highway fifty-seven (57), being the northeast corner
5 of the northwest quarter of the southwest quarter of Section seven
6 (7), Township eighty-seven (87) north, Range nineteen (19) west of
7 the fifty* P.M., Hardin County, Iowa, for place of beginning; thence
8 south on the east line of said northwest quarter of southwest quarter
9 eight hundred feet, thence west four hundred and twenty-seven feet,
10 thence north eight hundred feet, thence east four hundred and twenty-
11 seven feet to place of beginning, seven point eight (7.8) acres more or
12 less, shall be offered for sale by the state executive council to the city
13 of Eldora, Iowa, at a price per acre to be fixed by the state executive
14 council, for the purpose of using the same for a hospital site by the
15 city of Eldora, Iowa, notwithstanding any other law to the contrary.
16 The secretary of the executive council is hereby authorized to execute
17 any deeds or other instruments necessary to convey title to said de-
18 scribed property and to effectuate the purposes of this Act.

Approved May 27, 1965.

*According to enrolled Act.

CHAPTER 468

INDEPENDENCE MENTAL HEALTH INSTITUTE

H. F. 538

AN ACT transferring jurisdiction to the city of Independence, Iowa, certain land now comprising a part of the mental health institute grounds at Independence, Iowa.

WHEREAS, the city of Independence, Iowa is desirous of obtaining land for the construction of a municipal airport, and

WHEREAS, the mental health institute at Independence, Iowa has land which is suitable for an airport, and

WHEREAS, the land which is a part of the mental health institute grounds is the only parcel of land which is easily accessible to the city of Independence which meets the minimal criteria for an airport, and

WHEREAS, it is generally recognized among many who are familiar with the need for the construction of the airport that such a facility will not only be of great benefit to the community of Independence but will also greatly benefit the state of Iowa, the mental health institute, and the employees of the institute, and

WHEREAS, it has been suggested in the past and is presently being suggested that the operation of institutional farms is no longer economical and feasible and that the state should remove itself from the farming industry at most institutions if not at all institutions, and

WHEREAS, the transferring of the jurisdiction of the parcel of land from the mental health institute to the city of Independence for such municipal purpose is justifiable since the state board of control accepted the gift of three hundred twenty-one (321) acres of land from the community of Independence in 1868 to allow the mental health institute to be erected,
NOW THEREFORE,

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

1 SECTION 1. The state board of control is hereby directed to offer
2 for sale property presently forming a part of the mental health insti-
3 tute at Independence, Buchanan county, Iowa, described as the west
4 six hundred (600) feet of the southwest quarter (SW $\frac{1}{4}$) southwest
5 quarter (SW $\frac{1}{4}$) of section 6, township 88, range 9 and the west six
6 hundred (600) feet of the northwest quarter (NW $\frac{1}{4}$) of section 7,
7 township 88, range 9 all lying in Buchanan county, state of Iowa, west
8 of the 5th P.M., which comprises fifty-four point fifty-four (54.54)
9 acres, more or less. The land herein described shall be offered for sale
10 under the provisions of section two hundred eighteen point ninety-four
11 (218.94) of the Code and any sale so agreed upon shall be with the
12 approval of the state executive council.

1 SEC. 2. This Act, being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication as
3 provided by law, in the Auburn Enterprise, a newspaper published at

- 4 Auburn, Iowa, and in the New Hampton Tribune, a newspaper pub-
5 lished at New Hampton, Iowa.

Approved May 26, 1965.

I hereby certify that the foregoing Act, House File 538, was published in the Auburn Enterprise, Auburn, Iowa, June 3, 1965, and in the New Hampton Tribune, New Hampton, Iowa, June 3, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 469

BOONE COUNTY LEGALIZING ACT

H. F. 342

AN ACT to legalize the proceedings of the board of supervisors of Boone county in connection with contracts made for improvements to the Boone county home located northwest of Boone, Iowa.

WHEREAS, prior to June, 1961 the Boone county board of supervisors entered into contracts with Robert Crocheck in the amount of fifty (50) dollars; William R. Myers, Jr. in the amount of fifty (50) dollars; Harold Stevens in the amount of fifty-nine dollars and fifty cents (\$59.50); Ft. Dodge, Des Moines & So. R.R. Co. in the amount of thirty-seven dollars and fifty cents (\$37.50); Kurtz hardware in the amount of two dollars and twenty-seven cents (\$2.27); Madrid lumber company in the amount of five thousand nine hundred fifty dollars and twenty-nine cents (\$5,950.29); Nelson's doo-it store in the amount of one hundred eighty dollars and forty-nine cents (\$180.49); Plumb supply company in the amount of one hundred seventy-eight dollars and four cents (\$178.04); Pritchard Brothers, Inc. in the amount of eighty-seven dollars and sixty-five cents (\$87.65); Sundberg's in the amount of one hundred eighteen dollars and fifty-five cents (\$118.55); Treloar produce in the amount of twenty-five (25) dollars; and Chuck Smith electric in the amount of nine hundred five (905) dollars to make improvements at the Boone county home located northwest of Boone, Iowa; and

WHEREAS, the only contract agreed upon by the board of supervisors was in the amount of four thousand seven hundred twenty-seven dollars and fifty-two cents (\$4,727.52) with Madrid lumber company and that in the progress of improvement changes and additions were made totalling two thousand nine hundred sixteen dollars and seventy-seven cents (\$2,916.77) for a total amount for the completed project of seven thousand six hundred forty-four dollars and twenty-nine cents (\$7,644.29); and

WHEREAS, the work on the project was completed in May of 1961 and was accepted by the Boone county board of supervisors; and

WHEREAS, by decision filed May 7, 1963, the Supreme Court of the state of Iowa found that said contract with Madrid lumber company was consummated in violation of the legislative requirements of sections three hundred thirty-two point seven (332.7) and three hundred thirty-two point eight (332.8) of the Code and was therefore illegal; now therefore,

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

1 SECTION 1. All proceedings heretofore taken by the board of
2 supervisors of Boone county, Iowa in connection with and pertaining
3 to the completion of the contracts with Robert Crocheck, William R.
4 Myers, Jr., Harold Stevens, Ft. Dodge, Des Moines & So. R.R. Co.,
5 Kurtz hardware, Madrid lumber company, Nelson's doo-it store,
6 Plumb supply company, Pritchard Brothers, Inc., Sundberg's, Treloar
7 produce, and Chuck Smith electric entered into by said board of super-
8 visors for improvements to the Boone county home located northwest
9 of Boone, Iowa are hereby declared to be legal and constitute a valid
10 and binding obligation of Boone County.

1 SEC. 2. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 The Boone News-Republican, a newspaper published at Boone, Iowa,
4 and in The Madrid Register-News, a newspaper published at Madrid,
5 Iowa, without expense to the state.

Approved April 13, 1965.

I hereby certify that the foregoing Act, House File 342, was published in The Boone News-Republican, Boone, Iowa, April 28, 1965, and in The Madrid Register-News, Madrid, Iowa, April 29, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 470

BUCHANAN COUNTY LEGALIZING ACT

H. F. 386

AN ACT to legalize and validate the proceedings of the township trustees of the township of Hazleton in the county of Buchanan, state of Iowa, in purchasing fire equipment and apparatus and in issuance, sale and delivery of fire equipment levy anticipatory bonds and for the levy of taxes for the payment of said bonds and interest thereon and declaring the bonds with interest thereon to be enforceable obligations of said township.

WHEREAS, it appears from the records of the township trustees of Hazleton township, Buchanan county, state of Iowa, that the said trustees have contracted to purchase fire equipment and apparatus and have issued and sold fire equipment levy anticipatory bonds in the principal amount of sixteen thousand (16,000) dollars for the purpose of anticipating the collection of taxes under annual one and one-half (1½) mill levy authorized previously by a majority vote of the legal electors of said township, all in accordance with the provisions of chapter three hundred fifty-nine (359), chapter three hundred ninety-one (391), chapter twenty-three (23) and chapter seventy-five (75), Code 1962, and acts amendatory thereto; and,

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said proceedings and provisions made for the purchase of such apparatus and equipment, the issuance and sale of such bonds, the election authorizing such annual tax levy, and the levy and collection of taxes to pay the principal and interest on said bonds as the same become due and

it is deemed advisable to put such doubts and all others that might arise concerning same forever at rest; NOW, THEREFORE,

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

1 SECTION 1. All proceedings heretofore taken by the township
2 trustees of Hazleton township in the county of Buchanan, state of
3 Iowa, preliminary to and in connection with the purchase of fire
4 equipment and apparatus and in the special election held in said town-
5 ship on June 2, 1958, authorizing fire equipment tax levy and in the
6 issuance, sale, and delivery of fire equipment levy anticipatory bonds
7 of said township in the principal amount of sixteen thousand (16,000)
8 dollars and for levy of taxes to pay said bonds and interest thereon,
9 are hereby legalized, validated and confirmed and the said bonds
10 issued, sold and delivered in accordance with said proceedings are
11 hereby declared to be the valid and binding obligations of the said
12 township.

1 SEC. 2. This Act being of immediate importance shall be in full
2 force and effect from and after its passage and publication in the
3 Bulletin-Journal, a newspaper published at Independence, Iowa, with-
4 out expense to the state.

Approved April 16, 1965.

Only one newspaper having been named in this Act, I, the undersigned, do hereby designate The Winthrop News, Winthrop, Iowa, to publish House File 386, pursuant to section 3.9, Code 1962.

GARY L. CAMERON, *Secretary of State.*

I hereby certify that the foregoing Act, House File 386, was published in the Bulletin-Journal, Independence, Iowa, April 30, 1965, and in The Winthrop News, Winthrop, Iowa, May 6, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 471

LINN COUNTY LEGALIZING ACT

S. F. 28

AN ACT to legalize the proceedings of the board of supervisors of Linn county in connection with a contract made with Loomis Bros., Inc. of Cedar Rapids, Iowa, for remodeling of two (2) court rooms in the Linn county courthouse located in Cedar Rapids, Iowa.

WHEREAS, on March 10, 1964 the records show that the Linn county board of supervisors entered into a contract with Loomis Bros., Inc. of Cedar Rapids, Iowa, to remodel two (2) court rooms in the Linn county courthouse located in Cedar Rapids, Iowa; and

WHEREAS, the contract price agreed upon of four thousand nine hundred ninety-eight (4,998) dollars was consummated contrary to section three hundred thirty-two point seven (332.7), Code 1962; and

WHEREAS, the work was completed in June of 1964 and such was accepted by the Linn county board of supervisors; and

WHEREAS, the legality of such contract has been questioned thereby causing payment to be denied Loomis Bros., Inc. of Cedar Rapids, Iowa; NOW THEREFORE,

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

1 SECTION 1. All proceedings heretofore taken by the board of
2 supervisors of Linn county in connection with and pertaining to the
3 completion of the contract entered into by the said board of super-
4 visors with Loomis Bros., Inc. of Cedar Rapids, Iowa, for the re-
5 modeling of two (2) court rooms in the Linn county courthouse
6 located in Cedar Rapids, Iowa, are hereby declared to be legal and
7 to constitute a valid and binding obligation of Linn county.

1 SEC. 2. This Act being deemed of immediate importance shall be
2 in full force and effect from and after its passage and publication in
3 Central City Newsletter, a newspaper published at Central City, Iowa,
4 and The Marion Sentinel, a newspaper published at Marion, Iowa,
5 without expense to the state.

Approved February 19, 1965.

Pursuant to authority vested in the undersigned, Secretary of State, the Central City News-Letter, Central City, Iowa, being nonexistent, the following paper, The Central City News-Letter and Springville New Era, Central City, Iowa, is designated to publish the foregoing Act, Senate File 28.

GARY L. CAMERON, *Secretary of State.*

I hereby certify that the foregoing Act, Senate File 28, was published in The Central City News-Letter and Springville New Era, Central City, Iowa, March 18, 1965, and in The Marion Sentinel, Marion, Iowa, March 18, 1965.

GARY L. CAMERON, *Secretary of State.*

**JOINT RESOLUTIONS
AND
RULES OF CIVIL PROCEDURE**

JOINT RESOLUTIONS
AND
RULES OF CIVIL PROCEDURE

CHAPTER 472

CONSTITUTIONAL AMENDMENT ON ANNUAL SESSIONS

(First time passed)

S. J. R. 3

A JOINT RESOLUTION proposing an amendment to the Constitution of the state of Iowa relating to the sessions of the general assembly.

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

1 SECTION 1. The following amendment to the Constitution of the
2 State of Iowa is hereby proposed:

3 Section two (2) of Article three (III) of the Constitution of the
4 State of Iowa is hereby repealed and the following adopted in lieu
5 thereof:

6 "Section 2. The General Assembly shall meet in session on the
7 second Monday of January of each year. The Governor of the State
8 may convene the General Assembly by proclamation in the interim."

1 SEC. 2. The foregoing proposed amendment to the Constitution of
2 the State of Iowa is hereby referred to the general assembly to be
3 chosen at the next general election for members of the general as-
4 sembly and the secretary of state is directed to cause the same to be
5 published for three (3) consecutive months previous to the date of
6 said election as provided by law.

CHAPTER 473

COMPOSITION OF GENERAL ASSEMBLY

(First time passed)

S. J. R. 24

A JOINT RESOLUTION proposing an amendment to the Constitution of the state of Iowa relating to the composition of the General Assembly, the basis of representation of the members thereof, and the establishment of Congressional districts.

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

1 SECTION 1. The following amendment to the Constitution of the
2 State of Iowa is hereby proposed.

3 Section six (6) of Article three (III), section thirty-four (34) of
4 Article three (III) and the 1904 and 1928 amendments thereto, sec-
5 tions thirty-five (35) and thirty-six (36) of Article three (III) and

6 the 1904 amendment to each such section, and section thirty-seven
7 (37) of Article three (III) are hereby repealed and the following
8 adopted in lieu thereof:

9 "Section 6. The number of senators shall total not more than one-
10 half ($\frac{1}{2}$) the membership of the house of representatives. Senators
11 shall be classified so that as nearly as possible one-half ($\frac{1}{2}$) of the
12 members of the senate shall be elected every two (2) years.

13 "Section 34. The senate shall be composed of not more than fifty
14 (50) and the house of representatives of not more than one hundred
15 (100) members. Senators and representatives shall be elected from
16 districts established by law. Each district so established shall be of
17 compact and contiguous territory. The state shall be apportioned into
18 senatorial and representative districts on the basis of population. The
19 general assembly may provide by law for factors in addition to popu-
20 lation, not in conflict with the constitution of the United States, which
21 may be considered in the apportioning of senatorial districts. No law
22 so adopted shall permit the establishment of senatorial districts where-
23 by a majority of the members of the senate shall represent less than
24 forty (40) percent of the population of the state as shown by the most
25 recent United States decennial census.

26 "Section 35. The general assembly shall in 1971 and in each year
27 immediately following the United States decennial census determine
28 the number of senators and representatives to be elected to the gen-
29 eral assembly and establish senatorial and representative districts.
30 The general assembly shall complete the apportionment prior to Sep-
31 tember 1 of the year so required. If the apportionment fails to become
32 law prior to September 15 of such year, the supreme court shall cause
33 the state to be apportioned into senatorial and representative districts
34 to comply with the requirements of the constitution prior to December
35 31 of such year. The reapportioning authority shall, where necessary
36 in establishing senatorial districts, shorten the term of any senator
37 prior to completion of the term. Any senator whose term is so termi-
38 nated shall not be compensated for the uncompleted part of the term.

39 "Section 36. Upon verified application by any qualified elector, the
40 supreme court shall review an apportionment plan adopted by the
41 general assembly which has been enacted into law. Should the supreme
42 court determine such plan does not comply with the requirements of
43 the constitution, the court shall within ninety (90) days adopt or
44 cause to be adopted an apportionment plan which shall so comply.
45 The supreme court shall have original jurisdiction of all litigation
46 questioning the apportionment of the general assembly or any appor-
47 tionment plan adopted by the general assembly."

48 "Section 37. When a congressional district is composed of two (2)
49 or more counties it shall not be entirely separated by a county belong-
50 ing to another district and no county shall be divided in forming a
51 congressional district."

1 SEC. 2. The foregoing proposed amendment to the Constitution of
2 the State of Iowa is hereby referred to the general assembly to be
3 chosen at the next general election for members of the general assem-
4 bly and the secretary of state is directed to cause the same to be pub-
5 lished for three (3) consecutive months previous to the date of said
6 election as provided by law.

CHAPTER 474

CONSTITUTIONAL AMENDMENT ON ITEM VETO

(First time passed)

S. J. R. 9

A JOINT RESOLUTION proposing an amendment to the Constitution of the state of Iowa to give the governor item veto power on appropriation bills.

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

1 SECTION 1. The following amendment to the Constitution of the
2 State of Iowa is hereby proposed:

3 Section sixteen (16) of article three (III) of the Constitution of
4 the State of Iowa is hereby amended by adding the following new
5 paragraph at the end thereof:

6 "The governor may approve appropriation bills in whole or in part,
7 and may disapprove any item of an appropriation bill; and the part
8 approved shall become a law. Any item of an appropriation bill dis-
9 approved by the governor shall be returned, with his objections, to
10 the house in which it originated, or shall be deposited by him in the
11 office of the secretary of state in the case of an appropriation bill sub-
12 mitted to the governor for his approval during the last three days of
13 a session of the General Assembly, and the procedure in each case
14 shall be the same as provided for other bills. Any such item of an
15 appropriation bill may be enacted into law notwithstanding the gov-
16 ernor's objections, in the same manner as provided for other bills."

1 SEC. 2. The foregoing proposed amendment to the Constitution of
2 the State of Iowa is hereby referred to the general assembly to be
3 chosen at the next general election for members of the general as-
4 sembly and the secretary of state is directed to cause the same to be
5 published for three (3) consecutive months previous to the date of
6 said election as provided by law.

CHAPTER 475

CONSTITUTIONAL AMENDMENT RE COMPENSATION
OF GENERAL ASSEMBLY

(First time passed)

H. J. R. 8

A JOINT RESOLUTION proposing an amendment to the Constitution of the state of Iowa relating to compensation for members of the General Assembly.

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

1 SECTION 1. The following amendment to the Constitution of the
2 State of Iowa is hereby proposed:

3 Section twenty-five (25) of Article three (III) of the Constitution
4 of the State of Iowa is hereby repealed and the following adopted in
5 lieu thereof:

6 "Section 25. Each member of the General Assembly shall receive

7 such compensation and allowances for expenses as shall be fixed by law
 8 but no General Assembly shall have the power to increase compensa-
 9 tion and allowances effective prior to the convening of the next Gen-
 10 eral Assembly following the session in which any increase is adopted."

1 SEC. 2. The foregoing proposed amendment to the Constitution of
 2 the State of Iowa is hereby referred to the General Assembly to be
 3 chosen at the next general election for members of the General Assem-
 4 bly and the secretary of state is directed to cause the same to be pub-
 5 lished for three (3) consecutive months previous to the date of said
 6 election as provided by law.

CHAPTER 476

CONSTITUTIONAL AMENDMENT IN RE BINGO

(First time passed)

S. J. R. 8

A JOINT RESOLUTION proposing an amendment to the Constitution of the state of Iowa to authorize the licensing and regulation of bingo games conducted by charitable, religious, or veterans organizations.

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

1 SECTION 1. The following amendment to the Constitution of the
 2 State of Iowa is hereby proposed:

3 Section twenty-eight (28) of Article three (III) of the Constitution
 4 of the State of Iowa is hereby amended by inserting in line three (3)
 5 after the word "allowed" the words "; but nothing in this section
 6 shall be construed to prohibit the enactment of laws by the General
 7 Assembly providing for the licensing and regulation of bingo games
 8 conducted by charitable organizations, religious organizations, or vet-
 9 erans organizations chartered by the Congress of the United States".

1 SEC. 2. The foregoing proposed amendment to the Constitution of
 2 the State of Iowa is hereby referred to the general assembly to be
 3 chosen at the next general election for members of the general assem-
 4 bly and the secretary of state is directed to cause the same to be pub-
 5 lished for three (3) consecutive months previous to the date of said
 6 election as provided by law.

CHAPTER 477

CONSTITUTIONAL AMENDMENT IN RE MUNICIPAL CORPORATIONS

(First time passed)*

S. J. R. 13

A JOINT RESOLUTION proposing to amend Article three (III) of the Constitution of the state of Iowa to provide home rule for municipal corporations.

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

1 SECTION 1. The following amendment to the Constitution of the
 2 State of Iowa is hereby proposed:

3 "Article three (III), legislative department, Constitution of the
 4 State of Iowa is hereby amended by adding the following new section:
 5 "Municipal corporations are granted home rule power and authority,
 6 not inconsistent with the laws of the general assembly, to determine
 7 their local affairs and government, except that they shall not have
 8 power to levy any tax unless expressly authorized by the general as-
 9 sembly.
 10 "The rule or proposition of law that a municipal corporation pos-
 11 sesses and can exercise only those powers granted in express words is
 12 not a part of the law of this state.'"

1 SEC. 2. The foregoing proposed amendment is hereby referred to
 2 the general assembly to be chosen at the next general election for
 3 members of the general assembly, and the secretary of state shall
 4 cause the same to be published for three consecutive months previous
 5 to the date of said election as provided by law.

CHAPTER 478

CONSTITUTIONAL AMENDMENT IN RE GOVERNOR AND LIEUTENANT GOVERNOR

(First time passed)

S. J. R. 21

A JOINT RESOLUTION proposing an amendment to the Constitution of the state of Iowa relating to the election of the Governor and Lieutenant Governor.

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

1 SECTION 1. The following amendment to the Constitution of the
 2 State of Iowa is hereby proposed:
 3 Section two (2) of Article four (IV) of the Constitution of the
 4 State of Iowa is hereby repealed and the following adopted in lieu
 5 thereof:
 6 "Section 2. The Governor elected at the general election in the year
 7 1970 shall be elected by the qualified electors at the time and place of
 8 voting for members of the General Assembly. The Governor shall hold
 9 his office four (4) years from the time of his installation and until his
 10 successor is elected and qualified."
 11 Section three (3) of Article four (IV) of the Constitution of the
 12 State of Iowa is hereby repealed and the following adopted in lieu
 13 thereof:
 14 "Section 3. There shall be a Lieutenant Governor who shall hold
 15 his office four (4) years and be elected at the same time and be of the
 16 same political affiliation as the Governor. In voting, the electors shall
 17 designate for whom they vote for Governor and Lieutenant Governor
 18 by casting one (1) vote for both offices on a ballot which shall place
 19 the Governor and Lieutenant Governor together on the ballot so that
 20 one (1) vote shall be cast for both and said vote shall thereafter be
 21 counted as a vote for each. The returns of every election for Governor
 22 and Lieutenant Governor shall be sealed and transmitted to the seat
 23 of government of the State, directed to the Speaker of the House of

24 Representatives who shall open and publish them in the presence of
25 both Houses of the General Assembly."

26 Section four (4) of Article four (IV) of the Constitution of the
27 State of Iowa but not to include amendment one (1) of the amend-
28 ments of 1952 is hereby repealed and the following adopted in lieu
29 thereof:

30 "Section 4. The persons having the highest number of votes for
31 Governor and Lieutenant Governor shall be duly elected. If the num-
32 ber of votes cast for Governor and Lieutenant Governor of one (1)
33 political affiliation shall be equal to the number of votes cast for Gov-
34 ernor and Lieutenant Governor of a second (2nd) political affiliation,
35 and should the number of votes so cast in both instances be the highest
36 number of votes for the two (2) offices, a tie vote shall exist and the
37 General Assembly shall by joint vote forthwith proceed to elect two
38 (2) of the persons Governor and Lieutenant Governor. The Governor
39 and Lieutenant Governor so elected shall be of the same political affil-
40 iation."

41 Section five (5) of Article four (IV) of the Constitution of the State
42 of Iowa is hereby amended by striking from line two (2) the words
43 ", or Lieutenant Governor," and inserting in lieu thereof the words
44 "and Lieutenant Governor".

45 Section fifteen (15) of Article four (IV) of the Constitution of the
46 State of Iowa is hereby amended by striking from line four (4) the
47 word "two" and inserting in lieu thereof the word "four (4)".

1 SEC. 2. The foregoing proposed amendment to the Constitution of
2 the State of Iowa is hereby referred to the general assembly to be
3 chosen at the next general election for members of the general assem-
4 bly and the secretary of state is directed to cause the same to be pub-
5 lished for three (3) consecutive months previous to the date of said
6 election as provided by law.

CHAPTER 479

(First time passed)

CONSTITUTIONAL AMENDMENT IN RE APPOINTIVE STATE OFFICERS

S. J. R. 11

A JOINT RESOLUTION proposing an amendment to the Constitution of the state of Iowa to give the Governor the authority to appoint a secretary of state, treasurer of state, and attorney general and to provide that the General Assembly shall appoint an auditor of state.

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

1 SECTION 1. The following amendment to the Constitution of the
2 State of Iowa is hereby proposed:

3 Section twenty-two (22) of Article four (IV) and section twelve
4 (12) of Article five (V) of the Constitution of the State of Iowa are
5 hereby repealed and the following adopted in lieu thereof:

6 "The Governor shall have the power to appoint a Secretary of State,
7 Treasurer of State, and Attorney General who shall serve at the
8 pleasure of the Governor and shall perform such duties as may be

9 prescribed by law. Appointments shall be made with the consent of
10 two-thirds ($\frac{2}{3}$) of the Senate."

11 Article three (III) of the Constitution of the State of Iowa is here-
12 by amended by adding thereto the following new section:

13 "An Auditor of State shall be appointed by and shall serve at the
14 pleasure of the General Assembly. The Auditor shall conduct post
15 audits and perform such other duties as may be prescribed by law and
16 shall report to the General Assembly and the Governor."

1 SEC. 2. The foregoing proposed amendment to the Constitution of
2 the State of Iowa is hereby referred to the general assembly to be
3 chosen at the next general election for members of the general assem-
4 bly and the secretary of state is directed to cause the same to be pub-
5 lished for three (3) consecutive months previous to the date of said
6 election as provided by law.

CHAPTER 480

CONSTITUTIONAL AMENDMENT ON EFFECTIVE DATE OF ACTS

(Second time passed)

S. J. R. 10

A JOINT RESOLUTION proposing an amendment to the Constitution of the state of Iowa relating to the effective date of laws of the general assembly passed at a general session.

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

1 SECTION 1. The following amendment to the constitution of the
2 State of Iowa is hereby proposed:

3 Section twenty-six (26) of Article III is amended by striking from
4 line four (4) the word "fourth" and inserting in lieu thereof the word
5 "first".

1 SEC. 2. The foregoing proposed amendment, having been adopted
2 and agreed to by the Sixtieth (60th) General Assembly, thereafter
3 duly published, and now adopted and agreed to by the Sixty-first
4 (61st) General Assembly in this Joint Resolution, shall be submitted
5 to the people of the State of Iowa at the general election in November
6 of the year nineteen hundred sixty-six (1966) in the manner required
7 by the Constitution of the State of Iowa and the laws of the State of
8 Iowa.

CHAPTER 481

CAPITOL PLANNING COMMISSION REPORT

S. J. R. 15

A JOINT RESOLUTION relating to the report of the Capitol Planning Commission filed with the General Assembly as provided by law.

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

1 SECTION 1. The report of the Capitol Planning Commission as
2 filed with the Secretary of the Senate and Chief Clerk of the House
3 of Representatives of the 61st General Assembly, as directed by chap-
4 ter twenty-eight (28), Acts of the 60th General Assembly and Senate
5 Concurrent Resolution thirty-seven (37) thereof, is hereby accepted
6 and adopted as the master plan and guide for future expansion and
7 development of the State Capitol grounds of the State of Iowa.

Approved March 26, 1965.

CHAPTER 482

CAPITOL GROUNDS EXTENSION

H. J. R. 17

A JOINT RESOLUTION authorizing and directing the state executive council to proceed with the acquisition of additional land for the capitol grounds as suggested in the report of the capitol planning commission and to make an appropriation.

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

1 SECTION 1. The state executive council is hereby empowered and
2 directed to proceed at once to acquire by gift, purchase, condemnation
3 or otherwise the following parcels of real property and the improve-
4 ments thereon, all in and forming a part of the city of Des Moines,
5 Iowa, to wit:

6 I. Lots 1 through 28, inclusive, Block 23, Stewart's Addition.

7 II. Lots 11 through 21, inclusive, Block 22, Stewart's Addition and
8 Lots 1 through 4, Edworthy Place.

1 SEC. 2. The executive council may employ special counsel, bring
2 legal actions and pursue same to ultimate conclusion and do all things
3 necessary to comply with the directive of this Act.

1 SEC. 3. There is hereby appropriated to the executive council from
2 any moneys in the general fund not otherwise appropriated, such
3 amounts as necessary to comply with sections one (1) and two (2)
4 hereof.

1 SEC. 4. The executive council is further authorized and directed to
2 purchase, or secure options on, the following parcels of real property
3 with improvements thereon all in and forming a part of the city of
4 Des Moines, Iowa, to wit:

5 III. Lots 1 through 28, Block 24, Stewart's Addition.

6 IV. Lots 1, 2 and 3, Block 19, Stewart's Addition and Lots 1 through

- 7 11, Block 10, H. Lyon's Addition.
 8 V. Lots 1 through 6, Block 5, Allen, Polk and Hubbell's Replat. Lots
 9 1 through 10, Clark's Subdivision.
 10 VI. Lots 1 through 12, Subdivision of Block 4, Allen, Polk and Hub-
 11 bell's Replat.
 12 Lots 14 and 15, Block 4, Allen, Polk and Hubbell's Replat.
 13 VII. Lots 1 through 5, Official Plat S.E. $\frac{1}{4}$, Section 3, Township 78,
 14 Range 24, W. of 5th P.M.
 15 Lots 1 through 16, Block 7, Allen, Polk and Hubbell's Replat.
 16 VIII. Lots 1 through 16 and Lot 20, Block 8, Allen, Polk and Hub-
 17 bell's Replat.
 18 Lots 1 through 55, Official Plat S.E. $\frac{1}{4}$, Section 3, Township 78,
 19 Range 24, W. of 5th P.M.
 20 Lots 1 through 6, J. E. Hendrick's Subdivision of Lot 3, Block 9,
 21 Scott's Addition.
 22 Lots 2 and 4, J. E. Hendrick's Subdivision of Lot 9, Block 9, Scott's
 23 Addition.
 24 IX. Lots 1 through 16, Block L, Griffith Addition, No. 2.
 25 X. Lots 1 through 10, Block 22, Part of Stewart's Addition.
 26 Lots 1 through 14, Block 2, Allen, Polk and Hubbell's Replat.

1 SEC. 5. There is hereby appropriated to the executive council from
 2 any money in the general fund not otherwise appropriated, such
 3 amounts as necessary to acquire the real property described in section
 4 four (4) hereof.

Approved May 6, 1965.

CHAPTER 483

CAPITOL GROUNDS EXTENSION

H. J. R. 27

A JOINT RESOLUTION amending House Joint Resolution 17 of the 61st General Assembly by implementing and defining the powers of the executive council in the acquisition of additional land for capitol grounds.

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

- 1 SECTION 1. House Joint Resolution 17 of the 61st General Assem-
 2 bly is hereby amended by adding the following new section:
 3 "Sec. 6. In addition to its other powers, the executive council shall
 4 have the following powers so as to proceed with the acquisition of
 5 additional land for the Capitol grounds:
 6 1. It shall have the authority to pay for all expenses incidental to
 7 the purchase of real property and improvements, including abstract-
 8 ing, real estate fees and legal fees.
 9 2. It shall have the authority to manage, rent, or otherwise use any
 10 of said property.
 11 3. It shall have the authority to purchase encumbered property and
 12 dispose of, or contract for the disposal of, such encumbrances.
 13 4. It shall have the authority to contract for and pay for reasonable
 14 option agreements."

Approved July 1, 1965.

CHAPTER 484

COURT STUDY COMMITTEE CONTINUED

S. J. R. 26

A JOINT RESOLUTION to continue the interim committee to study the court system of Iowa (created pursuant to S. J. R. 18, 60th General Assembly.)

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

1 SECTION 1. The Iowa Court Study Commission created by Chapter
2 376 of the Acts of the 60th General Assembly is continued in existence
3 until the convening in regular session of the 62nd General Assembly.

1 SEC. 2. Vacancies occurring in the commission shall be filled in the
2 manner that original appointments were made.

1 SEC. 3. The sum of three thousand (3,000) dollars or so much
2 thereof as is necessary is appropriated for the expenses of such com-
3 mission.

Approved June 3, 1965.

CHAPTER 485

STUDY OF TAX STRUCTURE

H. J. R. 28

A JOINT RESOLUTION relating to the establishment of a study of the tax structure of the state of Iowa, and to make an appropriation therefor.

WHEREAS, there have been a number of committees established in the past which have studied and submitted reports and recommendations on the tax structure of the state, and

WHEREAS, the majority of the studies have been able to concentrate only on specific areas of the tax structure of the state rather than having the time to make a concerted, detailed, and thorough study of all tax policies and programs affecting the state and governmental units thereof, and

WHEREAS, it is generally recognized throughout the state that there is a great need to revise the tax structure of Iowa for the purpose of equalizing the obligation of the payment of state and local taxes and to properly proportion the tax burden among the taxpayers of the state, NOW THEREFORE

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

1 SECTION 1. There is hereby appropriated to the office of the gov-
2 ernor from the general fund of the state the sum of fifty thousand
3 (50,000) dollars or so much thereof as shall be necessary, from which
4 the governor shall contract for and employ such professional, tech-
5 nical, and other staff assistance as shall be necessary to conduct a
6 thorough study and evaluation of the need for revising and equalizing
7 the tax structure of the state of Iowa. Those responsible for the study
8 shall have access to all public records and shall be given the coopera-
9 tion of all public officials including all personnel of state universities

10 and colleges. The governor may establish such advisory committees
 11 as may be necessary to carry out the purpose of this Act. The governor
 12 shall prior to July 1, 1966 submit a report to the general assembly on
 13 the results of the study, which report shall include recommendations
 14 for any needed changes in the tax structure of the state. All recom-
 15 mendations shall be accompanied by bills, where necessary, and copies
 16 of such bills shall be made part of the report.

1 SEC. 2. This Act, being deemed of immediate importance, shall be
 2 in full force and effect from and after its publication in The Onawa
 3 Weekly Democrat, a newspaper published in Onawa, Iowa, and in The
 4 Algona Upper Des Moines, a newspaper published in Algona, Iowa.

Approved June 7, 1965.

I hereby certify that the foregoing Act, House Joint Resolution 28, was published in The Onawa Weekly Democrat, Onawa, Iowa, June 17, 1965, and in The Algona Upper Des Moines, Algona, Iowa, June 15, 1965.

GARY L. CAMERON, *Secretary of State.*

CHAPTER 486

FAIR AND FOOD EXPOSITION STUDY

H. J. R. 26

A JOINT RESOLUTION to establish an Iowa State Fair and World Food Exposition Study Committee and to provide an appropriation therefor.

WHEREAS, the state fairgrounds and facilities thereon are in need of considerable repair and expansion, and

WHEREAS, there is a growing interest throughout the state in moving the fairgrounds to a new location which will permit greater and expanded services by the state fair board, and

WHEREAS, there has been some discussion that Iowa should take the initiative in serving as host for a world food exposition if the state fairgrounds are expanded, and

WHEREAS, it is believed that a study should be conducted to determine whether the state fairgrounds should be expanded at its present location or moved to another location, and whether Iowa should consider the possibility of holding a world food exposition, NOW THEREFORE,

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

1 SECTION 1. There is hereby established an interim study commit-
 2 tee which shall be known as the "Iowa State Fair and World Food
 3 Exposition Study Committee" and which shall be composed of ten (10)
 4 members. Membership on the committee shall include the president
 5 and secretary of the Iowa state fair board, the director of the Iowa
 6 development commission, the president of Iowa state university, the
 7 secretary of the state department of agriculture, the director of the
 8 Iowa marketing division of the state department of agriculture, two
 9 (2) senators named by the president of the senate, and two (2) repre-

10 representatives named by the speaker of the house. One (1) such senator
11 and representative so appointed shall be appointed from the minority
12 party.

1 SEC. 2. The committee shall hold its organizational meeting within
2 one (1) month after adjournment of the regular session of the Sixty-
3 first (61st) General Assembly and shall meet thereafter at such times
4 as committee members deem necessary. The committee shall choose a
5 chairman from its members and shall adopt rules for the conduct of its
6 meetings. The committee is authorized to use the personnel and facil-
7 ities of any agency of the state. The state fair board shall provide
8 such aid and assistance to the committee as shall be necessary to con-
9 duct the business of the committee.

1 SEC. 3. The committee shall explore the necessity of expanding or
2 relocating the state fairgrounds and the advisability of the state acting
3 as host for a world food exposition. Committee members shall inquire
4 into the possibility of obtaining support from the United States de-
5 partment of state, private industry, and the people of Iowa in sponsor-
6 ing the exposition and shall gather such data as shall be necessary to
7 determine the feasibility of holding the exposition in Iowa. In making
8 the determination on the relocation of the state fairgrounds or the
9 expansion of the fairgrounds in the present location, the committee
10 shall determine what new buildings are needed at the present site, the
11 cost of improving and maintaining present buildings, the cost of re-
12 locating the fairgrounds, obtain estimates of the resale value of the
13 present fairgrounds, and such other information as the committee
14 deems necessary.

1 SEC. 4. The committee shall make a final report of its work to the
2 Sixty-second (62nd) General Assembly prior to January 1, 1967. All
3 recommendations of the committee shall be accompanied by bills,
4 where necessary.

1 SEC. 5. There is hereby appropriated from any funds of the state
2 not otherwise appropriated the sum of three thousand (3,000) dollars,
3 or so much thereof as may be necessary, to carry out the provisions of
4 this Act. Members of the committee who are not full time state em-
5 ployees shall be reimbursed for all travel and other necessary expenses
6 and shall be paid from the funds herein appropriated. All expenses
7 shall be paid on vouchers approved by the chairman or secretary of
8 the committee and audited according to law.

Approved June 30, 1965.

CHAPTER 487

RULES OF CIVIL PROCEDURE

S. F. 355

AN ACT relating to the Rules of Civil Procedure to changes therein reported by the Supreme Court of Iowa and amending rule two hundred fifteen point one (215.1) thereof.

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

1 SECTION 1. The changes in rules of civil procedure reported to the
2 61st General Assembly by the supreme court on January 28, 1965 and
3 printed in the journals of the house of representatives and senate of
4 said assembly on that date are hereby disapproved in each and every
5 item, except the revision of rule one hundred twenty-three (123) and
6 the proposed new rule two hundred fifty-three point one (253.1) which
7 rules are approved.

1 SEC. 2. Rule of Civil Procedure number two hundred fifteen point
2 one (215.1) is amended by adding at the end thereof the following:

3 "The trial court may, in its discretion, and shall upon a showing
4 that such dismissal was the result of oversight, mistake or other rea-
5 sonable cause, reinstate the action or actions so dismissed. Application
6 for such reinstatement, setting forth the grounds therefor, shall be
7 filed within six months from the date of dismissal."

Approved April 12, 1965.

CHAPTER 488

RULES OF CIVIL PROCEDURE

[See also amendment to Rule 215.1 by chapter 487]

IN THE MATTER OF	REPORT OF
THE	THE SUPREME COURT
RULES OF CIVIL PROCEDURE	OF
	THE STATE OF IOWA

To the Sixty-first General Assembly of the State of Iowa:

1 I.
2 The Supreme Court, on recommendation of its Advisory Committee
3 on Rules of Civil Procedure, has prescribed and, pursuant to Section
4 684.19, Code of Iowa 1962, reports to you rules and amendments to
5 existing rules as follows:

6 Rule 199. Separation and deliberation of jury.

[This rule was rejected, see ch. 487]

7 Rule 199 (b) is revised to read:

8 (b) On final submission, the jury shall retire for deliberation, and
9 be kept together in charge of an officer until they agree on a verdict
10 or are discharged by the court, unless the court permits the jurors to
11 separate temporarily overnight, on weekends or holidays, or in emer-

12 gencies. During their deliberations, the officer in charge must not
 13 suffer any communication to be made to them, nor make any himself,
 14 except to ask them if they have agreed on a verdict, unless by order
 15 of court; nor communicate to any person the state of their delibera-
 16 tions, or the verdict agreed upon before it is rendered.

17 **Rule 187. Impaneling jury.**

[This rule was rejected, see ch. 487]

18 **Rule 187 (b) is revised to read:**

19 (b) *Oath and examination.* The prospective jurors shall be sworn.
 20 The court shall initiate the voir dire examination by identifying the
 21 parties and their respective counsel and briefly outlining the nature
 22 of the case. The court shall then put to the jurors any questions it
 23 thinks necessary as to their qualifications to serve as jurors in the
 24 case on trial. The parties shall be allowed a reasonable opportunity
 25 to supplement such examination. The court may on its own motion
 26 exclude any juror.

27 **Rule 123 is revised to read:**

28 **123. Objections—time to answer.** The clerk shall deliver the copy
 29 of the interrogatories as provided in rule 82. The party to whom the
 30 interrogatories are directed shall file either answers thereto or ob-
 31 jections to their propriety within seven days after they are filed,
 32 unless the court for good cause, but not ex parte, shall enlarge the
 33 time. If objections are filed to any of the interrogatories, any re-
 34 quired answer to those to which objections are made shall be deferred
 35 until seven days after the objections are ruled upon unless otherwise
 36 ordered by the court. This rule shall not limit the right to object to
 37 the answers if offered in evidence.

[This rule was approved, see ch. 487]

38 **Rule 253.1 reading as follows is prescribed:**

39 **253.1. Disposition of Exhibits.** One year after the final deter-
 40 mination of a case, the clerk may destroy all exhibits filed with him
 41 provided that he shall notify all counsel of record in writing that the
 42 exhibits will be destroyed unless receipted for within sixty days
 43 thereafter.

[This rule was approved, see ch. 487]

44

II.

[All rules under this division were rejected, see ch. 487]

45 The Supreme Court, on recommendation of the Court Study Com-
 46 mission created by the Sixtieth General Assembly, has prescribed
 47 and, pursuant to Section 684.19, Code of Iowa 1962, reports to you
 48 rules and amendments to existing rules as follows:

49 **Rules 373 through 377 reading as follows are prescribed:**

50 **373. Administration in state.** The chief justice shall exercise a
 51 continuing supervision for the supreme court over all courts within
 52 this state and the officers and employees thereof, including judges,
 53 justices of the peace, magistrates and other court personnel so that
 54 all courts throughout the state shall administer justice effectively,
 55 speedily, efficiently, economically and in accordance with the highest
 56 standards of justice and service. The chief justice shall have author-

57 ity to make orders to achieve such ends, including authority to tem-
58 porarily transfer judges and judicial personnel from one judicial
59 district to another and superior authority to make any order which a
60 chief judge may make. All judges, court officials and personnel shall
61 comply accordingly.

62 **374. Chief judges.** For administrative purposes, the chief justice
63 shall appoint one of the district judges in each judicial district as
64 chief judge in and for such district, who shall hold said office at the
65 pleasure of the chief justice.

66 **375. Administration in districts.** Chief judges, in addition to
67 their duties as district court judges, shall exercise continuing super-
68 vision within their respective districts over all judicial officers of the
69 district court and officers and employees of such court to achieve the
70 end stated in Rule 373, including the power to fix and designate times
71 and places of holding court sessions, the judicial officers to preside
72 thereat, to prescribe the work of such judicial officers, and to direct
73 and supervise all other judicial business of every kind of such court
74 within said district. They shall conduct judicial conferences within
75 their respective districts and make such orders as necessary for the
76 administration of said court. All such court personnel shall comply
77 accordingly.

78 **376. Court and trial sessions.** Chief judges shall order court ses-
79 sions in each county as follows:

80 (a) Court sessions by district judges in each county at regular
81 intervals, weekly or semi-monthly, stated in advance and for such
82 duration as needed to achieve the ends stated in Rule 373.

83 (b) Trial sessions by district judges in each county needed to
84 achieve such ends and to promptly and efficiently dispose of pending
85 cases which are ready for trial.

86 **377. Judicial Council.** There is hereby created a judicial council
87 composed of the chief judge in each district in this state and the
88 chief justice, or a member of the supreme court designated by him,
89 who shall be chairman. The council shall convene not less than twice
90 annually, at such time as the chairman shall designate and at such
91 other times as he shall order. It shall advise and consult with refer-
92 ence to administrative rules, regulations, directives and all other
93 matters required to bring about and achieve the ends stated in Rule
94 373; and consider and propose to the supreme court such adminis-
95 trative rules and adopt such directives as shall be appropriate to
96 promote the effective administration of justice within this state.

97 **Rule 117. Motion day—disposition of motions.**

98 Rule 117 (a) is amended as follows:

99 1. Strike the word "judges" from line one (1) and insert in lieu
100 thereof the words "chief judge".

101 2. Strike the word "rule" from line two (2) and insert in lieu there-
102 of the word "order".

103 3. Strike the word "one" from line two (2) and insert the word
104 "two".

105 4. Strike the word "day" from line two (2) and insert in lieu there-
106 of the word "days".

107 5. Strike the words "on file ten days or more" from line five (5).
 108 Rule 117 (d) is amended by inserting at the end thereof the follow-
 109 ing "and including 'motions' as defined by Rule 109."

110 Rule 181.2 **Trial assignments.**

111 Rule 181.2 (a) is amended as follows:

112 1. Strike the words "District and superior courts" from line one (1)
 113 and insert in lieu thereof the words "The chief judge".

114 2. Strike the word "rule" from line two (2) and insert in lieu there-
 115 of the word "order".

116 3. Following the word "day" in line two (2) insert the words "in
 117 each county".

118 Rule 181.2 (b) is amended as follows:

119 1. Strike the word "courts" from line two (2) and insert in lieu
 120 thereof the words "the chief judge".

121 2. Strike the words "adopt local rules" from line two (2) and insert
 122 in lieu thereof the words "make orders".

123 Rule 181.2 (c) is amended by striking the words "except when the
 124 court orders a change to a day other than prescribed by local rule"
 125 from lines three (3), four (4) and five (5).

126

III.

[All rules under this division were rejected, see ch. 487]

127 The Legislative Court Study Commission in Part I of its report
 128 dealing with Court Structure has recommended the creation of a
 129 unified trial court. The report recommends, as an essential adjunct
 130 to such unification, a simplified procedure for the enforcement of
 131 small claims. The legislature must act on certain recommended bills
 132 before a unified court can be established. However, the rules of pro-
 133 cedure for a small claims action are the proper subjects of the rule
 134 making authority of the supreme court. The commission has set out,
 135 commencing on page 15 in Part I of its report, the small claims rules
 136 and has submitted them to the supreme court for action.

137 Section 684.19 of the 1962 Code of Iowa requires the supreme court
 138 to report any rules or forms which it may prescribe to the General
 139 Assembly within 20 days after the commencement of the regular
 140 session. It is highly unlikely that the legislature will have completed
 141 action on this important proposition within that time, but it is essen-
 142 tial that the small claims rules be effective if the legislature does act
 143 favorably on the proposition of the unified court during this session.
 144 Therefore, the supreme court on recommendation of the Court Study
 145 Commission, has prescribed rules for the enforcement of small claims
 146 to be effective only in the event the Sixty-first General Assembly in
 147 regular session adopts legislation creating a unified trial court system.
 148 Pursuant to Section 684.19 Code of Iowa 1962, these rules, intended
 149 to constitute an additional division to the existing Rules of Civil Pro-
 150 cedure, are reported to you as follows:

151

DIVISION XX

152

SMALL CLAIMS

[All rules under this division were rejected, see ch. 487]

153 Rule 378. **Commencement, Docket.** Civil actions in which the

154 amount in controversy in money or value is less than \$300, exclusive
 155 of interest and costs, shall be known as small claims. All such actions
 156 shall be commenced by the filing of an original notice with the clerk
 157 and by the mailing by the clerk of a copy of same to each defendant
 158 at his last known address, as stated in the original notice, by re-
 159 stricted, certified mail, return receipt to the clerk requested. Instead
 160 of such mailing, the plaintiff may, after filing the original notice with
 161 the clerk, cause a copy of same to be served on all or some defendants
 162 in the manner provided in Division III of these rules, whereupon
 163 Rules 48 and 49 shall be applicable as to the defendants to be so
 164 served. The clerk shall maintain a book known as the small claims
 165 docket, which shall contain as to small claims the matters contained
 166 in the combination docket as to regular civil actions.

167 Rule 379. **Original Notice.** The original notice must be mailed
 168 or otherwise served not less than 10 days prior to the hearing date.
 169 The original notice and copies shall be signed by the plaintiff, either
 170 in person or by attorney, and shall be in substantially the following
 171 form:

172 IN THE DISTRICT COURT OF IOWA
 173 IN AND FOR COUNTY

174	}	Small Claim No.
	Plaintiff(s)		
175		
	Address of each plaintiff		
176	vs.		
177		
	Defendant(s)		
178		
	Address of each defendant		

179 ORIGINAL NOTICE

180 To the above named defendant(s) :

181 YOU ARE HEREBY NOTIFIED that the above named plaintiff(s)
 182 demands of you
 183 (1. If demand is for money, state amount; 2. If demand is for
 184 something else, state briefly what is demanded and its value in money; 3. If both
 185 money and something else are demanded, state both 1 and 2) based on (State
 186 briefly the basis for the demand)

187 and that unless you appear and defend before the above named court
 188 at in Iowa, at o'clock
 (Place) (City or Town)
 189M. on the day of, 19....., judgment
 190 will be rendered against you for the relief demanded, together with
 191 interest and court costs.

192
 Plaintiff(s)

193 Rule 380. **Function of Clerk.** The clerk shall furnish forms of
 194 original notice and shall assist in their preparation if requested to

195 do so. At the time of filing, the clerk shall enter on the original notice
196 and the copies to be served the file number and the time and place of
197 hearing, which shall be a time when small claims are scheduled to be
198 heard not less than 10 nor more than 20 days after the date on which
199 the notice will be mailed or otherwise served. The clerk shall mail a
200 copy of the original notice to each defendant by restricted, certified
201 mail, return receipt to the clerk requested, except for defendants
202 whom the plaintiff wishes to serve under Division III of these rules.

203 **Rule 381. Fees.** Before filing the original notice, the clerk shall
204 collect a fee of \$1 and the cost of mailing the notice, when it is to be
205 mailed. If the plaintiff wishes to serve the notice under Division III
206 of these rules, the person serving or publishing the same may require
207 advance payment of his fee and mileage.

208 **Rule 382. Pleadings.** Except as provided in rules 379 and 383,
209 there shall be no written pleadings or motions unless the court in the
210 interest of justice requires them, in which event they shall be similar
211 in form to the original notice.

212 **Rule 383. Joinder, Counterclaim, Cross Claim, Intervention.**

213 (a) Division II of these rules and rule 75 shall be applicable to
214 small claims actions.

215 (b) In small claims actions, if a party joins a small claim with one
216 which is not a small claim, the court shall (1) order the small claim
217 to be heard under this division and dismiss the other claim without
218 prejudice, or (2) as to parties who have appeared or are existing
219 parties, either (a) order the small claim to be heard under this divi-
220 sion and the other claim to be tried by regular procedure or (b)
221 order both claims to be tried by regular procedure.

222 (c) In small claims actions, a counterclaim, cross claim, or inter-
223 vention in the amount of a small claim shall be in writing and similar
224 in form to the original notice, and shall be entitled Original Notice
225 of Counterclaim, of Cross Claim, or of Intervention, as the case may
226 be. A copy shall be filed for each existing party. New parties may be
227 brought in without order and shall be served with notice as provided
228 in rules 378 and 379; and if notice is to be served by mail the clerk
229 shall collect the cost of mailing before filing the pleading. The clerk
230 shall furnish forms of such pleadings and shall assist in their prepa-
231 ration if requested to do so. No counterclaim is necessary to assert
232 an offset arising out of the subject of the plaintiff's claim.

233 (d) In small claims actions, a counterclaim, cross claim, or inter-
234 vention not in the amount of a small claim shall be in the form of a
235 regular pleading. A copy shall be filed for each existing party. New
236 parties, when permitted by order, may be brought in under rule 34
237 and shall be given notice under Division III of these rules. The court
238 shall either (1) order such counterclaim, cross claim, or intervention
239 to be tried by regular procedure and the other claims to be heard
240 under this division, or (2) order the entire action to be tried by regu-
241 lar procedure.

242 (e) In regular actions, when a party joins a small claim with one
243 which is not a small claim, regular procedure shall apply to both
244 unless the court transfers the small claim to the small claims docket
245 for hearing under this division.

246 (f) In regular actions, a counterclaim, cross claim, or intervention
247 in the amount of a small claim shall be pleaded, tried, and determined
248 by regular procedure, unless the court transfers such small claim to
249 the small claims docket for hearing under this division.

250 (g) Pleadings which are not in correct form under this rule shall
251 be ordered amended so as to be in correct form; but a small claim
252 which is proceeding under this division need not be amended although
253 in the form of a regular pleading.

254 (h) Copies of any papers filed by the parties, which are not re-
255 quired to be served, shall be mailed or delivered by the clerk as pro-
256 vided in rule 82.

257 **Rule 384. Proof of Service.** At the time for hearing, the court
258 or clerk shall first determine that proper notice has been given a
259 party before proceeding further as to him, unless he has appeared or
260 is an existing party, and also that the action is properly brought as a
261 small claim.

262 **Rule 385. Default.** Unless good cause to the contrary appears,
263 (1) if the parties fail to appear at the time of hearing, the claim shall
264 be dismissed without prejudice by the court or clerk; (2) if the plain-
265 tiff fails to appear but the defendant appears, the claim shall be dis-
266 missed with prejudice by the court or clerk; and (3) if the plaintiff
267 appears but the defendant fails to appear, judgment shall be rendered
268 against the defendant by the court, or by the clerk if the relief to be
269 granted is readily ascertainable.

270 **Rule 386. Hearing.** The time for appearance shall be the time
271 for hearing. The hearing shall be to the court, shall be simple and
272 informal, and shall be conducted by the court itself, without regard
273 to technicalities of procedure; but the decision must be based on sub-
274 stantial evidence. The court shall swear the parties and their wit-
275 nesses, and examine them in such way as to bring out the truth. The
276 parties may participate, either personally or by attorney. The court
277 may continue the hearing from time to time if justice requires. The
278 proceedings shall not be reported unless a party provides a reporter
279 at his own expense or the parties by agreement cause the proceedings
280 to be electronically reported, but there shall be no delay for such
281 purpose.

282 **Rule 387. Judgment, Minutes.**

283 (a) The judgment shall be entered in a space on the original notice
284 first filed, and the clerk shall immediately enter the judgment in the
285 small claims docket and district court lien book. Such relief shall be
286 granted as is appropriate. The court may enter judgment for install-
287 ment payments; and in such event execution shall be suspended as
288 long as such payments are made, but execution shall issue for the full
289 unpaid balance of the judgment upon the filing of an affidavit of
290 default as to any part of an installment. When entered on the small
291 claims docket and district court lien book, a small claims judgment
292 shall constitute a lien to the same extent as regular judgments en-
293 tered on the district court judgment docket and lien book; but if a
294 small claims judgment requires installment payments, it shall not
295 constitute a lien for any amount until an affidavit of default is filed,

296 whereupon it shall constitute a lien for the full unpaid balance of the
297 judgment.

298 (b) Unless the hearing is reported, minutes of the testimony of
299 each witness and of any stipulations of the parties shall likewise be
300 entered on the original notice first filed; and the exhibits or copies
301 thereof shall be attached to such original notice or be filed, until
302 released by the court.

303 Rule 388. **Costs.** The actual expense of the prevailing party for
304 filing fee, mailing or otherwise serving original notice, and witness
305 fees and mileage, shall be taxed as costs. No other costs shall be
306 taxed except on order of court for good cause.

307 Rule 389. **Other Statutes and Rules.** Small claims shall be com-
308 menced, heard, and determined in accordance with this division.
309 Other statutes and rules relating to civil proceedings shall apply, but
310 only insofar as not inconsistent with this division. Service of original
311 notice according to rule 56 or 378 supersedes the need of its publica-
312 tion, whether the party served is or resides within or without Iowa.
313 Small claims on file for 90 days and not determined shall be dismissed
314 without prejudice unless prior thereto a party secures an order of
315 continuance to a date certain after notice and hearing, upon a ground
316 stated in rule 215.1. Actions in probate involving the amount of a
317 small claim shall be heard and determined under this division and
318 may be commenced hereunder; if commenced as a regular civil action
319 or under the statutes relating to probate proceedings, they shall be
320 transferred to the small claims docket and proceed accordingly. Civil
321 actions coming within this division but commenced in the regular way
322 shall not be dismissed but shall be transferred to the small claims
323 docket and proceed accordingly. Civil and probate actions not coming
324 within this division but commenced hereunder shall be dismissed
325 without prejudice except for defendants who have appeared, as to
326 whom such actions shall be transferred to the combination or probate
327 docket, as the case may be, and proceed accordingly.

328 If the Sixty-first General Assembly fails to create a unified trial
329 court system, the "small claims" rules appearing in this part III of
330 the report to you shall be void and of no effect.

331

Respectfully submitted,

332

THE SUPREME COURT OF IOWA

333

s/ T. G. Garfield

334

CHIEF JUSTICE

335 Des Moines, Iowa

336 January 28, 1965

337

ACKNOWLEDGEMENTS

338 I, Robert G. Moore, Secretary of the Senate of the State of Iowa,
339 hereby acknowledge delivery to me on the 28th day of January, 1965,
340 of the foregoing report of the Supreme Court of Iowa pertaining to
341 the Rules of Civil Procedure.

342

s/ ROBERT G. MOORE

343

Secretary of the Senate

344

Sixty-first General Assembly

345

of the State of Iowa

346 I, William R. Kendrick, Chief Clerk of the House of Representa-
 347 tives of the State of Iowa, hereby acknowledge delivery to me on the
 348 28th day of January, 1965, of the foregoing report of the Supreme
 349 Court of Iowa pertaining to the Rules of Civil Procedure.

350 s/ WILLIAM R. KENDRICK
 351 Chief Clerk of the House
 352 of Representatives,
 353 Sixty-first General Assembly
 354 of the State of Iowa

355 CERTIFICATE

356 I, Robert D. Fulton, do hereby certify that I am the President of
 357 the Senate of the Sixty-first General Assembly of the State of Iowa ;
 358 and I, Robert G. Moore, do hereby certify that I am the Secretary of
 359 the Senate of the Sixty-first General Assembly of the State of Iowa,
 360 and we do hereby jointly certify that as such President and Secretary
 361 that on the 28th day of January, 1965, the Supreme Court of the State
 362 of Iowa reported to said Senate, and filed with it, the attached and
 363 foregoing modifications, amendments, revisions and additions to the
 364 Rules of Civil Procedure, heretofore reported by said Supreme Court
 365 to the Fiftieth General Assembly of the State of Iowa ;

366 That the date of making said report to the Sixty-first General
 367 Assembly was within the twenty days subsequent to the convening of
 368 the regular session of the Sixty-first General Assembly ;

369 That no other report pertaining to the Rules of Civil Procedure
 370 was made or filed by said Supreme Court with said Senate ;

371 That there was enacted at such regular session of the Sixty-first
 372 General Assembly an Act known as Senate File 355, wherein all of
 373 said rules were rejected by the General Assembly with the exception,
 374 the revision of rule one hundred twenty-three (123) and the pro-
 375 posed new rule two hundred fifty-three point one (253.1) were
 376 approved. Also at said regular session by said Act an amendment to
 377 existing rule number two hundred fifteen point one (215.1) was
 378 enacted.

379 That no other or different changes, modifications, amendments,
 380 revisions or additions to the Rules of Civil Procedure were made or
 381 enacted at such regular session of said Sixty-first General Assembly.

382 Signed this 4th day of June, 1965, being the last legislative day of
 383 the Sixty-first General Assembly.

384 s/ ROBERT D. FULTON
 385 President of the Senate

386 s/ ROBERT G. MOORE
 387 Secretary of the Senate

388 SENATE
 389 Sixty-first General Assembly
 390 of the State of Iowa

391

CERTIFICATE

392 I, Vincent B. Steffen, do hereby certify that I am the Speaker of
 393 the House of Representatives of the Sixty-first General Assembly of
 394 the State of Iowa; and I, William R. Kendrick, do hereby certify that
 395 I am the Chief Clerk of the House of Representatives of the Sixty-
 396 first General Assembly of the State of Iowa, and we do hereby jointly
 397 certify that as such Speaker and Chief Clerk that on the 28th day of
 398 January, 1965, the Supreme Court of the State of Iowa reported to
 399 said House of Representatives, and filed with it, the attached and
 400 foregoing modifications, amendments, revisions and additions to the
 401 Rules of Civil Procedure, heretofore reported by said Supreme Court
 402 to the Fiftieth General Assembly of the State of Iowa;

403 That the date of making said report to the Sixty-first General
 404 Assembly was within the twenty days subsequent to the convening of
 405 the regular session of the Sixty-first General Assembly;

406 That no other report pertaining to the Rules of Civil Procedure
 407 was made or filed by said Supreme Court with said House of Repre-
 408 sentatives;

409 That there was enacted at such regular session of the Sixty-first
 410 General Assembly an Act known as Senate File 355, wherein all of
 411 said rules were rejected by the General Assembly with the exception,
 412 the revision of rule one hundred twenty-three (123) and the pro-
 413 posed new rule two hundred fifty-three point one (253.1) were
 414 approved. Also at said regular session by said Act an amendment to
 415 existing rule number two hundred fifteen point one (215.1) was
 416 enacted.

417 That no other or different changes, modifications, amendments,
 418 revisions or additions to the Rules of Civil Procedure were made or
 419 enacted at such regular session of said Sixty-first General Assembly.

420 Signed this 4th day of June, 1965, being the last legislative day of
 421 the Sixty-first General Assembly.

422

s/ VINCENT B. STEFFEN
 Speaker of the House

423

424

s/ W. R. KENDRICK
 Chief Clerk of the House

425

426

HOUSE OF REPRESENTATIVES
 Sixty-first General Assembly
 of the State of Iowa

427

428

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MEMORIALS TO THE CONGRESS OF THE UNITED STATES

SENATE CONCURRENT RESOLUTION 4

By Walker

Whereas, The Supreme Court of the United States has decreed, under present constitutional provisions, that the legislatures of the several states should be apportioned in both houses on a population basis; and

Whereas, There is now pending in most states legislation to apportion on various bases including some with one house on population and the other on area or some other consideration; and

Whereas, Most national and international legislative bodies are based in some degree on other considerations than population, including the United Nations Assembly wherein population is not considered as a factor and the Congress of the United States wherein only one house is based on population; and

Whereas, It is the considered opinion of the legislative body that in the reapportionment of the state legislatures some other consideration than population should in all cases be used in assigning representation in one of the houses, Now, Therefore,

Be It Resolved by the Senate of the Sixty-first General Assembly of the State of Iowa, the House Concurring: That the Congress of the United States should at once initiate the passage of a constitutional amendment declaring the principle of legislative representation in each state, of one house to be based on population and the other house to be based on other considerations, including area and economic factors, and

Be It Further Resolved, That an attested copy of this Resolution be forwarded at once to each member of the Iowa delegation in the House of Representatives and the Senate in Congress; to the President and Vice President of the United States; to the Majority and Minority Leaders in both houses of the Congress of the United States, and to the Secretary of the Senate and the Chief Clerk of the House of Representatives of the Congress of the United States.

SENATE CONCURRENT RESOLUTION 14

By Schroeder, Van Gilst, Reno, Elvers, Nurse,
Patton, Lodwick, Shoeman and Kyhl

Whereas, recent decisions of the Supreme Court have construed the Fourteenth Amendment as requiring that the seats in both houses of a state legislature must be apportioned on a population basis with representatives selected from districts of as nearly equal population as practicable; and

Whereas, since the founding of this country it has been customary for the states, and in accord with the structure of the Congress under the Constitution, to consider factors other than population alone in the apportionment of seats in one house of their respective legislative bodies;

Now, Therefore, Be It Resolved by the Senate, the House of Representatives Concurring of the Sixty-first General Assembly of Iowa that this legislature respectfully applies to the Congress of the United States to call a convention for the purpose of proposing the following article as an amendment to the Constitution of the United States.

“Article

“Section 1. Nothing in this Constitution shall prohibit any state which shall have a bicameral legislature from apportioning the membership of one house of such legislature on factors other than population, provided that the plan of such apportionment shall have been submitted to and approved by a vote of the electorate of that state.

Section 2. Nothing in this Constitution shall restrict or limit a state in its determination of how membership of governing bodies of its subordinate units shall be apportioned.

Section 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several states within seven years from the date of its submission to the states by the Congress.”

Be It Further Resolved that if Congress shall have proposed an amendment to the Constitution identical with that contained in this resolution prior to June 1, 1965, this application for a Convention shall no longer be of any force or effect.

Be It Further Resolved that a duly attested copy of this resolution be immediately transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States and to each member of the Congress from this state.

SENATE CONCURRENT RESOLUTION 16

By Lodwick, Rigler, Shoeman, Griffin, DeKoster,
Schroeder, Van Gilst, Hill, Reno, McGill, Stephens,
Beneke, Nurse, Benda, Main, Kruck, Nims,
Shirley, Mills, Walker, Messerly, Flatt, Shaff,
Lange, Lucken, Hagie, Briles and Kyhl

Whereas, the qualifications for members of the United States Senate are designated in the Constitution of the United States, and

Whereas, the Constitution of the United States requires that only inhabitants of a state shall be elected to the Senate of the United States by the citizens of the state, and

Whereas, the practice of an individual from one state establishing a residence in another state for the sole purpose of becoming eligible to campaign for office of United States senator in the second state has been noticeably increasing in recent elections, and

Whereas, this practice is being questioned by some on whether a candidate for office of United States senator under such circumstances is actually an “inhabitant” of the state, especially in instances where the candidate has not resided in the state to qualify as a voter of such state, and

Whereas, this practice is being further questioned on whether a candidate for office of United States senator under such circumstances can effectively represent the citizens of that state without having previously lived in and without being familiar with the citizens and economy of the state; now therefore,

Be It Resolved by the Senate, the House Concurring, That the Congress of the United States be encouraged to amend the Constitution of the United States to change the requirements for election of United States senators to insure that a candidate for the office of senator has established residency in the state for a specific period of time or that a candidate be a qualified voter of the state from which he is being elected to represent.

MEMORIALS TO CONGRESS—Continued

Be It Further Resolved, That a copy of this resolution be forwarded by the Secretary of the Senate to the President of the United States, to the President of the Senate of the United States, and to the Speaker of the House of Representatives of the United States.

SENATE CONCURRENT RESOLUTION 21

By Hansen and Stanley

Whereas, fifteen (15) states observe daylight saving time on a statewide basis, and *Whereas*, sixteen (16) states observe daylight saving time but not on a statewide basis, and

Whereas, nineteen (19) states do not observe daylight saving time, and

Whereas, all of the fifteen (15) states observing daylight saving time on a statewide basis switch to daylight saving time on the last Sunday in April, and

Whereas, the states observing daylight saving time but not on a statewide basis use varying dates for switching to daylight saving time, and

Whereas, thirteen (13) of the fifteen (15) states observing daylight saving time on a statewide basis return to standard time on the last Sunday in October, and

Whereas, a great deal of confusion and inconvenience has arisen due to the differences in time between states and between different localities within a state that does not observe daylight saving time on a statewide basis, now therefore,

Be It Resolved by the Senate, the House Concurring, that the Congress of the United States be requested to enact a daylight saving time law that would make daylight saving time uniform throughout all of the states.

Be It Further Resolved, that a copy of this resolution be forwarded by the Secretary of the Senate, to the President of the United States, and to each member of the Senate and the House of Representatives of the United States.

Adopted: S. J. 794; H. J. 969.

SENATE CONCURRENT RESOLUTION 38

By DeKoster and Mills

Concurrent Resolution petitioning the Congress of the United States to call a Convention for proposing an amendment to the Constitution of the United States, unless Congress shall sooner have submitted such an amendment, to provide for the election of the President and Vice President in a manner fair and just to the people of the United States.

Whereas, under the Constitution of the United States Presidential and Vice Presidential Electors in the several states are now elected on a statewide basis, each state being entitled to as many electors as it has senators and representatives in Congress; and

Whereas, the Presidential and Vice Presidential Electors who receive the plurality of the popular vote in a particular state become entitled to cast the total number of electoral votes allocated to that state irrespective of how many votes may have been cast for other elector candidates; and

Whereas, this method of electing the President and Vice President is unfair and unjust in that it does not reflect the minority votes cast; and

Whereas, the need for a change has been recognized by members of Congress on numerous occasions through the introduction of various proposals for amending the Constitution;

Now, Therefore, Be It Resolved, by the Senate, the House of Representatives Concurring: That application is hereby made to Congress under Article V of the Constitution of the United States for the calling of a Convention to propose an Article of Amendment to the Constitution providing for a fair and just division of the electoral votes within the states in the election of the President and Vice President; and

Be It Further Resolved; That if and when Congress shall have proposed such an Article of Amendment this application for a Convention shall be deemed withdrawn and shall be no longer of any force and effect; and

Be It Further Resolved; That the proper officer of this state be and he hereby is directed to transmit copies of this application to the Senate and House of Representatives of the United States and to the several members of said bodies representing this state therein; also to transmit copies thereof to the legislature of all other states of the United States.

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