

CHAPTER 181

LIABILITY ARISING FROM FOOD DONATIONS

H.F. 529

AN ACT relating to the exemption from civil and criminal liability arising from the donation of food.

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

Section 1. Section 122B.1, subsection 2, Code 1989, is amended to read as follows:

2. A gleaner, or a restaurant, food establishment, food service establishment, school, manufacturer of foodstuffs, or other person who, in good faith, donates food to a charitable or non-profit organization for ultimate free distribution to needy individuals is not subject to criminal or civil liability arising from the condition of the food if the donor reasonably inspects the food at the time of the donation and finds the food fit for human consumption. The immunity provided by this subsection does not extend to a donor or gleaner if damages result from the negligence, recklessness, or intentional misconduct of the donor, or if the donor or gleaner has, or should have had, actual or constructive knowledge that the food is tainted, contaminated, or harmful to the health or well-being of the ultimate recipient.

Approved May 22, 1989

CHAPTER 182

AVIATION AUTHORITIES

H.F. 551

AN ACT to modify the requirements for establishing an aviation authority.

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

Section 1. Section 330.23, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Sections 330.17 through 330.20 do not apply to the abolition of an airport commission by a city pursuant to this section for the purpose of establishing an administrative agency pursuant to chapter 392 to manage and control all or part of its airport. The commission shall stand abolished sixty days from the date of the city council's final approval abolishing the airport commission pursuant to this section, unless the council designates a different effective date.

Sec. 2. Section 330A.3, Code 1989, is amended to read as follows:
330A.3 CREATION.

Two One or more municipalities may under the provisions of this chapter enter into an agreement creating provide by ordinance for the creation of an airport authority in the manner and for the purposes hereinafter provided under this chapter. The authority shall be created by agreement adopted by ordinance between two or more municipalities, or by ordinance of a single municipality. Such An authority so created shall be is a joint public instrumentality and public body corporate to be known as ". . . . Airport Authority", and which is hereby authorized to. An airport authority may exercise its jurisdiction, powers, and duties as herein set forth in this chapter. Provisions for the disposition of the authority's rights and properties in the event of dissolution of the authority shall be set forth in the agreement or ordinance creating the authority.

Sec. 3. Section 330A.5, Code 1989, is amended to read as follows:
330A.5 BOARD.

Each authority shall have a board of an odd number of three or more members and said board shall be the governing body of the authority exercising all of the rights, duties, and powers conferred by this chapter upon the authority. Board membership shall be established in the following manner: Committee members shall elect in separate ballots from among their membership seven persons, provided, however, that the maximum number of municipalities is represented on said board. Committee members elected to the board shall resign from the committee. Where a committee consists of less than seven members such committee shall elect sufficient nonmembers to the board so that the board consists of seven persons. The board members shall be appointed by the governing bodies of the member municipalities. The number to be appointed by each municipality shall be provided for in the agreement or ordinance creating the authority. However, no an elected official or full-time paid employee of any a member municipality is not eligible for election appointment to the board. The term of the two persons first so elected shall be for five years, of the next three persons so elected for three years, and of the next two persons so elected for one year. Thereafter, as those terms expire, the terms of successors shall be for five years. Board members shall serve for terms of four years at the pleasure of the municipality appointing the members except members of the initial board shall determine their respective terms by lot so the terms of one-half of the members expire at the end of two years. The remaining initial terms shall expire at the end of four years. Each member of the board shall qualify by taking an oath to faithfully perform the duties of office. Within forty-five days after any a vacancy occurs on the board by death, resignation, change of residence or removal of any a member, or from any other cause, the successor of such the member shall be elected in the same manner as the member's predecessor was elected and shall serve for the unexpired term of the predecessor appointed by the member municipality represented by the vacancy and shall serve until the term expires. The board shall, elect one of its members as chairperson who shall hold office for two years, and it shall also elect one of its members as secretary, who shall hold office for two years, and it shall also elect one of its members as treasurer, who shall hold office for two years and who within ten days after its appointment, organize by electing a chairperson, a secretary, and a treasurer, each for a term of two years. The treasurer shall execute an adequate surety bond in a penal sum to be fixed from time to time by the authority, conditioned upon the faithful performance of the duties of office, the premium on which shall be paid by the authority. Board members and officers shall serve until a successor is their successors are duly elected and qualified. In no event A salary shall a salary not be paid to a board member; however, each board member shall be reimbursed for actual expenses incurred in the performance of the member's duties. All actions by an authority shall require the affirmative vote of a majority of the board of an the authority as it may exist at the time.

Sec. 4. Section 330A.6, subsection 1, paragraph c, Code 1989, is amended to read as follows:
c. Number of committee board members to be appointed from such by the municipality.

Sec. 5. Section 330A.6, subsection 2, Code 1989, is amended to read as follows:

2. After the hearing, and if in the best interests of the municipality, the municipality shall enact an ordinance authorizing the joining creation of the authority.

Sec. 6. Section 330A.7, subsections 1 and 2, Code 1989, are amended to read as follows:

1. Whenever an authority has been created by two or more municipalities, any one One or more of such the member municipalities may withdraw therefrom but no from the authority, except that a municipality shall be permitted to not withdraw from any authority after any obligations thereof have been incurred by the authority unless in the opinion of the authority satisfactory provision has been made by the withdrawing municipality for the payment of its portion of such the outstanding obligations. Whenever If an authority has been created by two or more municipalities any pursuant to this chapter, a municipality which did not having joined join in the original agreement may subsequently join in the authority with the approval

of the member municipalities.

2. Any A municipality wishing to withdraw from or to become a member of an existing authority shall signify its desire intention by resolution and shall publish said the resolution at least one time in a newspaper of general circulation in such the municipality giving notice of a hearing to be held on the question of withdrawing or joining and its intention to withdraw or join. ~~Said The resolution shall be published in a newspaper of general circulation in such withdrawing or joining municipality~~ at least fourteen days prior to the date of the hearing. A withdrawing municipality shall state in said the resolution why it wishes to withdraw and how it intends to pay its portion of the outstanding obligation obligations of the authority, if any. A joining municipality shall state in said the resolution the information required in section 330A.6. A copy of said the resolution shall be certified to the authority by the municipality at least fourteen days in advance of said the hearing. The board shall by resolution indicate whether a satisfactory provision has been made for the payment of the outstanding obligations of the authority, as required under subsection 1. After the hearing and if in the best interest of the municipality if the outstanding obligations of the authority have been adequately provided for by the municipality, the municipality shall may enact an ordinance authorizing the withdrawing or joining to withdraw from or join the authority. The authority shall by resolution express its consent to such withdrawal, or joining, if satisfactory provision has been made as aforesaid.

Sec. 7. Chapter* 330A.8, Code 1989, is amended by adding the following new subsection:
NEW SUBSECTION. 16. To designate employees upon whom are conferred all the powers of a peace officer as defined in section 801.4.

Sec. 8. NEW SECTION. 330A.9 DISSOLUTION OF AN AUTHORITY.

When an authority has fully discharged all of its debts and obligations or has arranged for the assumption of its debts and obligations by another public agency, it may be dissolved by unanimous consent of the member municipalities upon enactment of an ordinance to dissolve the authority by each member municipality. If all members withdraw from the authority, the authority is dissolved. When the business and affairs of an authority have been closed upon dissolution, that fact shall be certified by the chairperson of the board to the recorders of the counties in which the authority was situated and to the secretary of state.

Sec. 9. NEW SECTION. 330A.10 TRANSITION.

For those authorities established prior to July 1, 1989, the terms of all board members in office shall expire on December 31, 1989. The provision for successor board members shall be by agreement of the member municipalities and in accordance with section 330A.5. Authorities in existence prior to July 1, 1989, remain in existence on or after July 1, 1989, except as provided in this chapter.

Sec. 10. Section 384.24, subsection 3, paragraph n, Code 1989, is amended to read as follows:

n. The reconstruction, extension, and improvement of an airport already owned or operated by the city, an agency of the city, or a multimember governmental body of which the city is a participating member.

Sec. 11. Section 801.4, subsection 7, Code 1989, is amended by adding the following new lettered paragraph immediately following paragraph "h" and relettering subsequent lettered paragraphs:

NEW LETTERED PARAGRAPH. i. Employees of an aviation authority designated as "peace officers" by the authority under section 330A.8, subsection 16.

Sec. 12. Section 330A.4, Code 1989, is repealed.

Approved May 22, 1989

*"Section" probably intended

CHAPTER 183**CREDIT SERVICES ORGANIZATIONS***H.F. 496*

AN ACT relating to credit services organizations, by requiring their registration, imposing regulation, and providing penalties.

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

Section 1. NEW SECTION. 533C.1 DEFINITIONS.

In this chapter, unless the context otherwise requires:

1. "Buyer" means an individual who is solicited to purchase or who purchases the services of a credit services organization.
2. "Consumer reporting agency" has the meaning assigned by section 603(f), Fair Credit Reporting Act, 15 U.S.C. § 1681a(f) as amended through January 1, 1989.
3. "Extension of credit" means the right to defer payment of debt or to incur debt and defer its payment offered or granted primarily for personal, family, or household purposes.

Sec. 2. NEW SECTION. 533C.2 CREDIT SERVICES ORGANIZATION DEFINED — EXEMPTIONS.

1. A credit services organization is a person who, with respect to the extension of credit by others and in return for the payment of money or other valuable consideration, provides, or represents that the person can or will provide, any of the following services:

- a. Improving a buyer's credit record, history, or rating.
- b. Obtaining an extension of credit for a buyer.
- c. Providing advice or assistance to a buyer with regard to paragraph "a" or "b".

2. The following are exempt from this chapter:

a. A person authorized to make loans or extensions of credit under the laws of this state or the United States who is subject to regulation and supervision of this state or the United States, or a lender approved by the United States secretary of housing and urban development for participation in a mortgage insurance program under the National Housing Act, 12 U.S.C. § 1701 et seq.

b. A bank or savings and loan association whose deposits or accounts are eligible for insurance by the federal deposit insurance corporation or the federal savings and loan insurance corporation, or successor deposit insurance entities, or a subsidiary of a bank or savings and loan association.

c. A credit union doing business in this state.

d. A nonprofit organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code, as defined in section 422.3.

e. A person licensed as a real estate broker or salesperson, under section 117.20, acting within the course and scope of that license.

f. A person licensed to practice as an attorney in this state acting within the course and scope of the person's practice as an attorney.

g. A broker-dealer registered with the securities and exchange commission or the commodity futures trading commission acting within the course and scope of the regulations of the commission that person is registered with.

h. A consumer reporting agency.

Sec. 3. NEW SECTION. 533C.3 PROHIBITED CONDUCT.

A credit services organization, a salesperson, agent, or representative of a credit services organization, or an independent contractor who sells or attempts to sell the services of a credit services organization shall not:

1. Charge a buyer or receive from a buyer money or other valuable consideration before completing performance of all services the credit services organization has agreed to perform for the buyer, unless the credit services organization has obtained a bond in accordance with