

3. In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.

Sec. 4. NEW SECTION. 550.4 DAMAGES.

1. Except to the extent that a material and prejudicial change of a person's position occurs prior to acquiring knowledge of a misappropriation and renders a monetary recovery inequitable, an owner of a trade secret is entitled to recover damages for the misappropriation. Damages may include the actual loss caused by the misappropriation, and the unjust enrichment caused by the misappropriation which is not taken into account in computing the actual loss. In lieu of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of liability for a reasonable royalty for a person's unauthorized disclosure or use of a trade secret.

2. If a person commits a willful and malicious misappropriation, the court may award exemplary damages in an amount not exceeding twice the award made under subsection 1.

Sec. 5. NEW SECTION. 550.5 DEFENSE — CONSENT OF DISCLOSURE.

In an action for injunctive relief or damages against a person under this chapter, it shall be a complete defense that the person disclosing a trade secret made the disclosure with the implied or express consent of the owner of the trade secret.

Sec. 6. NEW SECTION. 550.6 ATTORNEY FEES.

The court may award actual and reasonable attorney fees to the prevailing party in an action under this chapter if any the following is applicable:

1. A claim of misappropriation is made in bad faith.
2. A motion to terminate an injunction is made or resisted in bad faith.
3. A person acts willfully and maliciously in the misappropriation.

Sec. 7. NEW SECTION. 550.7 PRESERVATION OF SECRECY.

In an action brought under this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, including but not limited to granting protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action, and ordering a person involved in the litigation not to disclose an alleged trade secret without prior court approval.

Sec. 8. NEW SECTION. 550.8 STATUTE OF LIMITATIONS.

An action for misappropriation under this chapter must be brought within three years after the misappropriation is discovered or should have been discovered by the exercise of reasonable diligence. For purposes of this section, a continuing misappropriation constitutes a single claim.

Approved April 27, 1990

CHAPTER 1202

CHARITABLE ORGANIZATION REGULATION

S.F. 2412

AN ACT relating to the regulation of certain charitable organizations, providing a fee, and providing a penalty.

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

Section 1. Section 122.1, Code Supplement 1989, is amended by striking the section and inserting in lieu thereof the following:

122.1 DEFINITIONS.

1. "Charitable organization" means a person who solicits or purports to solicit contributions for a charitable purpose and which receives contributions. "Charitable organization" does not include a political organization, a religious organization, or a state, regionally, or nationally accredited college or university.

2. "Charitable purpose" means a benevolent, educational, philanthropic, humane, scientific, patriotic, social welfare or advocacy, public health, environmental, conservation, civic, or other charitable objective. In the case of law enforcement, emergency medical technician, paramedic, and fire fighter organizations, "charitable purpose" does not include funds raised through the sale of advertisements, products, or tickets for an event unless the organization represents that part of proceeds will be used to assist individuals other than the organization, its members, or their families.

3. "Political organization" means a political party, a candidate for office, or a political action committee required to file financial information with federal or state election or campaign commissions.

4. "Professional commercial fund-raiser" means any person who for compensation solicits contributions in Iowa for a charitable organization other than the person. A person whose sole responsibility is to mail fund-raising literature is not a professional commercial fund-raiser. A lawyer, investment counselor, or banker who advises a person to make a charitable contribution is not, as a result of such advice, a professional commercial fund-raiser. A bona fide salaried officer, employee, or volunteer of a charitable organization is not a professional commercial fund-raiser.

5. "Religious organization" means a religious corporation, trust, foundation, association, or organization incorporated or established for religious purposes.

6. "Solicit" or "solicitation" means the request, directly or indirectly, for a contribution on the plea or representation that the contribution will be used for a charitable purpose. A solicitation is deemed to have taken place whether or not the person making the solicitation receives a contribution. "Solicitation" does not include an application for a grant from any governmental entity or private nonprofit foundation.

Sec. 2. Section 122.2, Code Supplement 1989, is amended by striking the section and inserting in lieu thereof the following:

122.2 REGISTRATION PERMIT REQUIRED — FEE — EXPIRATION.

1. a. A professional commercial fund-raiser shall not solicit contributions for charitable purposes in this state unless the professional commercial fund-raiser has registered with the attorney general, has provided the attorney general with a listing of the professional commercial fund-raiser's clients, and has obtained a registration permit from the attorney general. The attorney general may require that registration information be updated on a quarterly basis.

b. The attorney general shall prescribe and furnish the registration permit application form which shall include provisions for financial disclosure information concerning contributions received and disbursements made during the previous year by the professional commercial fund-raiser applying for registration. Financial disclosure information shall not include an applicant's donor lists.

c. In lieu of filing the financial disclosure information at the time of registration, the professional commercial fund-raiser may file a statement with its permit application where it agrees to provide, without cost, the financial disclosure information required to be disclosed pursuant to this subsection to a person or government entity requesting the information within one day of the request. The statement shall include the telephone number, mailing address, and names of persons to be contacted to obtain the financial disclosure information of the fund-raiser. Failure to provide this information upon request shall be a violation of this chapter.

2. A charitable organization shall provide, upon request and without cost to the requesting party, financial disclosure information concerning contributions received and disbursements for the organization's last complete fiscal year, or, if the organization has not completed a full

fiscal year, for its current fiscal year, to the attorney general or a person requesting the information within five days of the request.

3. a. If a professional commercial fund-raiser or charitable organization fails to provide financial information as required or requested, the fund-raiser or organization shall file the financial disclosure information with the attorney general within seven days of its failure to have provided the disclosure information and, thereafter, file, if required by the attorney general, annual financial disclosure information with the attorney general.

b. The attorney general may seek an injunction pursuant to section 714.16 prohibiting the professional commercial fund-raiser or charitable organization from soliciting contributions until the required financial information has been disclosed to the attorney general, person, or government entity making the request.

4. The client lists of a professional commercial fund-raiser, if required to be filed as part of the application for registration, shall be confidential and may be used only for law enforcement purposes.

5. The attorney general shall collect a fee of ten dollars for each registration permit issued. A permit shall expire twelve months following the date of issuance.

6. The attorney general may make reasonable rules to enforce the provisions of this chapter.

Sec. 3. **NEW SECTION. 122.2A USE OF ANOTHER ORGANIZATION'S NAME IN SOLICITATION — PENALTY.**

A charitable organization shall not solicit contributions for a charitable purpose in this state, where the charitable organization claims that a portion or all of the contributions received will be given to another charitable organization in this state, without permission from the other charitable organization that its name may be referred to as part of the solicitation.

Sec. 4. Section 122.3, Code Supplement 1989, is amended by striking the section and inserting in lieu thereof the following:

122.3 ENFORCEMENT — PENALTY.

The attorney general shall enforce the provisions of this chapter.

A violation of this chapter is a violation of section 714.16, subsection 2, paragraph "a". The provisions of section 714.16, including but not limited to provisions relating to investigation, injunctive relief, and penalties, shall apply to this chapter.

Sec. 5. Section 122.6, Code 1989, is repealed.

Sec. 6. Sections 122.4, 122.5, and 122.7, Code Supplement 1989, are repealed.

Approved April 27, 1990

CHAPTER 1203

DELINQUENT TAX LIENS

S.F. 2416

AN ACT relating to transfer and expiration of the delinquent tax liens and the service of notice of expiration of the right of redemption from tax sales on certain persons with an interest in the real estate, and providing an effective date.

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

Section 1. Section 446.16, Code 1989, is amended to read as follows:

446.16 BID — PURCHASER.

The person who offers to pay the amount of taxes which are a lien on any parcel of land or city lot for the smallest portion thereof shall be the purchaser, and when such the purchaser