

**CHAPTER 1025**  
EMPLOYMENT APPEAL BOARD  
*H.F. 2337*

**AN ACT** relating to the jurisdiction of the employment appeal board.

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

Section 1. Section 10A.601, subsection 1, Code 1987, is amended to read as follows:

1. A full-time employment appeal board is created within the department of inspections and appeals to hear and decide contested cases under chapters 19A, 80, 88, 89A, 96, and 97B, ~~and 104~~.

Sec. 2. Section 88.8, subsection 2, Code 1987, is amended to read as follows:

2. **NONCOMPLIANCE NOTICE.** If the commissioner has reason to believe that an employer has failed to correct the violation for which a citation has been issued within the period permitted for its correction (which period shall not begin to run until the entry of a final order by the appeal board in the case of any review proceedings under this section initiated by the employer in good faith and not solely for delay or avoidance of penalties), the commissioner shall notify the employer by certified mail of ~~such~~ the failure and of the penalty proposed to be assessed under section 88.14 by reason of ~~such~~ the failure, and that the employer has fifteen working days within which to notify the commissioner that the employer wishes to contest the commissioner's notification or the proposed assessment of penalty. If, within fifteen working days from the receipt of notification issued by the commissioner, the employer fails to notify the commissioner that the employer intends to contest the notification or proposed assessment of penalty, the notification and assessment, as proposed, shall be deemed the final order of the ~~commission~~ appeal board and not subject to review by any court or agency.

Sec. 3. Section 89A.1, Code 1987, is amended by adding the following new subsection:

**NEW SUBSECTION.** 19. "Appeal board" means the employment appeal board created under section 10A.601.

Approved March 31, 1988

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**CHAPTER 1026**  
COOPERATIVE ASSOCIATIONS  
*H.F. 2355*

**AN ACT** relating to cooperative associations by providing for their purposes and powers.

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

Section 1. Section 499.2, unnumbered paragraphs 1 and 4, Code 1987, are amended to read as follows:

A "co-operative association" is one which, ~~in serving some purpose enumerated in section 499.6~~, deals with or functions for its members at least to the extent required by section 499.3; and which distributes its net earnings among its members in proportion to their dealings with it, except for limited dividends or other items permitted in this chapter; and in which each voting member has one vote and no more.

"Agricultural associations" are those formed for a purpose specified in subsection 2, section 499.6 to produce, grade, blend, preserve, process, store, warehouse, market, sell, or handle an agricultural product, or a by-product of an agriculture product; to purchase, produce, sell, or supply machinery, petroleum products, equipment, fertilizer, supplies, business services, or educational service to or for those engaged as bona fide producers of agricultural products; to finance any such activities; or to engage in any cooperative activity connected with or for any number of these purposes.

Sec. 2. Section 499.6, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

**499.6 OBJECTS.**

A cooperative association may be organized under this chapter for any lawful purpose or purposes.

Sec. 3. Section 499.7, unnumbered paragraph 1, and subsection 1, Code 1987, are amended to read as follows:

Except as expressly limited in its articles, each association shall have power to do anything permitted anywhere in this chapter, and also has the following powers:

1. To conduct any business enumerated in section 499.6 which its articles specify; and to conduct such business either as principal or as agent for its members To conduct business, carry on operations, establish and operate offices, and exercise all powers granted by this chapter in or outside this state.

Approved March 31, 1988

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## CHAPTER 1027

### INVESTMENT OF PUBLIC MONEYS

*S.F. 2168*

**AN ACT** relating to the authority of the treasurer of state to invest in United States government obligations.

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

Section 1. Section 452.10, Code Supplement 1987, is amended by adding the following new unnumbered paragraph after the first unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Evidences of indebtedness which are obligations of or guaranteed by the United States of America or any of its agencies include investments, which are authorized by the treasurer of state under this section, in an unincorporated investment company or investment trust registered under the federal Investment Company Act of 1940, 15 U.S.C. § 80a, the portfolio of which is limited to such United States government obligations and to repurchase agreements fully collateralized by the United States government obligations if the investment company or investment trust takes delivery of the collateral either directly or through an authorized custodian.

Approved March 31, 1988