



THOMAS J. VILSACK
GOVERNOR

OFFICE OF THE GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

April 28, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 547, an Act providing for evidence of financial responsibility filed by commercial pesticide applicators, and providing an effective date.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Vilsack".

Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House





HOUSE FILE 547

AN ACT

PROVIDING FOR EVIDENCE OF FINANCIAL RESPONSIBILITY FILED BY
COMMERCIAL PESTICIDE APPLICATORS, AND PROVIDING AN
EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 206.2, Code 2003, is amended by adding
the following new subsections:

NEW SUBSECTION. 8A. "Department" means the department of
agriculture and land stewardship.

NEW SUBSECTION. 10A. "Financial institution" means a bank
or savings and loan association authorized by this state or by
the laws of the United States, which is a member of the
federal deposit insurance corporation or the federal savings
and loan insurance corporation.

Sec. 2. Section 206.13, Code 2003, is amended to read as
follows:

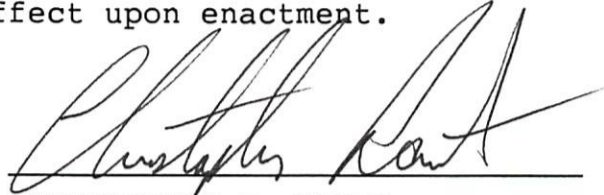
206.13 ~~SURETY-BOND-OR-INSURANCE~~ EVIDENCE OF FINANCIAL
RESPONSIBILITY REQUIRED ~~OF~~ BY COMMERCIAL APPLICATOR.

The ~~secretary~~ department shall not issue a commercial
applicator's license as required in section 206.6 until the
applicant has furnished evidence of financial responsibility
with the ~~secretary-consisting-either-of~~ department. The
evidence of financial responsibility shall consist of a surety

bond, or a liability insurance policy, or an irrevocable letter of credit issued by a financial institution. The department may accept a certification thereof of the evidence of financial responsibility. Such-surety-bond-or-liability insurance-policy The evidence of financial responsibility shall provide-coverage-to pay on-behalf-of the insured-all sums-which-the-insured-shall-become amount that the beneficiary is legally obligated to pay as damages as-a-result of caused by the pesticide operations of the applicant. However, the surety-bond-or-liability-insurance-policy-will evidence of financial responsibility does not apply to damages or an injury which are-either is expected or intended from the standpoint of the insured beneficiary. Any-such A liability insurance policy shall be subject to the insurer's policy provisions filed with and approved by the commissioner of insurance. The surety-bond-or-liability-insurance-policy submitted-as evidence of financial responsibility need not apply to damages or injury to agricultural crops, plants, or land being worked upon by the applicant.

The amount of the surety-bond-or-liability-insurance evidence of financial responsibility as provided for in this section shall be not less than fifty thousand dollars for property damage and public liability insurance, each separately. Such-surety-bond-or-liability-insurance The evidence of financial responsibility shall be maintained at not less than that sum amount at all times during the licensed period. The secretary department shall be notified ten days prior to any reduction in the surety bond or liability insurance made at the request of the applicant or cancellation of such the surety bond by the surety or the liability insurance by the surety-or insurer. The department shall be notified ninety days prior to any reduction of the amount of the irrevocable letter of credit at the request of the applicant or the cancellation of the irrevocable letter of credit by the financial institution. The total and aggregate liability of the surety, and insurer, or financial institution for all claims shall be limited to the face of the surety bond, or liability insurance policy, or irrevocable letter of credit.

Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.



CHRISTOPHER C. RANTS

Speaker of the House



MARY E. KRAMER

President of the Senate

I hereby certify that this bill originated in the House and is known as House File 547, Eightieth General Assembly.



MARGARET THOMSON

Chief Clerk of the House

Approved April 28, 2003



THOMAS J. VILSACK

Governor