

CHAPTER 69

REGULATION OF AGRICULTURAL PRODUCTS — GRAIN DEALER AND BARGAINING AGENTS — WAREHOUSES

S.F. 394

AN ACT relating to the regulation of the grain industry, and making penalties applicable.

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

DIVISION I

REGULATION OF GRAIN DEALER AND WAREHOUSE OPERATIONS

Section 1. Section 203.1, Code 2003, is amended by adding the following new subsections:
NEW SUBSECTION. 1A. "Check" means a paper instrument used for ordering, instructing, or authorizing a financial institution to make payment or credit a presenter's account and debit the issuer's account. "Check" includes instruments commonly referred to as a check, draft, share draft, or other negotiable instrument for the payment of money. An instrument may be a check even though it is described on its face by another term, such as "money order".

NEW SUBSECTION. 4A. "Electronic funds transfer" means a remote electronic transmission used for ordering, instructing, or authorizing a financial institution to pay money to or credit the account of the payee and debit the account of the payer. The remote electronic transmission may be initiated by telephone, terminal, computer, or similar device.

NEW SUBSECTION. 8A. "Person" means the same as defined in section 4.1 and includes a business association as defined in section 9H.1 or joint or common venture regardless of whether it is organized under a chapter of the Code.

Sec. 2. Section 203.1, subsection 6, paragraph a, Code 2003, is amended to read as follows:
a. The making of a payment by use of a ~~financial instrument which is a check, share draft, draft, or written order on a financial institution~~ or electronic funds transfer, and a financial institution refuses payment ~~on the instrument~~ because of insufficient ~~funds~~ moneys in a grain dealer's account.

Sec. 3. Section 203.4, Code 2003, is amended to read as follows:
203.4 PARTICIPATION IN INDEMNITY FUND REQUIRED.
A ~~person grain dealer licensed or required to be licensed to operate as a grain dealer under this chapter pursuant to section 203.3~~ shall participate in and comply with the grain depositors and sellers indemnity fund provided in chapter 203D.

Sec. 4. Section 203.8, Code 2003, is amended to read as follows:
203.8 PAYMENT.
1. a. ~~A person grain dealer licensed or required to be licensed as a grain dealer pursuant to section 203.3 shall pay the purchase price to the owner or the owner's agent seller for grain upon delivery or demand of by the owner or agent seller, but not later than thirty days after delivery by the owner or agent seller unless in accordance with the terms of a credit-sale contract that satisfies the requirements of this chapter. The department shall adopt rules for payment by check and electronic funds transfer.~~
b. ~~A grain dealer licensed or required to be licensed pursuant to section 203.3 shall not hold a check for the purchase of grain more than five days after the grain dealer issues a check to the seller. After that date, the grain dealer shall deliver the check in person or by mail to the seller's last known address.~~
2. As used in this section, "delivery":
a. "Delivery" means the transfer of title to and possession of grain by ~~the a~~ seller to ~~the a~~ grain dealer or to another person in accordance with the agreement of the seller and the grain dealer; ~~and "payment".~~

b. "Payment" means the actual payment or tender of payment by the a grain dealer to the a seller of the agreed purchase price, or in the case of disputes as to sales of grain, the undisputed portion of the purchase price without reduction for any separate claim of the grain dealer against the seller.

Sec. 5. Section 203.9, Code 2003, is amended to read as follows:

203.9 INSPECTION OF PREMISES, BOOKS AND RECORDS — RECONSTRUCTION OF RECORDS.

1. The department may inspect the premises used by any grain dealer in the conduct of the dealer's business at any time, ~~and the. The department may inspect a grain dealer's books, accounts, records, and papers of every grain dealer which that~~ inspect a grain dealer's records, and papers of every grain dealer to be inspected at least once each eighteen-month period without justification. The department shall prioritize inspections based on the system provided in section 203.22. The department may use a risk rating produced by a statistical model provided in section 203.22 as justification to conduct an inspection. ~~The A transporter of grain in transit shall possess bills of lading or other documents covering the grain, and shall present them to any law enforcement officer or to a person designated as an enforcement officer under section 203.13 on demand. If there is justification to believe that a person grain dealer is engaged without a license in the business of a grain dealer in this state as required pursuant to section 203.3, the department may inspect the books, papers, and grain dealer's records of the person which pertain to grain purchases transactions at any time.~~

2. If ~~the a~~ grain dealer does not maintain a place of business in this state, the department is not required to inspect the ~~business premises of the grain dealer, and the grain dealer's records.~~ A grain dealer shall submit all books, the grain dealer's records and papers relating to grain transactions occurring within this state to the department for purposes of an inspection required or permitted under as provided in this section at any reasonable time and place, including the offices of the department during regular business hours, as ordered by the department or the administrator of the warehouse bureau.

3. A grain dealer shall keep complete and accurate records. A grain dealer shall keep records for the previous six years. If the grain dealer's records are incomplete or inaccurate, the department may reconstruct the grain dealer's records in order to determine whether the grain dealer is in compliance with the provisions of this chapter. The department may charge the grain dealer the actual cost for reconstructing the grain dealer's records, which shall be considered repayment receipts as defined in section 8.2.

Sec. 6. Section 203.10, Code 2003, is amended by striking the section and inserting in lieu thereof the following:

203.10 SUSPENSION OR REVOCATION OF LICENSE.

The department may issue an order to suspend or revoke the license of a grain dealer who violates a provision of this chapter, including a rule adopted under this chapter, as provided in chapter 17A. If a grain dealer fails to consent to a departmental inspection or cooperate with the department during an inspection as provided in section 203.9, the department may issue an order to immediately suspend or revoke the grain dealer's license pursuant to section 17A.18.

Sec. 7. Section 203.11, subsection 2, Code 2003, is amended to read as follows:

2. a. A Except as provided in paragraph "b", a person who engages commits a serious misdemeanor if the person does any of the following:

(1) Engages in business as a grain dealer without obtaining a license, or who refuses to permit as required in section 203.3.

(2) Obstructs an inspection of licensed the person's business premises, or books, accounts,

~~or records, or other documents required to be kept by this chapter, or who uses a grain dealer pursuant to section 203.9.~~

~~(3) Uses a scale ticket, or credit-sale contract that fails to satisfy requirements established by the department commits a serious misdemeanor, except that a in violation of this chapter or a requirement established by the department under this chapter.~~

~~b. A person who commits any of these offenses an offense specified in paragraph "a" after having been found guilty of the same offense commits an aggravated misdemeanor.~~

Sec. 8. Section 203.15, subsections 1 through 4, Code 2003, are amended to read as follows:

1. A grain dealer shall not purchase grain by a credit-sale contract except as provided in this section.

~~1. The grain dealer shall be licensed pursuant to section 203.3. All of the following shall apply to a grain dealer required to be licensed under that section who purchases grain by credit-sale contract:~~

~~2. a. A The grain dealer shall give written notice to the department prior to engaging in the purchase of grain by credit-sale contracts contract. Notice shall be on forms provided by the department. The notice shall contain information required by the department.~~

~~3. b. All credit-sale contract forms in the possession of a the grain dealer shall have been permanently and consecutively numbered at the time of printing of the forms. A The grain dealer shall maintain an accurate record of all credit-sale contract forms and numbers obtained by that dealer. The record shall include the disposition of each numbered form, whether by execution, destruction, or otherwise.~~

~~4. c. A The grain dealer who purchases grain by credit-sale contracts contract shall maintain books, records, and other documents as required by the department to establish in compliance with this section.~~

Sec. 9. Section 203.15, subsection 6, Code 2003, is amended to read as follows:

6. Title to all grain sold by a credit-sale contract is in the purchasing grain dealer as of the time the contract is executed, unless the contract provides otherwise. The contract must be signed and dated by both parties and executed in duplicate. One copy shall be retained by the grain dealer and one copy shall be delivered to the seller. Upon revocation, termination, or cancellation of a the grain dealer dealer's license, the payment date for all credit-sale contracts shall be advanced to a date not later than thirty days after the effective date of the revocation, termination, or cancellation, and the purchase price for all unpriced grain shall be determined as of the effective date of revocation, termination, or cancellation in accordance with all other provisions of the contract. However, if the business of the grain dealer is sold to another licensed grain dealer, credit-sale contracts may be assigned to the purchaser of the business.

Sec. 10. Section 203.15, subsection 8, paragraph f, Code 2003, is amended to read as follows:

~~f. The grain dealer has made payment by use of a financial instrument which is a check, share draft, draft, or written order on a financial institution or electronic funds transfer, and a financial institution refuses payment on the instrument because of insufficient funds in a grain dealer's account.~~

Sec. 11. Section 203.15, subsection 9, Code 2003, is amended to read as follows:

9. A licensed grain dealer who purchases grain by credit-sale contract shall obtain from the seller a signed acknowledgment stating that the seller has received notice that grain purchased by credit-sale contract is not protected by the grain depositors and sellers indemnity fund. The form for the acknowledgment shall be prescribed by the department, and the licensed grain dealer and the seller shall each be provided a copy.

Sec. 12. Section 203.17, subsection 2, Code 2003, is amended by striking the subsection.

Sec. 13. Section 203C.1, subsection 2, Code 2003, is amended to read as follows:

2. "Bond" means a bond issued by a surety company or an irrevocable letter of credit issued by a financial institution ~~described in subsection 25.~~

Sec. 14. Section 203C.1, Code 2003, is amended by adding the following new subsections:

NEW SUBSECTION. 3A. "Check" means the same as defined in section 203.1.

NEW SUBSECTION. 6A. "Electronic funds transfer" means the same as defined in section 203.1.

Sec. 15. Section 203C.1, subsection 7A, paragraph a, Code 2003, is amended to read as follows:

a. The making of a payment by use of a ~~financial instrument which is a check, share draft, draft, or written order on a financial institution~~ or electronic funds transfer, and a financial institution refuses payment ~~on the instrument~~ because of insufficient funds in the warehouse operator's account.

Sec. 16. Section 203C.1, subsection 18, Code 2003, is amended by striking the subsection and inserting in lieu thereof the following:

18. "Person" means the same as defined in section 4.1 and includes a business association as defined in section 9H.1 or a joint or common venture regardless of whether it is organized under a chapter of the Code.

Sec. 17. Section 203C.2, Code 2003, is amended to read as follows:

203C.2 DUTIES AND POWERS OF THE DEPARTMENT — OPERATOR RECORDKEEPING.

1. The department shall administer this chapter and may exercise general supervision over the storage, warehousing, classifying according to grade or otherwise, weighing, and certification of agricultural products.

2. The department may inspect or cause to be inspected any warehouse including warehouse records as provided in this section. Inspections may be made at times and for purposes as the department determines. Except as provided in section 203C.6, the department shall cause inspect every licensed warehouse and its contents to be inspected once in every twelve-month period twelve months. The department shall prioritize inspections based on the system provided in section 203C.40. The department may require the filing of reports relating to a warehouse or its operation.

a. A licensed warehouse operator operating a licensed warehouse shall provide for complete and correct recordkeeping. The records shall account for the storage and withdrawal of all agricultural products handled in each warehouse which the warehouse operator is licensed to operate. The records shall include all original and duplicate receipts issued by, returned to, and canceled by the warehouse operator. A licensed warehouse operator shall keep records for the previous six years. If the licensed warehouse operator's records are incomplete or inaccurate, the department may reconstruct the warehouse operator's records in order to determine whether the warehouse operator is in compliance with the provisions of this chapter. The department may charge the licensed warehouse operator the actual cost for reconstructing the warehouse operator's records.

b. If upon inspection of a warehouse a deficiency is found to exist as to the quantity or quality of agricultural products stored, as indicated on the warehouse operator's books and records according to official grain standards, the department may require an employee of the department to remain at the licensed warehouse and supervise all operations involving agricultural products stored there under this chapter until the deficiency is corrected. The charge for the cost of maintaining an employee of the department at a warehouse to supervise the correction of a deficiency is one hundred fifty dollars per day.

3. The department may make available to the United States government, or any of its

agencies, including the commodity credit corporation, the results of inspections made and inspection reports submitted to it by employees of the department, upon payment to it of charges as determined by the department, but the charges shall not be less than the actual cost of services rendered, as determined by the department. The department may enter into contracts and agreements for such purpose and shall keep a record of all money thus received. ~~All such money shall be paid over to the treasurer of state as miscellaneous receipts.~~

4. The department may classify any warehouse in accordance with its suitability for the storage of agricultural products and shall specify in any license issued for the operation of a warehouse the only type or types and the quantity of agricultural products which may be stored in the warehouse. The department may prescribe, within the limitations of this chapter, the duties of licensed warehouse operators with respect to the care of and responsibility for the contents of licensed warehouses. Grain grades shall be determined under the official grain standards. The department may from time to time publish data in connection with the administration of this chapter as may be of public interest. ~~The department shall administer this chapter.~~

5. ~~Moneys received by the department in administering this section shall be considered repayment receipts as defined in section 8.2.~~

Sec. 18. Section 203C.10, Code 2003, is amended by striking the section and inserting in lieu thereof the following:

203C.10 SUSPENSION OR REVOCATION OF LICENSE.

The department may issue an order to suspend or revoke the license of a warehouse operator who violates a provision of this chapter, including a rule adopted under this chapter, as provided in chapter 17A. If a warehouse operator fails to consent to a departmental inspection during an inspection as provided in section 203C.2, the department may issue an order to immediately suspend or revoke the grain dealer's license pursuant to section 17A.18.

Sec. 19. Section 203C.36, subsections 1 and 2, Code 2003, are amended to read as follows:

1. A person who knowingly withholds information from or knowingly submits false information to the department or any of its employees in a ~~document or a book, account, or record~~ required to be ~~submitted or maintained or submitted to the department~~ under this chapter commits a fraudulent practice as provided in chapter 714.

2. ~~a. Except as provided in paragraph "b", a person who engages commits a serious misdemeanor if the person does any of the following:~~

~~(1) Engages in business as a warehouse operator without obtaining a license, or who refuses to permit as required in section 203C.6.~~

~~(2) Obstructs the inspection of licensed the person's business premises, or books, accounts, or records or other documents required to be kept by this chapter, or who uses a licensed warehouse operator pursuant to section 203C.2.~~

~~(3) Uses a scale ticket, warehouse receipt, or other document which fails to satisfy requirements established by the department commits a serious misdemeanor, except that a in violation of this chapter or requirements established by the department under this chapter.~~

~~b. A person who commits any of these offenses an offense specified in paragraph "a" after having been found guilty of the same offense commits an aggravated misdemeanor.~~

Sec. 20. Section 203C.39, subsection 3, Code 2003, is amended to read as follows:

3. A licensed warehouse operator ~~shall not accept~~ may transfer grain for storage ~~from to~~ another licensed warehouse operator while such ~~the~~ warehouse operator receiving such grain has grain stored elsewhere under the provisions of this section.

Sec. 21. Section 203.13, Code 2003, is repealed.

Sec. 22. Section 203C.35, Code 2003, is repealed.

DIVISION II
ELIMINATION OF REGULATIONS FOR GRAIN BARGAINING AGENTS

Sec. 23. Section 159.6, subsection 12, Code 2003, is amended by striking the subsection.

Sec. 24. Section 189.1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

For the purpose of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, unless the context otherwise requires:

Sec. 25. Section 189.1, subsections 1 and 6, Code 2003, are amended to read as follows:

1. "Article" includes food, commercial feed, agricultural seed, commercial fertilizer, drug, insecticide, fungicide, paint, linseed oil, turpentine, and illuminating oil, in the sense in which they are defined in the various provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208.

6. "Person" includes a corporation, company, firm, society, or association; and the act, omission, or conduct of any officer, agent, or other person acting in a representative capacity shall be imputed to the organization or person represented, and the person acting in that capacity shall also be liable for violations of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208.

Sec. 26. Section 189.2, subsections 2 through 4, Code 2003, are amended to read as follows:

2. Make and publish all necessary rules, not inconsistent with law, for enforcing the provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208.

3. Provide educational measures and exhibits, and conduct educational campaigns as are deemed advisable in fostering and promoting the production and sale of the articles dealt with in this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, in accordance with the rules adopted pursuant to this subtitle.

4. Issue from time to time, bulletins showing the results of inspections, analyses, and prosecutions under this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208. These bulletins shall be printed in such numbers as may be approved by the state printing administrator and shall be distributed to the newspapers of the state and to all interested persons.

Sec. 27. Section 189.3, Code 2003, is amended to read as follows:

189.3 PROCURING SAMPLES.

The department shall, for the purpose of examination or analysis, procure from time to time, or whenever the department has occasion to believe any of the provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, are being violated, samples of the articles dealt with in these provisions which have been shipped into this state, offered or exposed for sale, or sold in the state.

Sec. 28. Section 189.4, Code 2003, is amended to read as follows:

189.4 ACCESS TO FACTORIES AND BUILDINGS.

The department shall have full access to all places, factories, buildings, stands, or premises, and to all wagons, auto trucks, vehicles, or cars used in the preparation, production, distribution, transportation, offering or exposing for sale, or sale of any article dealt with in this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208.

Sec. 29. Section 189.5, Code 2003, is amended to read as follows:

189.5 DEALER TO FURNISH SAMPLES.

Upon request and tender of the selling price by the department any person who prepares, manufactures, offers or exposes for sale, or delivers to a purchaser any article dealt with in this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, shall furnish, within business hours, a sample of the same, sufficient in quantity for a proper analysis or examination as shall be provided by the rules of the department.

Sec. 30. Section 189.6, Code 2003, is amended to read as follows:
189.6 TAKING OF SAMPLES.

The department may, without the consent of the owner, examine or open any package containing, or believed to contain, any article or product which it suspects may be prepared, manufactured, offered, or exposed for sale, sold, or held in possession in violation of the provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, in order to secure a sample for analysis or examination, and the sample and damage to container shall be paid for at the current market price out of the contingent fund of the department.

Sec. 31. Section 189.8, Code 2003, is amended to read as follows:
189.8 WITNESSES.

In the enforcement of the provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, the department shall have power to issue subpoenas for witnesses, enforce their attendance, and examine them under oath. The witnesses shall be allowed the same fees as witnesses in district court. The fees shall be paid out of the contingent fund of the department.

Sec. 32. Section 189.9, unnumbered paragraph 1, Code 2003, is amended to read as follows:

All articles in package or wrapped form which are required by this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, to be labeled, unless otherwise provided, shall be conspicuously marked in the English language in legible letters of not less than eight point heavy gothic caps on the principal label with the following items:

Sec. 33. Section 189.13, Code 2003, is amended to read as follows:
189.13 FALSE LABELS — DEFAACEMENT.

A person shall not use any label required by this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, which bears any representations of any kind which are deceptive as to the true character of the article or the place of its production, or which has been carelessly printed or marked, nor shall any person erase or deface any label required by this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208.

Sec. 34. Section 189.14, subsection 1, Code 2003, is amended to read as follows:

1. A person shall not knowingly introduce into this state, solicit orders for, deliver, transport, or have in possession with intent to sell, any article which is labeled in any other manner than that prescribed by this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, for the label of the article when offered or exposed for sale, or sold in package or wrapped form in this state.

Sec. 35. Section 189.15, Code 2003, is amended to read as follows:
189.15 ADULTERATED ARTICLES.

A person shall not knowingly manufacture, introduce into the state, solicit orders for, sell, deliver, transport, have in possession with the intent to sell, or offer or expose for sale, any article which is adulterated according to the provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208.

Sec. 36. Section 189.16, subsection 2, paragraph a, Code 2003, is amended to read as follows:

a. Grain by a person regulated under chapter 203, ~~203A~~, 203C, or 203D.

Sec. 37. Section 189.19, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The following provisions apply to all licenses issued or authorized under this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208:

Sec. 38. Section 189.19, subsection 2, Code 2003, is amended to read as follows:

2. REFUSAL AND REVOCATION. For good and sufficient grounds the department may refuse to grant a license to any applicant; and it may revoke a license for a violation of any provision of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, or for the refusal or failure of any licensee to obey the lawful directions of the department.

Sec. 39. Section 189.20, Code 2003, is amended to read as follows:

189.20 INJUNCTION.

Any person engaging in any business for which a license is required by this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, without obtaining such license, may be restrained by injunction, and shall pay all costs made necessary by such procedure.

Sec. 40. Section 189.21, Code 2003, is amended to read as follows:

189.21 PENALTY.

Unless otherwise provided, any person violating any provision of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, or any rule adopted by the department pursuant to such a provision, is guilty of a simple misdemeanor.

Sec. 41. Section 189.23, Code 2003, is amended to read as follows:

189.23 COMMON CARRIER.

The penalties provided in this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, shall not be imposed upon any common carrier for introducing into the state, or having in its possession, any article which is adulterated or improperly labeled according to the provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, when the same was received by the carrier for transportation in the ordinary course of its business and without actual knowledge of its true character.

Sec. 42. Section 189.24, Code 2003, is amended to read as follows:

189.24 REPORT OF VIOLATIONS.

When it appears that any of the provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, have been violated, the department shall at once certify the facts to the proper county attorney, with a copy of the results of any analysis, examination, or inspection the department may have made, duly authenticated by the proper person under oath, and with any additional evidence which may be in possession of the department.

Sec. 43. Section 189.28, Code 2003, is amended to read as follows:

189.28 GOODS FOR SALE IN OTHER STATES.

Any person may keep articles specifically set apart in the person's stock for sale in other states which do not comply with the provisions of this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, as to standards, purity, or labeling.

Sec. 44. Section 189.29, Code 2003, is amended to read as follows:

189.29 REPORTS BY DEALERS.

Every person who deals in or manufactures any of the articles dealt with in this subtitle, excluding chapters 203, ~~203A~~, 203C, 203D, 207, and 208, shall make upon blanks furnished by the department such reports and furnish such statistics as may be required by the department and certify to the correctness of the same.

Sec. 45. Section 190.1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

For the purpose of this subtitle, except chapters 192, 203, ~~203A~~, 203C, 203D, 207, and 208, the following definitions and standards of food are established:

Sec. 46. Section 203.1, subsection 8, paragraph h, Code 2003, is amended by striking the paragraph.

Sec. 47. Section 203.5, unnumbered paragraph 2, Code 2003, is amended to read as follows:

If an applicant has had a license under chapter 203, ~~203A~~, or 203C revoked for cause within the past three years, or has been convicted of a felony involving violations of chapter 203, ~~203A~~, or 203C, or is owned or controlled by a person who has had a license so revoked or who has been so convicted, the department may deny a license to the applicant.

Sec. 48. Section 203C.6, subsection 7, Code 2003, is amended to read as follows:

7. If an applicant has had a license under chapter 203, ~~203A~~ or 203C revoked for cause within the past three years, or has been convicted of a felony involving violations of chapter 203, ~~203A~~ or 203C, or is owned or controlled by a person who has had a license so revoked or who has been so convicted, the department may deny a license to the applicant.

Sec. 49. Section 669.14, subsection 11, unnumbered paragraph 1, Code 2003, is amended to read as follows:

Any claim for financial loss based upon an act or omission in financial regulation, including but not limited to examinations, inspections, audits, or other financial oversight responsibilities, pursuant to chapters 87, 203, ~~203A~~, 203C, 203D, 421B, 486, 487, and 490 through 553, excluding chapters 540A, 542, 542B, 543B, 543C, 543D, 544A, and 544B.

Sec. 50. Chapter 203A, Code 2003, is repealed.

Approved April 25, 2003

CHAPTER 70

MASSAGE THERAPY — MODALITIES — LICENSING EXEMPTION

H.F. 204

AN ACT relating to massage therapy by providing for a study regarding the modalities associated with massage therapy and providing a temporary exemption from licensure requirements.

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

Section 1. NEW SECTION. 152C.5A MASSAGE THERAPY MODALITIES STUDY.

The Iowa department of public health, with input from the board, shall conduct a study regarding the modalities associated with the practice of massage therapy. The study shall be conducted with the input of licensed massage therapists, reflexologists, and unlicensed persons practicing modalities related to massage therapy. The objective of the study shall be to determine which modalities shall be included under the definition of massage therapy and require licensure, and shall include, but not be limited to, a recommendation regarding the licensure of reflexologists. The study shall focus on the health, safety, and welfare of the public regarding each of the modalities reviewed. The department shall submit a report summarizing the results of the study and making recommendations regarding modality inclusion to the general assembly by January 15, 2004.

Sec. 2. NEW SECTION. 152C.7A TEMPORARY EXEMPTIONS.

An individual who is engaged exclusively in the practice of reflexology or an unlicensed individual who is practicing a modality related to massage therapy, and whose professional practice does not incorporate aspects that constitute massage therapy as defined in section 152C.1,