

17 the commission and shall contain such information as the commission
18 may reasonably require.

19 3. Any person who is required to have a safety certificate under
20 this Act and who has completed a course of instruction established
21 under section twelve (12) of this Act including the successful pas-
22 sage of an examination which includes a written test relating to such
23 course of instruction, shall be considered qualified to apply for a safety
24 certificate. The commission may waive the requirement of complet-
25 ing such course of instruction if such person successfully passes a
26 written test based on such course of instruction.

27 4. The permit fees collected under this section shall be credited to
28 the state conservation fund and shall be used for safety and educa-
29 tional programs.

30 5. A valid snowmobile safety certificate or license issued to a non-
31 resident by a governmental authority of another state shall be consid-
32 ered a valid certificate or license in this state if the permit or license
33 requirements of such governmental authority, excluding fees, are
34 substantially the same as the requirements of this Act as determined
35 by the commission.

Approved May 27, 1974

CHAPTER 1197

MOTOR VEHICLE DEALERS

H. F. 1188

AN ACT relating to the requirements, form, and content of motor vehicle dealer license applications and renewal applications and the approval of such applications.

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

1 SECTION 1. Section three hundred twenty-two point four (322.4),
2 subsection seven (7), Code 1973, is amended to read as follows:

3 7. ~~A financial statement of the applicant showing his true financial~~
4 ~~condition as of a date not more than six months prior to the date of~~
5 ~~such application.~~ Before the issuance of a motor vehicle dealer's
6 license to a dealer engaged in the sale of vehicles for which a certifi-
7 cate of title is required, under the provisions of chapter 321, the appli-
8 cant for such license shall furnish a surety bond executed by the ap-
9 plicant as principal and executed by a corporate surety company,
10 licensed and qualified to do business within this state, which bond
11 shall run to the state of Iowa, be in the amount of ~~ten~~ *twenty-five*
12 thousand dollars and be conditioned upon the faithful compliance by
13 said applicant as a dealer, if the license be issued to it or him, that
14 such dealer will comply with all of the statutes of this state regulat-
15 ing or being applicable to the business of said dealer as a dealer in
16 motor vehicles, and indemnifying any person dealing or transacting
17 business with said dealer in connection with any motor vehicle from
18 any loss or damage occasioned by the failure of such dealer to comply
19 with any of the provisions of chapter 321 and this chapter, including,

20 but not limited to, the furnishing of a proper and valid certificate of
 21 title to the motor vehicle involved in any such transaction, and that
 22 such bond shall be filed with the department prior to the issuance of
 23 license provided by law. The aggregate liability of the surety of all
 24 persons, however, shall in no event exceed the amount of said bond.

1 SEC. 2. Section three hundred twenty-two point six (322.6), un-
 2 numbered paragraph one (1), Code 1973, is amended to read as fol-
 3 lows:

4 The department ~~shall~~ *may* deny the application of any person for a
 5 license as a motor vehicle dealer and refuse to issue a license to him
 6 as such, if, after reasonable notice and a hearing, the department
 7 determines that such applicant:

1 SEC. 3. Section three hundred twenty-two point seven (322.7),
 2 subsection four (4), Code 1973, is amended to read as follows:

3 4. The motor vehicle dealer license provided for in this chapter shall
 4 be renewed annually ~~in the same manner and on~~ *upon application in*
 5 *such form and content as prescribed by the department and upon pay-*
 6 *ment of the same required fee as in the case of the original license.*
 7 Such renewal shall take effect on the first day of January of each year.

Approved March 29, 1974

CHAPTER 1198

MARKETING MOTOR FUEL

H. F. 1402

AN ACT to provide for fair trade practices in the marketing and distribution of motor fuel and special fuel and providing a penalty.

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

1 SECTION 1. NEW SECTION. **Definitions.** When used in this Act,
 2 unless the context otherwise requires:

3 1. "Distributor" means a person who holds a motor fuel distribu-
 4 tor's license or a special fuel distributor's license issued as provided in
 5 chapter three hundred twenty-four (324) of the Code.

6 2. "Franchiser" means a person who is engaged in the importation,
 7 refining or distribution of motor fuel or special fuel and who has en-
 8 tered into a distributor franchise or a dealer franchise.

9 3. "Distributor franchise" means a written agreement or contract,
 10 either written or oral, between a franchiser and a distributor when all
 11 of the following conditions are included:

12 a. A commercial relationship of definite duration or continuing in-
 13 definite duration is involved.

14 b. The distributor is granted the right to offer and sell motor fuel
 15 or special fuel that is imported, refined, or distributed by the fran-
 16 chiser.

17 c. The distributor, as an independent business, constitutes a compo-
 18 nent of the franchiser's distribution system.