

7 *substitute act for a period longer than one year, unless the substitute becomes a*
 8 *certified shorthand reporter of the state of Iowa within that one year, nor may the*
 9 *substitute be reappointed at the end of the one-year period, unless he or she becomes a*
 10 *certified shorthand reporter of the state of Iowa within that one year.*

1 SEC. 2. Section six hundred five point eight (605.8), unnumbered paragraphs
 2 two (2) and three (3), Code 1975, are amended to read as follows:

3 The base starting salary of a full-time certified shorthand reporter shall be
 4 ~~twelve~~ *fourteen* thousand dollars. The base salary may be increased by an amount
 5 not to exceed ~~five~~ *six* hundred dollars for each year of experience as a shorthand
 6 reporter. The maximum salary shall not exceed ~~sixteen~~ *eighteen* thousand ~~eight~~
 7 *hundred* dollars except as provided in this section.

8 Shorthand reporters ~~of the district court~~ who are employed on an emergency
 9 basis *in the district court* shall be paid a ~~forty-dollar~~ *not to exceed seventy-five*
 10 *dollars* per diem while employed by the court or while employed under the
 11 direction of the judge. The per diem shall be paid from the county treasury where
 12 the court is held, upon the certificate of the judge holding the court, or directing
 13 the employment. However, the maximum compensation for one-day attendance
 14 at court shall not exceed the per diem. Payments shall be made at least once each
 15 month.

Approved June 23, 1976

CHAPTER 1101

REAL ESTATE APPRENTICE SALESMEN

S. F. 53

AN ACT to establish the license and qualifications of real estate apprentice salesmen.*

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

1 SECTION 1. Section one hundred seventeen point one (117.1), Code 1975, is
 2 amended to read as follows:

3 **117.1 License mandatory.** No person shall act as a real estate broker or, real
 4 estate salesman *or real estate apprentice salesman* without first obtaining a license
 5 as provided in this chapter. The word "person" as provided in said chapter shall
 6 mean and include an individual, partnership, association, or corporation.

1 SEC. 2. Section one hundred seventeen point two (117.2), Code 1975, is
 2 amended to read as follows:

3 **117.2 Individual licenses necessary.** No copartnership, association, or
 4 corporation shall be granted a license, unless every member or officer of the
 5 copartnership, association, or corporation, who actively participates in the
 6 brokerage business of the copartnership, association, or corporation, shall hold a
 7 license as a real estate broker or, salesman *or apprentice salesman*, and unless
 8 every employee who acts as a salesman for the copartnership, association, or
 9 corporation shall hold a license as a real estate broker or, salesman *or apprentice*
 10 *salesman*. At least one member or officer of each copartnership, association, or
 11 corporation shall be a real estate broker.

1 SEC. 3. Section one hundred seventeen point five (117.5), Code 1975, is
 2 amended by striking the section and inserting in lieu thereof the following:

*See §21 herein

3 **117.5 Salesman and apprentice salesman defined.** As used in this chapter:

4 1. "Real estate salesman" means a person employed by or otherwise associated
5 with a real estate broker, as a selling, renting, or listing agent or representative of
6 the broker.

7 2. "Real estate apprentice salesman" means a person employed by or otherwise
8 associated with a real estate broker, as a selling, renting, or listing agent or
9 representative of the broker and who is subject to the educational requirements
10 provided in section one hundred seventeen point fifteen (117.15) of the Code.

1 SEC. 4. Section one hundred seventeen point six (117.6), Code 1975, is
2 amended to read as follows:

3 **117.6 Acts constituting dealing in real estate.** Any person, partnership,
4 association, or corporation, who, for another, in consideration of compensation,
5 by fee, commission, salary, or otherwise, or with the intention or in the
6 expectation or upon the promise of receiving or collecting a fee, does, offers or
7 attempts or agrees to do, engages in or offers or attempts or agrees to engage in,
8 either directly or indirectly, any single act or transaction contained in the
9 definition of a real estate broker as set out in section 117.3, whether said act be
10 an incidental part of a transaction, or the entire transaction, shall constitute such
11 person, partnership, association, or corporation a real estate broker or, real estate
12 salesman or real estate apprentice salesman within the meaning of this chapter.

1 SEC. 5. Section one hundred seventeen point eight (117.8), Code 1975, is
2 amended to read as follows:

3 **117.8 Commission established.** There is established the Iowa real estate
4 commission which shall consist of three members licensed under this chapter and
5 two members not licensed under this chapter and who shall represent the general
6 public. At least one of the licensed members shall be a licensed real estate
7 salesman, except that if the licensed real estate salesman becomes a licensed real
8 estate broker during his term of office, he shall be allowed to complete his term,
9 but shall not be eligible for reappointment on the commission as a licensed real
10 estate salesman. A licensed member shall be actively engaged in the real estate
11 business and shall have been so engaged for five years preceding his appointment,
12 the last two of which shall have been in Iowa. Professional associations or
13 societies of real estate brokers or, real estate salesmen or real estate apprentice
14 salesmen may recommend the names of potential commission members to the
15 governor, but the governor shall not be bound by their recommendations. A
16 commission member shall not be required to be a member of any professional
17 association or society composed of real estate brokers or salesmen.
18 Commissioners shall be appointed by the governor subject to the approval of two-
19 thirds of the members of the senate. Appointments shall be for three-year terms
20 and shall commence on July + first of the year in which the appointment is made.
21 A commissioner shall serve no more than three terms or nine years, whichever is
22 less. No more than one commissioner shall be appointed from a county. A
23 commissioner shall not hold any other elective or appointive state or federal
24 office. Vacancies shall be filled for the unexpired term by appointment of the
25 governor and shall be subject to senate confirmation. A majority of the
26 commissioners shall constitute a quorum.

1 SEC. 6. Section one hundred seventeen point fifteen (117.15), Code 1975, is
2 amended to read as follows:

3 **117.15 Qualifications.** Except as provided in section 117.20 an applicant for
4 a real estate broker or, salesman's or apprentice salesman's license must be a
5 person whose application has not been rejected for licensure in this or any other
6 state within six months prior to the date of application, or whose real estate
7 license has not been revoked in this or any other state within two years prior to
8 date of application.

9 Every applicant for a license as a real estate broker or, salesman or apprentice
10 salesman shall be of the age of eighteen years or over. Provided, however, an

11 applicant shall not be ineligible because of citizenship, sex, race, religion, marital
 12 status, or national origin, although the application form may require citizenship
 13 information. The commission may consider the past felony record of an applicant
 14 only if the felony conviction relates directly to the practice of real estate selling.
 15 Character references may be required but shall not be obtained from licensed real
 16 estate brokers or salesmen or apprentice salesmen.

17 *A qualified applicant for a license as a real estate apprentice salesman who*
 18 *successfully passes the required written examination shall be issued a real estate*
 19 *apprentice salesman's license which shall expire on the last day of the twelfth calendar*
 20 *month following the month in which the license is issued. Each real estate apprentice*
 21 *salesman who has completed or shall have successfully completed a commission*
 22 *approved short course in real estate education of not less than thirty hours at a facility*
 23 *approved by the commission shall be issued a real estate salesman's license for the*
 24 *remainder of the year on payment of the appropriate fee and return of his unexpired*
 25 *real estate apprentice salesman's license. If a qualified applicant successfully*
 26 *completes a commission approved short course in real estate education of not less than*
 27 *thirty hours at a facility approved by the commission and subsequently successfully*
 28 *passes the required examination, the completion of the short course shall be credited*
 29 *toward completion of requirements of a real estate apprentice salesman to become a*
 30 *real estate salesman. In the event that a real estate apprentice salesman should not*
 31 *successfully complete the thirty-hour course within the twelve-month period of*
 32 *licensure as a real estate apprentice salesman, he shall not be eligible to reapply for a*
 33 *real estate apprentice salesman's license until six months have elapsed, except that the*
 34 *commission may waive the time requirement for reapplication if the real estate*
 35 *apprentice salesman shows just cause to the commission why the thirty-hour course*
 36 *was not completed.*

37 Every applicant for a license as a real estate broker shall have been a licensed
 38 real estate salesman for a period of at least twelve months preceding the date of
 39 application; or he shall have had experience substantially equal to that which a
 40 licensed real estate salesman would ordinarily receive during a period of twelve
 41 months, whether as a former broker or salesman, a manager of real estate, or
 42 otherwise. Notwithstanding the foregoing provisions, if the commission shall find
 43 that any applicant could not acquire employment as a licensed real estate
 44 salesman because of conditions existing in the area where he resides, then, the
 45 foregoing provisions shall be waived by the commission.

1 SEC. 7. Section one hundred seventeen point sixteen (117.16), unnumbered
 2 paragraph three (3), Code 1975, is amended to read as follows:

3 The commission shall prepare and furnish written application blanks for
 4 salesman's license and for apprentice salesman's license, to contain request for such
 5 information as the commission may require. The commission shall not require
 6 that a recent photograph of the applicant be attached to the application. The
 7 application for both the salesman's license and for the apprentice salesman's license
 8 shall be accompanied by a written statement by the broker in whose service he is
 9 about to enter recommending that the license be granted to the applicant.

1 SEC. 8. Section one hundred seventeen point twenty (117.20), Code 1975, is
 2 amended to read as follows:

3 **117.20 Written examination.** Examinations for registration shall be given as
 4 often as deemed necessary by the board, but no less than one time per year. Each
 5 applicant for a license must pass a written examination authorized by the
 6 commission and administered by the commission or persons designated by the
 7 commission. The examination shall be of scope and wording sufficient in the
 8 judgment of the commission to establish the competency of the applicant to act as
 9 a real estate broker or salesman or apprentice salesman in such manner as to
 10 protect the interests of the public. An examination for a real estate broker shall be
 11 of a more exacting nature than that for a real estate apprentice salesman and
 12 require higher standards of knowledge of real estate. All examinations in theory

13 shall be in writing and the identity of the person taking the examination shall be
 14 concealed until after the examination papers have been graded. For examinations
 15 in practice, the identity of the person taking the examination shall also be
 16 concealed as far as possible. A person who fails to pass either written examination
 17 once may take the examination at the next scheduled time. Thereafter, the
 18 applicant shall be allowed to take the examination at the discretion of the
 19 commission. An applicant who has failed either examination may request in
 20 writing information from the commission concerning his examination grade and
 21 subject areas or questions which he failed to answer correctly, except that if the
 22 commission administers a uniform, standardized examination, the commission
 23 shall only be required to provide the examination grade and such other
 24 information concerning the applicant's examination results which are available to
 25 the commission.

1 SEC. 9. Section one hundred seventeen point twenty-one (117.21), Code 1975,
 2 is amended to read as follows:

3 **117.21 Nonresident license.** A nonresident of this state may be licensed as a
 4 real estate broker, ~~or~~ a real estate salesman, *or a real estate apprentice salesman*,
 5 upon complying with all requirements of law and with all the provisions and
 6 conditions of this chapter relative to resident brokers ~~and~~, salesmen, *and*
 7 *apprentice salesmen*, and the filing by the applicant with the commission of a
 8 certification from the state of original licensure signed by the duly qualified and
 9 authorized official or officials of such state that the applicant is there currently
 10 licensed, that no charges against the applicant are there pending, and that
 11 applicant's record in such state justifies the issuance of a license to such applicant
 12 in Iowa. The commission may waive the requirement of an examination in the
 13 case of a nonresident broker who is licensed under the laws of a state having
 14 similar requirements and where similar recognition and courtesies may be
 15 extended to licensed real estate brokers ~~and~~, salesmen *and apprentice salesmen* of
 16 this state.

1 SEC. 10. Section one hundred seventeen point twenty-two (117.22), Code 1975,
 2 is amended to read as follows:

3 **117.22 Nonresident's place of business.** A nonresident to whom a license is
 4 issued upon compliance with all the other requirements of law and provisions of
 5 this chapter, shall not be required to maintain a definite place of business within
 6 this state. Provided, that such nonresident, if a broker, shall maintain an active
 7 place of business within the state of his domicile, and provided further, that the
 8 privilege of so submitting a certification of licensure certified to by the qualified
 9 and authorized official or officials of the state of original licensure, in lieu of the
 10 recommendations and statements otherwise required, shall only apply to licensed
 11 real estate brokers ~~and~~, real estate salesmen *and real estate apprentice salesmen* of
 12 those states under the laws of which similar recognition and courtesies are
 13 extended to licensed real estate brokers ~~and~~, real estate salesmen *and real estate*
 14 *apprentice salesmen* of this state.

1 SEC. 11. Section one hundred seventeen point twenty-four (117.24), Code
 2 1975, is amended to read as follows:

3 **117.24 Custody of salesman's license.** The license of such real estate
 4 salesman *or real estate apprentice salesman* shall be delivered or mailed to the real
 5 estate broker by whom such real estate salesman *or real estate apprentice salesman*
 6 is employed and shall be kept in the custody and control of such broker.

1 SEC. 12. Section one hundred seventeen point twenty-six (117.26), Code 1975,
 2 is amended to read as follows:

3 **117.26 Pocket cards.** The commission shall prepare and deliver to each
 4 licensee a pocket card, which card among other things shall contain an imprint of
 5 the seal of the commission and shall certify that the person whose name appears
 6 thereon is a licensed real estate broker ~~or~~, real estate salesman, *or real estate*

7 *apprentice salesman*, as the case may be, and if it is a real estate salesman's, or real
 8 *estate apprentice salesman's*, card it shall also contain the name and address of his
 9 employer. The matter to be printed on such pocket card, except as above set
 10 forth, shall be prescribed by the commission.

1 SEC. 13. Section one hundred seventeen point twenty-seven (117.27), Code
 2 1975, is amended to read as follows:

3 **117.27 Fees.** The commission shall set annual fees, *except renewal fees which*
 4 *need not be annual*, for examination and licensing of real estate brokers ~~and~~, real
 5 estate salesmen *and real estate apprentice salesmen*. The commission shall
 6 determine the annual cost of administering the examination and shall set the
 7 examination fee accordingly. The commission shall set the fees for the real estate
 8 broker's licenses ~~and~~, for real estate salesmen's licenses *and for real estate*
 9 *apprentice salesmen's licenses* based upon the administrative costs of sustaining the
 10 commission. The fees shall include, but shall not be limited to, the costs for:

- 11 1. Per diem, expenses, and travel for commission members.
- 12 2. Office facilities, supplies, and equipment.
- 13 3. Director, assistants, and clerical assistance.

1 SEC. 14. Section one hundred seventeen point twenty-eight (117.28), Code
 2 1975, is amended to read as follows:

3 **117.28 Expiration of license.** Every license, *except a license as a real estate*
 4 *apprentice salesman which shall expire as provided in section six (6) of this Act*, shall
 5 expire ~~annually~~ as determined by the commission. A person who fails to renew
 6 his *real estate broker's or real estate salesman's* license by the expiration date shall
 7 be allowed to do so within thirty days following its expiration, but the
 8 commission may assess a reasonable penalty. The commission shall upon the
 9 written request of the applicant on forms prescribed by the commission, and
 10 payment of the ~~annual~~ fee therefor as herein required, issue a new license for each
 11 ensuing year, *except as provided in section six (6) of this Act*, in the absence of any
 12 reason or condition which might warrant the revocation of a license after a
 13 hearing as provided in sections 117.34 and 117.35.

1 SEC. 15. Section one hundred seventeen point twenty-nine (117.29), Code
 2 1975, is amended to read as follows:

3 **117.29 Revocation of license.** The revocation of a broker's license shall
 4 automatically suspend every real estate salesman's license *and every real estate*
 5 *apprentice salesman's license* granted to any person by virtue of his employment by
 6 the broker whose license has been revoked, pending a change of employer and the
 7 issuance of a new license. Such new license shall be issued upon payment of a fee
 8 in an amount determined by the commission based upon the administrative costs
 9 involved, if granted during the same year in which the original license was
 10 granted.

1 SEC. 16. Section one hundred seventeen point thirty (117.30), Code 1975, is
 2 amended to read as follows:

3 **117.30 Actions—license as prerequisite.** No person, copartnership,
 4 association, or corporation engaged in the business or acting in the capacity of a
 5 real estate broker ~~or~~, a real estate salesman *or real estate apprentice salesman*
 6 within this state shall bring or maintain any action in the courts of this state for
 7 the collection of compensation for any services performed as a real estate broker
 8 or salesman without alleging and proving that such person, copartnership,
 9 association, or corporation was a duly licensed real estate broker ~~or~~, real estate
 10 salesman *or real estate apprentice salesman* at the time the alleged cause of action
 11 arose.

1 SEC. 17. Section one hundred seventeen point thirty-three (117.33), Code
 2 1975, is amended to read as follows:

3 **117.33 Salesmen—change of employment.** When any real estate salesman or
 4 *real estate apprentice salesman* shall be discharged or shall terminate his
 5 employment with the real estate broker by whom he is employed, it shall be the
 6 duty of such real estate broker to immediately deliver or mail by certified mail to
 7 the commission such real estate salesman's or *real estate apprentice salesman's*
 8 license on the reverse side of which the employing broker shall set out the date
 9 and cause of termination of employment. The real estate broker shall at the time
 10 of mailing such real estate salesman's or *real estate apprentice salesman's* license to
 11 the commission address a communication to the last known residence address of
 12 such real estate salesman or *real estate apprentice salesman* stating that his license
 13 has been delivered or mailed to the commission. A copy of such communication
 14 to the real estate salesman or *real estate apprentice salesman* shall accompany the
 15 license when mailed or delivered to the commission. It shall be unlawful for any
 16 real estate salesman or *real estate apprentice salesman* to perform any of the acts
 17 contemplated by this chapter either directly or indirectly under authority of said
 18 license from and after the date of receipt of said license by the commission;
 19 provided, that another license shall not be issued to such real estate salesman or
 20 *real estate apprentice salesman* until he shall return his former pocket card to the
 21 commission or shall satisfactorily account to them for the same. The commission
 22 shall upon presentation of evidence by the salesman or *apprentice salesman* that he
 23 has been employed by another broker issue another license and pocket card for
 24 the balance of the current year showing each change of employment. A fee as
 25 determined by the commission will be charged for the issuance of such a license.
 26 Not more than one license shall be issued to any real estate salesman or *real estate*
 27 *apprentice salesman* for the same period of time.

1 SEC. 18. Section one hundred seventeen point thirty-four (117.34), Code 1975,
 2 is amended to read as follows:

3 **117.34 Investigation by commission.** The commission may upon its own
 4 motion and shall upon the verified complaint in writing of any person, provided
 5 such complaint together with evidence, documentary or otherwise presented in
 6 connection therewith, makes out a prima-facie case, investigate the actions of any
 7 real estate broker or, real estate salesman, *real estate apprentice salesman*, or any
 8 person who shall assume to act in either such capacity within this state and shall
 9 have the power to suspend or to revoke any license issued under the provisions of
 10 this chapter, at any time where the licensee has by false or fraudulent
 11 representation obtained a license, or where the licensee in performing or
 12 attempting to perform any of the acts mentioned herein is found to be guilty of:

- 13 1. Making any substantial misrepresentation.
- 14 2. Making any false promise of a character likely to influence, persuade or
 15 induce.
- 16 3. Pursuing a continued and flagrant course of misrepresentation, or making of
 17 false promises through agents or salesmen or advertising or otherwise.
- 18 4. Acting for more than one party in a transaction without the knowledge of all
 19 parties for whom he acts.
- 20 5. Accepting a commission or valuable consideration as a real estate salesman
 21 or *real estate apprentice salesman* for the performance of any of the acts specified
 22 in this chapter, from any person, except his employer, who must be a licensed real
 23 estate broker.
- 24 6. Representing or attempting to represent a real estate broker other than his
 25 employer, without the express knowledge and consent of the employer.
- 26 7. Failing, within a reasonable time, to account for or to remit any moneys
 27 coming into his possession which belong to others.
- 28 8. Being unworthy or incompetent to act as a real estate broker or, salesman or
 29 *apprentice salesman* in such manner as to safeguard the interests of the public.
- 30 9. Paying a commission or any part thereof for performing any of the acts
 31 specified in this chapter to any person who is not a licensed broker or, salesman

32 *or apprentice salesman* under the provisions of this chapter or who is not engaged
33 in the real estate business in another state.

34 10. Failing, within a reasonable time, to provide information requested by the
35 commission as the result of a formal or informal complaint to the commission
36 which would indicate a violation of this chapter.

37 11. Any other conduct, whether of the same or different character from that
38 hereinbefore specified, or demonstrates such bad faith, improper, fraudulent, or
39 dishonest dealings as would have disqualified him from securing a license under
40 this chapter.

41 Any unlawful act or violation of any of the provisions of this chapter by any
42 real estate salesman, *real estate apprentice salesman*, employee, or partnership or
43 associate of a licensed real estate broker, shall not be cause for the revocation of
44 the license of any real estate broker, partial or otherwise, unless the commission
45 finds that said employer, partner, or associate had guilty knowledge thereof.

1 SEC. 19. Section one hundred seventeen point forty-six (117.46), subsection
2 one (1), Code 1975, is amended to read as follows:

3 1. Each broker shall maintain a common trust account in a bank for the
4 deposit of all down payments, earnest money deposits, or other trust funds
5 received by the broker or his salesmen *or apprentice salesmen* on behalf of his
6 principal, except that a broker acting as a salesman shall deposit these funds in
7 the common trust account of the broker for whom he acts as salesman.

1 SEC. 20. **Application of Act.** The provisions of this Act which require
2 successful completion of a real estate education course before being licensed as a
3 real estate salesman shall not apply to persons who hold real estate salesmen's
4 licenses on the effective date of this Act or to the issuance of new licenses to these
5 persons under the provisions of section one hundred seventeen point twenty-eight
6 (117.28) of the Code.

7 The provisions of this Act which require successful completion of a real estate
8 education course before being licensed as a real estate apprentice salesman shall
9 not apply within six months of the effective date of this Act to persons who have
10 taken an examination within one year prior to the effective date of this Act who
11 have not successfully passed the required examination.

1 SEC. 21. The Code editor is directed to strike all references to "salesman" or
2 "salesmen" in chapter one hundred seventeen (117) of the Code and insert in lieu
3 thereof the word "salesperson" or the word "salespersons", whichever is
4 applicable.

Approved March 19, 1976

CHAPTER 1102

SAVINGS AND LOAN ASSOCIATIONS

S. F. 487

AN ACT relating to the regulation of savings and loan associations organized under the laws of the state of Iowa.

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

1 SECTION 1. Section one hundred seventeen point forty-six (117.46),
2 subsections one (1), two (2), and three (3), Code 1975, are amended to read as
3 follows: