

dollars, with approved sureties, conditioned that the applicant will faithfully observe the provisions of this chapter.

Sec. 6. Section 123.29, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. This section does not prohibit a member of the clergy of any church or denomination which uses vinous liquor in its sacramental ceremonies from purchasing, having shipped by interstate or intrastate common carrier, possessing, and using such vinous liquor for sacramental purposes.

Sec. 7. Section 123.32, subsection 3, Code 1989, is amended to read as follows:

3. ACTION BY ADMINISTRATOR AND DEPARTMENT OF INSPECTIONS AND APPEALS. Upon receipt of an application having been disapproved by the local authority, the administrator shall disapprove the application, so notify the applicant by registered certified mail, and return the fee and any bond to the applicant. Upon receipt of an application having been approved by the local authority, the department of inspections and appeals division shall make such investigation as the administrator deems necessary and may require the applicant to appear before the department of inspections and appeals and to be examined under oath regarding any matters pertinent to the application, in which case a record shall be made of all testimony or evidence and the same shall become a part of the application. The administrator may appoint a member of the division or may request the department of inspections and appeals to receive the testimony under oath and evidence. If the application is approved by the administrator, the license or permit applied for shall be issued. If the application is disapproved by the administrator, the applicant and the appropriate local authority shall be so notified by restricted certified mail, and the fee and any bond returned to the applicant.

Sec. 8. Section 123.180, subsection 2, Code 1989, is amended to read as follows:

2. At the time of applying for a vintner's certificate of compliance, each applicant shall file with the division a list of all class "A" wine permittees with whom it intends to do business and shall designate the geographic area in which its products are to be distributed by the permittees. Vintner's certificate holders may appoint more than one class "A" wine permittee to service the same geographic territory. The listing of class "A" wine permittees and geographic areas as filed with the division may be amended from time to time by the holder of the certificate of compliance.

Sec. 9. Section 455C.4, subsection 3, Code 1989, is amended to read as follows:

3. A dealer or a distributor may not refuse to accept and to pay the refund value of an empty wine or alcoholic liquor container which is marked to indicate that it was sold by a state liquor store. The alcoholic beverages division shall not reimburse a dealer or a distributor the refund value on an empty wine or alcoholic liquor container which is marked to indicate that the container was sold by a state liquor store.

Approved May 15, 1989

CHAPTER 162

SENIOR JUDGES' BENEFITS

S.F. 459

AN ACT relating to payment of a senior judge's medical insurance premium and annuity.

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

Section 1. Section 602.9203, subsection 2, paragraph b, Code 1989, is amended to read as follows:

b. Meets the minimum requirements for entitlement to an annuity as specified in section 602.9106. However, a judge who elects to retire prior to attaining the age of sixty-five and who has not had twenty-five years of consecutive service, may serve as a senior judge, but shall not be paid an annuity pursuant to section 602.9204 until attaining age sixty-five.

Sec. 2. Section 602.9204, Code 1989, is amended to read as follows:

602.9204 ANNUITY OF SENIOR JUDGE AND RETIRED SENIOR JUDGE.

A senior judge or a retired senior judge shall not be paid a salary. A senior judge or retired senior judge shall be paid an annuity under the judicial retirement system in the manner provided in section 602.9109, but computed under this section in lieu of section 602.9107, as follows: The annuity paid to a senior judge or retired senior judge shall be an amount equal to three percent of the current basic salary, as of the time each payment is made, of the office in which the senior judge last served as a judge before retirement as a judge or senior judge, multiplied by the judge's years of service prior to retirement as a judge of one or more of the courts included under this article, for which contributions were made to the system, except the annuity of the senior judge or retired senior judge shall not exceed fifty percent of the current basic salary. In addition, if a senior judge is under sixty-five years of age at the time the judge becomes a senior judge, the state shall pay the state's share of the senior judge's medical insurance premium until the judge attains age sixty-five.

Approved May 15, 1989

CHAPTER 163

NONSTATUTORY LIENS

S.F. 508

AN ACT relating to liens on real or personal property and providing a remedy and an effective date.

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

Section 1. **NEW SECTION. 584.5 NONSTATUTORY LIENS.**

A person claiming a common law lien, an equitable servitude lien, or a lien of similar nature which is other than a statutory lien, shall first give notice to any legal and equitable owners and persons in possession of the real or personal property against which the lien is sought. If the lien is filed by an owner of the real or personal property, notice shall first be given to any person with a lien or other interest in the property. The notice shall be given pursuant to the Iowa rules of civil procedure. Prior to the filing of the lien in any office of record in the county where the real or personal property is located, the district court in such county shall hold a hearing to determine the validity of the lien. Pendency of such a proceeding shall not be indexed under section 617.10 and shall not constitute lis pendens or constructive notice to third persons under sections 617.11 through 617.15. A bona fide purchaser takes title to the real or personal property free of any claims arising from such proceeding unless proper filing is made in the office of the county recorder as provided in this section. The person claiming the lien is required to prove the validity of the lien by a preponderance of the evidence. If the court determines the person claiming the lien has, willfully and maliciously proceeded, a judgment may be entered against the person claiming the lien in favor of any resisting party for reasonable damages, including actual damages, costs, and reasonable attorneys' fees incurred by the resisting party. A lien, as described in this section, shall not be filed in any office of record other than as provided in this section and if such lien is filed other than as provided in this section, the lien shall be null and void and of no force or effect. If after hearing the