

CHAPTER 1162**EMPLOYMENT AGENCY FEE***H.F. 2343*

AN ACT relating to the fee charged by an employment agency for the procurement of a position of employment.

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

Section 1. Section 94.6, Code 1989, is amended to read as follows:
94.6 LIMITATION OF FEE.

A person, licensed under section 95.1, shall not charge a fee for the furnishing or procurement of a situation or employment paying less than two hundred fifty dollars per month which exceeds twenty-five percent of the wages paid for the first month of employment or situation furnished or procured, but in no event shall the charge for the furnishing or procurement of any situation or employment be in excess of ~~eight~~ fifteen percent of the annual gross earnings. An employer shall not require an applicant to pay a fee or charge as a condition of application or hire with the employer. ~~The provisions of this~~ This section ~~shall~~ does not apply to the furnishing or procurement of vaudeville acts, circus acts, theatrical, stage or platform attractions or amusement enterprises or to fees charged solely to employers where no fee is charged to the employee.

Approved April 6, 1990

CHAPTER 1163**PREEXISTING CONDITIONS COVERAGE UNDER COMPREHENSIVE
HEALTH INSURANCE ASSOCIATION POLICIES***H.F. 2431*

AN ACT allowing a person to purchase insurance through the Iowa comprehensive health association even if the person has coverage under another insurance plan.

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

Section 1. Section 514E.7, subsection 1, Code 1989, is amended to read as follows:

1. A Except as otherwise provided in subsection 5, a person is not eligible for an association policy if the person, at the effective date of coverage, has or will have coverage under any insurance plan that has coverage equivalent to an association policy. Only residents of this state are eligible for an association policy. Coverage under an association policy is in excess of, and shall not duplicate, coverage under any other form of health insurance.

Sec. 2. Section 514E.7, subsection 5, paragraph b, Code 1989, is amended to read as follows:

b. Medical advice or treatment was recommended or received within a period of six months before the effective date of coverage.

These preexisting condition exclusions shall be waived to the extent to which similar exclusions have been satisfied under any prior health insurance coverage which was involuntarily terminated, if the application for pool coverage is made not later than thirty days following the involuntary termination. For purposes of this subsection, involuntary termination includes, but is not limited to, termination of coverage when a conversion policy is not available or where benefits under a state or federal law providing for continuation of coverage upon termination of employment will cease or have ceased. In that case, coverage in the pool shall be effective from the date on which the prior coverage was terminated.

This subsection does not prohibit preexisting conditions coverage in an association policy that is more favorable to the insured than that specified in this subsection.

Sec. 3. Section 514E.7, subsection 5, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the association policy contains a waiting period for preexisting conditions, an insured may retain any existing coverage the person has under an insurance plan that has coverage equivalent to the association policy for the duration of the waiting period only.

Approved April 6, 1990

CHAPTER 1164

COOPERATIVE ASSOCIATION AND NONPROFIT CORPORATION PROCEDURES

H.F. 2455

AN ACT relating to state chartered legal entities, especially nonprofit corporations and cooperative associations, by altering requirements and procedure for filing corporate documents in the office of the secretary of state and by requiring corporations organized under or subject to Iowa Code chapter 504 to convert to chapter 504A within a certain period of time.

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

Section 1. Section 499.5, subsection 3, Code 1989, is amended to read as follows:

3. A nonprofit water utility organized under chapter 357A or 504A may elect to become an association under this chapter upon majority vote of its members by filing with the secretary of state a verified statement confirming the election and appropriate articles of incorporation. However, the association is subject to the service limitation provisions contained in sections 357.1 and 357A.2.

Sec. 2. Section 499.25, Code 1989, is amended to read as follows:

499.25 ISSUING PREFERRED STOCK IN PURCHASES.

An association may discharge all or any part of obligations incurred in purchasing any business, property or stock, or an interest therein, by issuing its authorized preferred stock in an amount not exceeding the fair market value of the thing purchased. ~~Issuance of such stock in an amount exceeding twenty-five thousand dollars shall be governed by the law as found in sections 492.6 and 492.7. Issuance of such stock in amounts smaller than twenty-five thousand dollars shall be upon the fair market value of the property purchased, as determined through an appraisal made by the director directors or a competent appraiser employed by the directors. Within thirty days after such issue, the association shall file with the secretary of state a verified report containing an accurate detailed description of the thing purchased, the valuation thereof by the directors, and the amount of preferred stock thus issued. Such preferred stock shall be valid as though paid for in cash.~~

Sec. 3. Section 499.41, unnumbered paragraph 2, Code 1989, is amended to read as follows:

~~Amendments, signed and acknowledged by officers designated for such purpose, shall be executed and filed and recorded as provided in section 499.44.~~

Sec. 4. Section 499.42, unnumbered paragraph 4, Code 1989, is amended to read as follows:

The renewal articles shall be ~~signed, executed and filed and recorded~~ as required by section 499.41. Renewal shall not relieve the association from fees, charges, or penalties which may have accrued against it.