

CHAPTER 18**PEER REVIEW OF CERTIFIED PUBLIC ACCOUNTANTS***S.F. 151*

AN ACT relating to peer review of certain certified public accountants.

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

Section 1. **NEW SECTION. 116.20A PEER REVIEW REQUIRED.**

1. **DEFINITIONS.** As used in this section:

a. "Applicant" means an entity holding a permit to practice as a corporation or partnership of certified public accountants issued pursuant to section 116.20, subsection 3, or a person certified as a public accountant pursuant to section 116.5 who practices as a sole proprietorship.

b. "Peer review" means peer or quality review.

c. "Peer review records" means all files, reports, and other information relating to the professional competence of an applicant in the possession of a peer review team, or information concerning the peer review developed by a peer review team in the possession of an applicant.

d. "Peer review team" means persons or organizations participating in the peer review function required by this section, but does not include the board.

2. **DUTIES OF THE BOARD.** The board shall adopt rules requiring peer review pursuant to this section. The board shall adopt rules specifying standards for peer review teams and providing that each reviewing team member shall be independent of the applicant being reviewed.

3. **PEER REVIEW REQUIRED FOR RENEWAL.**

a. As of January 1, 1994, as a condition of renewal of an applicant's permit, an applicant shall submit evidence of completion of a peer review conducted to determine the degree of the applicant's compliance with generally accepted accounting principles, generally accepted auditing standards, and other similarly recognized authoritative technical standards. Peer review shall occur every three years. Costs of the peer review shall be paid by the applicant.

b. An applicant's completion of a peer review program endorsed or supported by the American institute of certified public accountants, or other substantially similar review, shall satisfy the requirements of this section.

4. **WAIVER OF PEER REVIEW REQUIREMENT.** An applicant, at the time of renewal, may request in writing upon forms provided by the board, a waiver from the requirements of this section. The board may grant a waiver if one or more of the following conditions are met:

a. The applicant does not engage in, and does not intend to engage in during the following year, financial reporting areas of practice, including but not limited to financial audits, compilations, and reviews. An applicant granted a waiver pursuant to this paragraph shall immediately notify the board if the applicant engages in such practice, and shall be subject to peer review.

b. For reasons of health.

c. Due to military service.

d. In instances of hardship.

e. For other good cause as determined by the board.

5. **CONFIDENTIALITY OF PEER REVIEW RECORDS.**

a. Peer review records are privileged and confidential, are not subject to discovery, subpoena, or other means of legal compulsion. Peer review records are not admissible in evidence in a judicial, arbitration, or administrative proceeding. Information or documents discoverable from sources other than a peer review team do not become nondiscoverable from other sources because they are made available to or are in the possession of a peer review team. Information or documents publicly available from the American institute of certified public accountants relating to quality or peer review are not privileged or confidential under this subsection.

b. A person or organization participating in the peer review process shall not testify as to the findings, recommendations, evaluations, or opinions of a peer review team in any judicial, arbitration, or administrative proceeding.

6. LIABILITY.

a. A person shall not be liable as a result of acts, omissions, or decisions made in connection with the person's service on a peer review team, unless the act, omission, or decision is made with actual malice.

b. A person shall not be liable as a result of providing information to a peer review team, or for disclosure of privileged matter to a peer review team.

Approved March 28, 1991

CHAPTER 19

INFORMATION IN DOMESTIC ABUSE REPORTS

S.F. 180

AN ACT to delete the requirement for personal identifying information in the collection of domestic abuse reports.

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

Section 1. Section 236.9, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Criminal justice agencies, as defined in section 692.1, shall collect and maintain information on incidents involving domestic abuse and shall provide the information to the department of public safety in the manner prescribed by the department of public safety. ~~The department of public safety shall receive and maintain the information, including information on the personal characteristics and identities of perpetrators and victims of domestic abuse. The department of public safety shall maintain the confidentiality of information which individually identifies perpetrators or victims of domestic abuse, except that the department of public safety may disseminate the identifying information to a criminal justice agency if necessary for the performance of the official duties of the agency.~~

Approved March 28, 1991

CHAPTER 20

BANKS — COLLATERAL FOR LOANS TO AFFILIATES

H.F. 110

AN ACT relating to collateral acceptable to secure a loan or other transaction with a state bank.

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

Section 1. Section 524.1102, subsection 2, unnumbered paragraph 2, Code 1991, is amended to read as follows:

Within the foregoing limitations, each loan or extension of credit of any kind or character to an affiliate shall be secured by collateral in the form of shares of stock, bonds, capital securities or other such obligations having a market value at the time of making the loan or extension of credit of at least twenty percent more than the amount of the loan or extension of credit, or of at least ten percent more than the amount of the loan or extension of credit if it is secured