

Sen Judiciary S. Pass 4/11 (p. 1202)

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Place On Calendar

HOUSE FILE 198
BY COMMITTEE ON JUDICIARY
AND LAW ENFORCEMENT

(SUCCESSOR TO HSB 114)

Passed House, Date 2/18/91 (p. 380) Passed Senate, Date 4/17/91 (p. 1243)
Vote: Ayes 90 Nays 0 Vote: Ayes 49 Nays 0
Approved May 2, 1991 (p. 2065)

A BILL FOR

1 An Act relating to nonsubstantive Code and Act corrections.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 198

1 Section 1. Section 2A.2, Code 1991, is amended to read as
2 follows:

3 2A.2 TERMS.

4 Members of the commission shall serve for a term of office
5 of five years, ~~and for the initial commission, one member~~
6 ~~appointed by each shall be appointed to serve for five years,~~
7 ~~one for four years, one for three years, one for two years,~~
8 ~~and one for one year.~~ A vacancy on the commission
9 shall be filled for the unexpired term in the same manner as
10 the original appointment was made.

11 Sec. 2. Section 7.14, subsection 2, Code 1991, is amended
12 to read as follows:

13 2. The finding of or failure to find a disability shall be
14 immediately made public, and in case if the governor is found
15 to be unable to discharge the duties of the office, the person
16 next in line of succession to the office of governor shall be
17 immediately notified. After receiving the notification such
18 that person may, under Article IV, section 17, and amendment 2
19 of 1952 sections 17 and 19, Constitution of the State of Iowa,
20 become governor until the disability be is removed.

21 Sec. 3. Section 12.51, unnumbered paragraph 1, Code 1991,
22 is amended to read as follows:

23 The treasurer of state shall adopt rules to implement a
24 main street linked investments loan program to increase the
25 availability of lower cost funds to stimulate building
26 restorations or rehabilitations of historic buildings within
27 the central business district of a city which is a certified
28 local government, or in the Iowa main street program or ~~if~~
29 ~~enacted by the Seventy-third General Assembly,~~ in the rural
30 main street program. The rules shall include the following
31 conditions:

32 Sec. 4. Section 18.18, subsection 1, unnumbered paragraph
33 1, Code 1991, is amended to read as follows:

34 When purchasing paper products, the department of general
35 services shall, whenever when the price is reasonably

1 competitive and the quality as intended, purchase the recycled
2 product. The department of general services shall also
3 purchase, ~~whenever~~ when the price is reasonably competitive
4 and the quality as intended, and in keeping with the schedule
5 established in this subsection, soybean-based inks and starch-
6 based plastics, including but not limited to starch-based
7 plastic garbage can liners.

8 Sec. 5. Section 18.75, subsection 2, Code 1991, is amended
9 to read as follows:

10 2. Have charge of ~~the~~ office equipment and supplies ~~of-the~~
11 ~~printing-board~~ and of the stock, if any, required in
12 connection with printing contracts.

13 Sec. 6. Section 93.40, subsection 7, unnumbered paragraph
14 1, Code 1991, is amended to read as follows:

15 For purposes of this section ~~and-section-93-41~~:

16 Sec. 7. Section 103A.5, subsection 5, Code 1991, is
17 amended to read as follows:

18 5. Administer and enforce ~~the-provisions-of-chapter~~
19 chapters 104A and 104B.

20 Sec. 8. Section 116.2, unnumbered paragraph 1, Code 1991,
21 is amended to read as follows:

22 As used in this chapter unless the context otherwise
23 requires: "Accounting practitioner" means a person licensed by
24 the board as provided in this chapter, who does not hold a
25 certificate as a certified public accountant ~~or-public~~
26 ~~accountant~~ under this chapter, and who offers to perform or
27 performs for the public, and for compensation, any of the
28 following services:

29 Sec. 9. Section 116.3, subsections 3 through 6, Code 1991,
30 are amended to read as follows:

31 3. All fees and other moneys received by the board,
32 pursuant to ~~the-provisions-of~~ this chapter, shall be paid
33 monthly to the treasurer of state for deposit in the
34 professional licensing revolving fund.

35 The board shall make a biennial report to the governor of

1 its proceedings, with an account of all moneys received and
2 disbursed, a list of the names of certified public
3 accountants, ~~public-accountants~~, and accounting practitioners
4 whose certificates, permits to practice, or licenses have been
5 revoked or suspended, and ~~such~~ other information as it may
6 deem deems proper or the governor requests.

7 4. The board may ~~promulgate~~ adopt rules of professional
8 conduct appropriate to establishing and maintaining high
9 standards of integrity and dignity in the practice as a
10 certified public accountant, ~~public-accountant~~, or accounting
11 practitioner. Rules shall be adopted relating to the
12 following matters:

13 a. ~~Rules-relating-to-the~~ The propriety of opinions on
14 financial statements by a certified public accountant ~~or~~
15 ~~public-accountant~~ who is not independent.

16 b. Actions discreditable to the practice as a certified
17 public accountant, ~~public-accountant~~, or accounting
18 practitioner.

19 c. ~~Rules-relating-to-the~~ The professional confidences
20 between a certified public accountant, ~~public-accountant~~, or
21 accounting practitioner and a client.

22 d. Contingent fees.

23 e. ~~Rules-relating-to-technical~~ Technical competence and
24 the expression of opinions on financial statements.

25 f. ~~Rules-relating-to-the~~ The failure to disclose a
26 material fact known to the certified public accountant ~~or~~
27 ~~public-accountant~~, or accounting practitioner.

28 g. ~~Rules-relating-to-material~~ Material misstatement known
29 to the certified public accountant, ~~public-accountant~~, or
30 accounting practitioner.

31 h. ~~Rules-relating-to-negligent~~ Negligent conduct in an
32 examination or in making a report on an examination.

33 i. ~~Rules-relating-to-the-failure~~ Failure to direct
34 attention to any material departure from generally accepted
35 accounting principles.

1 5. A certified public accountant~~7-public-accountant7~~ or
2 accounting practitioner shall not commit and shall not permit
3 associates or persons who are under the accountant's or
4 practitioner's supervision to commit any of the following
5 acts:

6 a. Pay a commission, brokerage, or other participation in
7 the fees or profits of professional work directly or
8 indirectly to the laity.

9 b. Directly or indirectly accept commission, brokerage, or
10 other participation in the fees, charges, or profits of work
11 recommended or turned over to the laity as incident to
12 services for clients.

13 c. Permit others to carry out on behalf of the accountant
14 or practitioner, either with or without compensation, acts
15 which, if carried out by the accountant or practitioner, would
16 place that person in violation of rules of the board adopted
17 pursuant to this chapter.

18 6. The board shall establish rules relative to the conduct
19 of practice as a certified public accountant~~7-public~~
20 ~~accountant7~~ and accounting practitioner in respect to the
21 enumerated items in subsections 4 and 5, but such this
22 ~~direction shall~~ is not be-construed-as a limitation upon the
23 rights of the board to make and adopt any rules ~~and~~
24 ~~regulations~~ relating to the ~~rules-of~~ conduct of certified
25 public accountants~~7-public-accountants7~~ or accounting
26 practitioners~~7~~ which are not specifically enumerated in this
27 chapter.

28 Sec. 10. Section 116.8, subsection 1, Code 1991, is
29 amended to read as follows:

30 1. If the applicant has had two or more years actual
31 experience in practice as an accounting practitioner as an
32 employee of a certified public accountant~~7-a-public~~
33 ~~accountant7~~ or an accounting practitioner, or

34 Sec. 11. Section 116.15, unnumbered paragraph 1, Code
35 1991, is amended to read as follows:

1 Staff may be employed to collect and account for all fees
2 and pay them to the treasurer of state for deposit as provided
3 by law. The board shall set the fees for examination as a
4 certified public accountant, and for examination as an
5 accounting practitioner, based upon the annual cost of
6 administering the examinations. The fees for registration and
7 renewal of a certificate and permit as a certified public
8 accountant, ~~registration-as-a-public-accountant,~~ registration
9 of a foreign public accountant, and licensure and renewal as
10 an accounting practitioner, shall be based upon the
11 administrative costs of sustaining the board which shall
12 include, but are not limited to, the costs for:

13 Sec. 12. Section 116.19, unnumbered paragraph 1, Code
14 1991, is amended to read as follows:

15 Each office established or maintained in this state for the
16 practice of public accounting in this state by a certified
17 public accountant, or partnership or corporation of certified
18 public accountants, ~~or-by-a-public-accountant-or-a-partnership~~
19 ~~of-public-accountants,~~ or by an accounting practitioner or
20 partnership of accounting practitioners, or by a person
21 registered under section 116.17, shall be registered annually
22 under this chapter with the board, but no fee shall be charged
23 for ~~such~~ the registration.

24 Sec. 13. Section 116.20, subsection 1, Code 1991, is
25 amended to read as follows:

26 1. The certificate of certified public accountant granted
27 by the board under section 116.5 ~~and-the-registration-with-the~~
28 ~~board-as-a-public-accountant-under-section-116-6,~~ and the
29 license to practice as an accounting practitioner under
30 section 116.7 or 116.8 shall be renewed as determined by the
31 board. There shall be a renewal fee, in the amount to be
32 determined from time to time by the board. The board shall
33 give notice by restricted certified mail, return receipt
34 requested, to the holder of a certificate, ~~registration,~~ or
35 license who has failed to renew it. If the holder fails to

1 renew the certificate~~,-registration,~~ or license within thirty
2 days of receipt of the notice, the certificate~~,-registration,~~
3 or license lapses and is void.

4 Sec. 14. Section 116.20, subsection 2, paragraph a, Code
5 1991, is amended to read as follows:

6 a. Persons holding the certificate of certified public
7 accountant on July 1, 1975₂, and who have had three years'
8 continuous practical accounting experience as a~~-public~~
9 ~~accountant~~-or a staff accountant, or three years' continuous
10 employment as a field examiner under a revenue agent-in-charge
11 of the income tax bureau of the treasury department of the
12 United States, or as a field examiner in the office of the
13 auditor of state, department of management, department of
14 revenue and finance, or the insurance division of the
15 department of commerce, of this state, or a bank examiner
16 employed by the banking division of the department of commerce
17 of this state pursuant to section 524.208 shall be issued
18 permits by the board.

19 Sec. 15. Section 116.20, subsections 3 through 5, Code
20 1991, are amended to read as follows:

21 3. Permits to engage in the practice of public accounting
22 in this state shall also be issued by the board to persons,
23 partnerships, and corporations registered under sections
24 ~~116.6,~~ 116.17 and 116.18 if all offices of the registrant are
25 maintained and registered as required under section 116.19.

26 4. There shall be a permit fee in an amount to be
27 determined by the board, payable by certified public
28 accountants~~,-public-accountants,~~ and accounting practitioners
29 engaged in practice in this state. A fee shall not be charged
30 for the renewal of a partnership or corporation permit to
31 practice. All permits shall expire as determined by the
32 board.

33 5. No A person, firm, or corporation shall not practice as
34 a certified public accountant~~,-public-accountant,~~ or
35 accounting practitioner without a permit.

1 Sec. 16. Section 116.21, unnumbered paragraph 1 and
2 subsections 1 and 8, Code 1991, are amended to read as
3 follows:

4 After notice and hearing as provided in section 116.23, the
5 board may revoke or may suspend for a period not to exceed two
6 years, ~~any a~~ certificate issued under section 116.57 ~~-or-any~~
7 ~~registration-granted-under-section-116-67~~ or ~~any a~~ license
8 issued under section 116.7 or 116.8, or may revoke, suspend,
9 or refuse to renew ~~any a~~ permit issued under section 116.20,
10 or may censure the holder of ~~any-such a~~ permit, for any one or
11 any combination of the following causes:

12 1. The certificate, permit, or license shall be
13 permanently revoked if fraud or deceit was used in obtaining a
14 certificate as a certified public accountant, ~~-registration-as~~
15 ~~a-public-accountant,~~ or a license as an accounting
16 practitioner, or in obtaining a permit to practice public
17 accounting under this chapter.

18 8. Cancellation, revocation, suspension, or refusal to
19 renew the authority to practice as a certified public
20 accountant, ~~-a-public-accountant,~~ or an accounting practitioner
21 by any other state, for any cause other than failure to pay
22 appropriate fees in the other state.

23 Sec. 17. Section 116.23, subsection 4, Code 1991, is
24 amended to read as follows:

25 4. At any hearing the accused may appear in person and by
26 counsel, produce evidence and witnesses on behalf of the
27 accused, cross-examine witnesses, and examine evidence which
28 is produced against the accused. A corporation may be
29 represented before the board by counsel, or by a shareholder
30 who is a certified public accountant, ~~-public-accountant,~~ or
31 accounting practitioner of this state in good standing. The
32 accused ~~shall-be~~ is entitled, on application to the board, to
33 the issuance of subpoenas to compel the attendance of
34 witnesses on behalf of the accused.

35 Sec. 18. Section 116.25, subsections 3, 4, and 10, Code

1 1991, are amended to read as follows:

2 3. ~~No~~ A person shall not assume or use the title or
3 designation "public accountant" or any other title,
4 designation, words, letters, abbreviation, sign, card, or
5 device tending to indicate that ~~such~~ the person is a public
6 accountant, ~~unless-such-person-is-registered-as-a-public~~
7 ~~accountant-under-section-116-67-or~~ unless ~~such~~ the person has
8 received a certificate as a certified public accountant under
9 section 116.5.

10 4. ~~No~~ A partnership or corporation shall not assume or use
11 the title or designation "public accountant" or any other
12 title, designation, words, letters, abbreviation, sign, card,
13 or device tending to indicate that ~~such~~ the partnership or
14 corporation is composed of certified public accountants,
15 unless ~~such~~ the partnership or corporation is registered as-a
16 ~~partnership-or-corporation-of-public-accountants-under-section~~
17 ~~116-67-or~~ as a partnership or corporation of certified public
18 accountants under section 116.18.

19 10. ~~No~~ A person shall not assume or use the title or
20 designation "certified public accountant" or "public
21 accountant" in conjunction with names indicating or implying
22 that there is a partnership or corporation or in conjunction
23 with the designation "and company", ~~and~~ "and co.", or a
24 similar designation, if in any such case, there is in fact no
25 bona fide partnership or corporation registered under section
26 ~~116-6-or~~ 116.18; however, a sole proprietor or partnership
27 lawfully using such a title or designation on July 1, 1975,
28 may continue to do so if the sole proprietor or partnership
29 otherwise complies with the provisions of this chapter.

30 Sec. 19. Section 116.26, Code 1991, is amended to read as
31 follows:

32 116.26 EMPLOYEES OF ACCOUNTANTS.

33 ~~Nothing-contained-in-this~~ This chapter ~~shall~~ does not
34 prohibit any person not a certified public accountant, ~~public~~
35 ~~accountant,~~ or accounting practitioner from serving as an

1 employee of, or an assistant to, a certified public
2 accountant, ~~public accountant~~, or accounting practitioner, or
3 partnership or corporation composed of certified public
4 accountants, ~~public accountants~~, or accounting practitioners,
5 holding a permit to practice issued under section 116.20, or a
6 foreign accountant registered under section 116.17; however,
7 ~~such the~~ employee or assistant shall not issue any accounting
8 or financial statement over the employee's or assistant's
9 name.

10 Sec. 20. Section 116.31, unnumbered paragraph 1, Code
11 1991, is amended to read as follows:

12 All statements, records, schedules, working papers, and
13 memoranda made by a certified public accountant, ~~public~~
14 ~~accountant~~, or accounting practitioner incident to or in the
15 course of professional service to clients by ~~such the~~
16 accountant, except reports submitted by a certified public
17 accountant, ~~public accountant~~, or accounting practitioner to a
18 client, ~~shall be and~~ remain the property of ~~such the~~
19 accountant in the absence of an express agreement between ~~such~~
20 ~~the~~ accountant and the client to the contrary.

21 Sec. 21. Section 117.47, subsection 2, is amended to read
22 as follows:

23 2. ~~Except as otherwise provided in subsection 7, the~~ The
24 commission shall contract with an insurance provider for a
25 group policy under which coverage is available to all
26 licensees. The contract shall be solicited by competitive,
27 sealed bid.

28 Sec. 22. Section 123.32, subsection 3, Code 1991, is
29 amended to read as follows:

30 3. Licensed premises for local events. A local authority
31 may define, by motion of the local authority, licensed
32 premises which shall be used by holders of liquor control
33 licenses, beer permits, and wine permits at festivals, fairs,
34 or celebrations which are sponsored or authorized by the local
35 authority. The licensed premises defined by motion of the

1 local authority shall be used by the holders of five-day or
2 fourteen-day liquor control licenses, ~~five-day-or-fourteen-day~~
3 ~~wine-permits~~, or five-day or fourteen-day beer permits only.

4 Sec. 23. Section 123.34, subsection 3, Code 1991, is
5 amended to read as follows:

6 3. The fee for a fourteen-day liquor license or beer
7 permit is one quarter of the annual fee for that class of
8 liquor license~~7-wine-permit~~, or beer permit. The fee for the
9 privilege to sell on the two Sundays in the fourteen-day
10 period is twenty percent of the price of the fourteen-day
11 liquor license~~7-wine-permit~~ or beer permit.

12 Sec. 24. Section 198.3, subsection 1, Code 1991, is
13 amended to read as follows:

14 1. "Brand name" means any word, name, symbol, or device or
15 any combination thereof, identifying the commercial feed of a
16 distributor ~~or-registrant~~ and distinguishing it from that of
17 others.

18 Sec. 25. Section 198.5, subsection 2, paragraph d, Code
19 1991, is amended to read as follows:

20 d. The product name and brand name, if any, and the net
21 weight of each ~~registered~~ commercial feed used in the mixture,
22 and the net weight of each other ingredient used.

23 Sec. 26. Section 198.9, subsection 2, paragraph b,
24 unnumbered paragraph 2, Code 1991, is amended to read as
25 follows:

26 Failure to make an accurate statement of tonnage or to pay
27 the inspection fee or comply as provided ~~herein-shall~~
28 constitute in this section is sufficient cause for the
29 cancellation of ~~all-registrations-on-file-for~~ the license of
30 the distributor.

31 Sec. 27. Section 198.10, subsection 2, Code 1991, is
32 amended to read as follows:

33 2. Before the issuance, amendment, or repeal of any a rule
34 authorized by this chapter, the secretary shall publish the
35 proposed rule, amendment, or notice to repeal an existing rule

1 in a manner reasonably calculated to give interested parties,
2 including all current registrants licensees, adequate notice,
3 and shall afford all interested persons an opportunity to be
4 heard, orally or in writing, within a reasonable period of
5 time. After consideration of all views presented by
6 interested persons, the secretary shall take appropriate
7 action to issue the proposed rule or to amend or repeal an
8 existing rule. ~~The provisions of this subsection~~
9 ~~notwithstanding~~ However, if the secretary, pursuant to the
10 ~~authority of~~ this chapter, adopts the official definitions of
11 feed ingredients or official feed terms as adopted by the
12 ~~Association~~ association of American Feed Control Officials
13 feed control officials, or rules regulations promulgated
14 pursuant to the authority of the federal Food, Drug, and
15 Cosmetic Act, any amendment or modification adopted by said
16 that association, or by the secretary of health, ~~education and~~
17 welfare and human services in the case of regulations
18 promulgated pursuant to the federal Food, Drug and Cosmetic
19 Act, shall be adopted automatically under this chapter without
20 regard to publication of the notice required by this
21 subsection, unless the secretary, by order specifically
22 determines that ~~said~~ an amendment or modification shall not be
23 adopted.

24 Sec. 28. Section 198.12, subsection 1, Code 1991, is
25 amended to read as follows:

26 1. When the secretary or the secretary's authorized agent
27 has reasonable cause to believe any lot of commercial feed is
28 being distributed in violation of any of the provisions of
29 this chapter or of any of the prescribed rules adopted under
30 this chapter, the secretary or agent may issue and enforce a
31 written or printed "withdrawal from distribution" order,
32 warning the distributor not to dispose of the lot of
33 commercial feed in any manner until written permission is
34 given by the secretary or the court. The secretary shall
35 release the lot of commercial feed so withdrawn when ~~said~~ the

1 provisions and rules have been complied with. If compliance
2 is not obtained within thirty days, the secretary may begin,
3 or upon request of the distributor ~~or-registrant~~ shall begin,
4 proceedings for condemnation.

5 Sec. 29. Section 198.15, Code 1991, is amended to read as
6 follows:

7 198.15 PUBLICATION.

8 The secretary shall publish at least annually, in such
9 forms ~~as~~ the secretary ~~may-deem~~ deems proper, information
10 concerning the sales of commercial feeds, together with such
11 data on their production and use as the secretary ~~may-consider~~
12 considers advisable, and a report of the results of the
13 analyses of official samples of commercial feeds sold within
14 the state as compared with the analyses guaranteed ~~in-the~~
15 ~~registration-and~~ on the label. ~~Provided,-that~~ However, the
16 information concerning production and use of commercial feed
17 shall not disclose the operations of any person.

18 Sec. 30. Section 235A.15, subsection 2, paragraph e,
19 subparagraph (3), Code 1991, is amended to read as follows:

20 (3) To the department of ~~public-safety~~ justice for the
21 sole purpose of the filing of a claim for reparation pursuant
22 to section 910A.5 and section 912.4, subsections 3 through 5.

23 Sec. 31. Section 235C.3, subsection 4, unnumbered
24 paragraph 1, Code 1991, is amended to read as follows:

25 The council shall seek to improve effective treatment
26 services within the state for chemically exposed infants. As
27 part of this responsibility, the council shall make
28 ~~recommendations to-the-addiction-treatment-effectiveness~~
29 ~~advisory-council-established-in-section-125-15A.--Such~~
30 recommendations which shall include, but are not limited to,
31 the following:

32 Sec. 32. Section 249A.4, subsection 13, Code 1991, is
33 amended by striking the subsection.

34 Sec. 33. Section ~~252B.1~~, unnumbered paragraph 1, Code
35 1991, is ~~amended~~ to read as follows:

1 As used in ~~sections-252B-2-to-252B-10~~ this chapter, unless
2 the context otherwise requires:

3 Sec. 34. Section 255.16, Code 1991, is amended to read as
4 follows:

5 255.16 COUNTY QUOTAS.

6 Subject to subsequent qualifications in this section, there
7 shall be treated at the university hospital during each fiscal
8 year a number of committed indigent patients from each county
9 which bears the same relation to the total number of committed
10 indigent patients admitted during the year as the population
11 of the county bears to the total population of the state
12 according to the last preceding official census. This
13 standard ~~shall-apply~~ applies to indigent patients, the
14 expenses of whose commitment, transportation, care, and
15 treatment ~~shall-be~~ are borne by appropriated funds, and ~~shall~~
16 does not govern the admission of obstetrical patients under
17 chapter 255A, or obstetrical or orthopedic patients under this
18 chapter in accordance with eligibility standards pursuant to
19 section 255A.5. If the number of patients admitted from any
20 county exceeds by more than ten percent the county quota as
21 fixed ~~and-ascertained~~ under the first sentence of this
22 section, the charges and expenses of the care and treatment of
23 such ~~the~~ patients in excess of ten percent of the quota shall
24 be paid from the funds of ~~such~~ the county at actual cost; but
25 if the number of excess patients from any county does not
26 exceed ten percent, all costs, expenses, and charges incurred
27 in their behalf shall be paid from the appropriation for the
28 support of the hospital. Notwithstanding the quota
29 established for a county under this section, the governor,
30 upon a finding of necessity due to a regional or statewide
31 economic emergency, may increase a county's quota of the
32 number of committed indigent patients admitted to the
33 university hospital.

34 Sec. 35. Section 255.27, Code 1991, is amended to read as
35 follows:

1 255.27 FACULTY TO PREPARE BLANKS -- PRINTING.

2 The medical faculty of the state university hospital shall
3 from time to time prepare blanks containing such questions and
4 requiring such information ~~as may, in its judgment, be~~ that it
5 finds necessary and proper to be obtained by the physician who
6 examines ~~such~~ a patient under order of court. ~~Such~~ The blanks
7 shall be printed by the state, and a sufficient supply thereof
8 shall be furnished by the ~~state-board~~ superintendent of
9 printing to the clerk of each juvenile court in the state.
10 The cost of printing ~~said~~ the blanks shall be audited,
11 allowed, and paid in the same manner as other bills for public
12 printing.

13 Sec. 36. Section 262.9, subsection 4, unnumbered paragraph
14 1, Code 1991, is amended to read as follows:

15 Manage and control the property, both real and personal,
16 belonging to the institutions. The board shall purchase or
17 require the purchase of, ~~whenever~~ when the price is reasonably
18 competitive and the quality as intended, and in keeping with
19 the schedule established in this subsection, soybean-based
20 inks and starch-based plastics, including but not limited to
21 starch-based plastic garbage can liners.

22 Sec. 37. Section 262A.6A, subsection 1, Code 1991, is
23 amended to read as follows:

24 1. The board shall issue bonds authorized under section
25 262A.4 by the Seventy-second General Assembly in an amount not
26 exceeding nineteen million dollars; and from the forty-one
27 million three hundred thousand dollars authorized by 1990 Iowa
28 Acts, ~~House-Concurrent-Resolution-1337-if-approved-by-the~~
29 ~~governor~~ chapter 1273, in an amount not exceeding fifteen
30 million dollars; in the form of capital appreciation bonds as
31 provided in this section rather than the form prescribed in
32 sections 262A.5 and 262A.6. The capital appreciation bonds
33 shall be designed to be marketed primarily to Iowans to
34 facilitate savings for future higher education costs.

35 Sec. 38. Section 273.9, subsections 4 and 5, Code 1991,

1 are amended to read as follows:

2 4. The costs of media services provided through the area
3 education agency ~~shall be funded as provided in section~~
4 ~~257.37. -- Media services~~ shall not be funded until the program
5 plans submitted by the administrators of each area education
6 agency as required by section 273.4 are modified as necessary
7 and approved by the director of the department of education
8 according to the criteria ~~and limitations of sections-257.37~~
9 ~~and section~~ section 273.6.

10 ~~5. -- The costs of educational services provided through the~~
11 ~~area education agency shall be funded within the limitations~~
12 ~~in section-257.37.~~

13 Sec. 39. Section 273.12 is amended to read as follows:

14 273.12 FUNDS -- USE RESTRICTED.

15 Funds generated for educational services ~~under section~~
16 ~~257.37 and subject to approval under section-273.9, subsection~~
17 ~~5,~~ shall not be expended by an area education agency for the
18 purpose of assisting either a public employer or employee
19 organization in collective bargaining negotiations under
20 chapter 20 if the public employer is a school district, or the
21 employee organization consists of employees of a school
22 district, located within the boundaries of the area education
23 agency.

24 Sec. 40. Section 303.89, subsection 1, Code 1991, is
25 amended to read as follows:

26 1. The Iowa arts and culture challenge grant foundation is
27 established. The foundation is an independent nonprofit
28 quasi-public instrumentality and the exercise of the powers
29 granted to the foundation as a corporation in this chapter is
30 an essential governmental function. As used in this ~~chapter~~
31 subchapter, "foundation" means the Iowa arts and culture
32 challenge grant foundation.

33 Sec. 41. Section 305A.7, Code 1991, is amended to read as
34 follows:

35 305A.7 REINTERRING ANCIENT REMAINS.

1 The state archaeologist shall have has the primary
 2 responsibility for investigating, preserving, and reinterring
 3 discoveries of ancient human remains. For the purposes of
 4 this section, ancient human remains shall be are those remains
 5 found within the state which are more than one hundred fifty
 6 years old. The state archaeologist shall make arrangements
 7 for the services of a forensic osteologist in studying and
 8 interpreting ancient burials and may designate other qualified
 9 archaeologists to assist the state archaeologist in recovering
 10 physical and cultural information about the ancient burials.
 11 The state archaeologist shall file with the Iowa department of
 12 public health a written report containing both physical and
 13 cultural information regarding the remains at the conclusion
 14 of each investigation. ~~{Appropriations-to-the-state-board-of~~
 15 ~~regents}-to-be-used-by-the-state-archaeologist-in~~
 16 ~~investigating,-reporting-upon-and-interring-ancient-human~~
 17 ~~remains-pursuant-to-this-section-~~

18 Sec. 42. Section 307.21, subsection 4, paragraph a, Code
 19 1991, is amended to read as follows:

20 a. Provide centralized purchasing services for the
 21 department, in co-operation with the department of general
 22 services. The administrator shall, ~~whenever~~ when the price is
 23 reasonably competitive and the quality as intended, purchase
 24 soybean-based inks and starch-based plastics, including but
 25 not limited to starch-based garbage can liners, and shall
 26 purchase these items in accordance with the schedule
 27 established in section 18.18. However, the administrator need
 28 not purchase garbage can liners in accordance with the
 29 schedule if the liners are utilized by a facility approved by
 30 the environmental protection commission created under section
 31 455A.6, for purposes of recycling.

32 Sec. 43. NEW SECTION. 321.18A RECORDS OF IMPLEMENTS OF
 33 HUSBANDRY.

34 A person selling at retail new implements of husbandry with
 35 a retail list price in excess of five thousand dollars upon

1 which the manufacturer has affixed a vehicle identification
2 number, shall maintain for ten years a record of the number,
3 the name and address of the purchaser, and the date of sale.

4 Sec. 44. Section 321.100, unnumbered paragraph 2, Code
5 1991, is amended by striking the unnumbered paragraph.

6 Sec. 45. Section 421.27, subsection 4, unnumbered
7 paragraph 2, Code 1991, is amended to read as follows:

8 The penalties imposed under this ~~section~~ subsection are not
9 subject to waiver.

10 Sec. 46. Section 422.45, subsection 5, unnumbered
11 paragraph 1, Code 1991, is amended to read as follows:

12 The gross receipts ~~or from services rendered, furnished, or~~
13 performed and of all sales of goods, wares, or merchandise
14 used for public purposes to ~~any~~ a tax-certifying or tax-
15 levying body of the state or a governmental subdivision of the
16 state, including regional transit systems, as defined in
17 section 601J.1, the state board of regents, state department
18 of human services, state department of transportation, any
19 municipally owned solid waste facility which sells all or part
20 of its processed waste as fuel to a municipally owned public
21 utility, and all divisions, boards, commissions, agencies, or
22 instrumentalities of state, federal, county, or municipal
23 government which have no earnings going to the benefit of an
24 equity investor or stockholder, except sales of goods, wares,
25 or merchandise or from services rendered, furnished, or
26 performed and used by or in connection with the operation of
27 any municipally owned public utility engaged in selling gas,
28 electricity, or heat to the general public.

29 Sec. 47. Section 422.74, Code 1991, is amended to read as
30 follows:

31 422.74 CERTIFICATION OF REFUND.

32 ~~Wherever~~ If a refund is authorized in any division of this
33 chapter ~~a-refund-is-authorized~~, the director shall certify the
34 amount of the refund and the name of the payee ~~to-the-state~~
35 ~~comptroller.--Upon-certification-from-the-director, the-state~~

1 ~~comptroller-shall~~ and draw a warrant on the state general fund
2 of the state in the amount specified payable to the named
3 payee, and the state treasurer of state shall pay the same
4 warrant.

5 Sec. 48. Section 425.1, subsection 3, Code 1991, is
6 amended to read as follows:

7 3. The amount due each county shall be paid ~~by-the-state~~
8 ~~comptroller-upon-requisition-of-the-director-of-revenue~~ in two
9 payments on November 15 and March 15 of each fiscal year,
10 drawn upon warrants payable to the respective county
11 treasurers. The two payments shall be as nearly equal as
12 possible.

13 Sec. 49. Section 425.2, unnumbered paragraph 2, Code 1991,
14 is amended to read as follows:

15 Upon the filing and allowance of the claim, the claim shall
16 be allowed on that homestead for successive years without
17 further filing as long as the property is legally or equitably
18 owned and used as a homestead by that person or that person's
19 spouse on July 1 of each of those successive years, and the
20 owner of the property being claimed as a homestead declares
21 residency in Iowa for purposes of income taxation, and the
22 property is occupied by that person or that person's spouse
23 for at least six months in each of those calendar years in
24 which the tax fiscal year begins. When the property is sold
25 or transferred, the buyer or transferee who wishes to qualify
26 shall refile for the credit. However, when the property is
27 transferred as part of a distribution made pursuant to chapter
28 598, the transferee who is the spouse retaining ownership of
29 the property is not required to refile for the credit.
30 Property divided pursuant to chapter 598 shall not be modified
31 following the division of the property. An owner who ceases
32 to use a property for a homestead or intends not to use it as
33 a homestead for at least six months in a calendar year shall
34 provide written notice to the assessor by July 1 following the
35 date on which the use is changed. A person who sells or

1 transfers a homestead or the personal representative of a
2 deceased person who had a homestead at the time of death,
3 shall provide written notice to the assessor that the property
4 is no longer the homestead of the former claimant.

5 Sec. 50. Section 425.11, subsection 1, paragraph a,
6 unnumbered paragraph 1, Code 1991, is amended to read as
7 follows:

8 The homestead ~~must-include~~ includes the dwelling house
9 which the owner, in good faith, is occupying as a home on July
10 1 of the year for which the credit is claimed and occupies as
11 a home for at least six months during the calendar year in
12 which the tax fiscal year begins, except as otherwise
13 provided.

14 Sec. 51. Section 425A.4, subsection 1, Code 1991, is
15 amended to read as follows:

16 1. The family farm tax credit allowed on agricultural land
17 under section 425A.3, subsection 1, shall only be granted upon
18 tracts of agricultural land on which the persons designated in
19 section 425A.3, subsection 2, paragraphs "a", "b", "c", and
20 "d" were actively engaged in farming, and for which the
21 persons have filed an application for the credit for each
22 tract. To apply for the credit, the person shall each year on
23 or before October 1 deliver to the county assessor, on forms
24 furnished by the assessor, a verified statement and
25 designation of the tracts of agricultural land for which the
26 credit is claimed. The ~~auditor~~ assessor shall return the
27 statement and designation on October 15 of each year to the
28 county board of supervisors with a recommendation for
29 allowance or disallowance. However, the deadline for filing
30 claims in the 1990 calendar year ~~shall-be~~ is December 1, 1990,
31 and the assessor shall return the statements and designations
32 to the county board of supervisors on December 15, 1990.

33 Sec. 52. Section 427.1, subsection 18, Code 1991, is
34 amended to read as follows:

35 18. Fraternal beneficiary funds. The accumulations and

1 funds held or possessed by fraternal beneficiary associations
2 for the purposes of paying the benefits contemplated by
3 section ~~512-27~~, 512B.16, or for the payment of the expenses of
4 such the associations.

5 Sec. 53. Section 427.1, subsection 37, unnumbered
6 paragraph 1, Code 1991, is amended to read as follows:

7 Land designated as native prairie or land designated as a
8 protected wetland by the department of natural resources
9 pursuant to section 108.12. Application for the exemption
10 shall be made on forms provided by the department of revenue
11 and finance. Land designated as a protected wetland shall be
12 assessed at a value equal to the average value of the land
13 where the wetland is located and which is owned by the person
14 granted the exemption. The application forms shall be filed
15 with the assessing authority not later than the first of
16 February of the year for which the exemption is requested.
17 The application must be accompanied by an affidavit signed by
18 the applicant that if the exemption is granted, the property
19 will not be used for economic gain during the assessment year
20 in which the exemption is granted. If the property is used
21 for economic gain during the assessment year in which the
22 exemption is granted, the property shall lose its tax
23 exemption and shall be taxed at the rate levied by the county
24 for the fiscal year beginning in that assessment year. The
25 first annual application shall be accompanied by a certificate
26 from the department of natural resources stating that the land
27 is native prairie or protected wetland. The department of
28 natural resources shall issue a certificate for the native
29 prairie exemption if the ~~board-or~~ department finds that the
30 land has never been cultivated, is unimproved, is primarily a
31 mixture of warm season grasses interspersed with flowering
32 plants, and meets the other criteria established by the
33 natural resource commission for native prairie. The
34 department of natural resources shall issue a certificate for
35 the wetland exemption if the department finds the land is a

1 protected wetland, as defined under section 108.1, or if the
2 wetland was previously drained and cropped but has been
3 restored under a nonpermanent restoration agreement with the
4 department or other county, state, or federal agency or
5 private conservation group. A taxpayer may seek judicial
6 review of a decision of the department according to chapter
7 17A. The natural resource commission shall adopt rules to
8 implement this subsection.

9 Sec. 54. Section 490.632, subsection 2, unnumbered
10 paragraph 1 and paragraph a, Code 1991, are amended to read as
11 follows:

12 ~~When~~ If a corporation reacquires its own shares after
13 December 30, 1989, but ~~prior to~~ before January 1, 1991, those
14 shares ~~shall~~ constitute issued but not outstanding shares as
15 of and after their reacquisition if either of the following is
16 applicable:

17 a. ~~If~~ When the shares are reacquired, the articles of
18 incorporation contain a provision specifying that reacquired
19 shares constitute issued but not outstanding shares.

20 Sec. 55. Section 508C.16, unnumbered paragraph 2, Code
21 1991, is amended to read as follows:

22 ~~The provisions of section 496A.4A shall~~ Sections 490.850
23 through 490.858 apply to the association.

24 Sec. 56. Section 512B.15, subsection 2, Code 1991, is
25 amended to read as follows:

26 2. If the commissioner finds that the contract is in
27 conformity with this section, that the financial statements
28 are correct, and that the consolidation or merger is just and
29 equitable to the members of each society, the commissioner
30 shall approve the contract and issue a certificate to that
31 effect. Upon the commissioner's approval, the contract shall
32 be in full force and effect unless a society which is a party
33 to the contract is incorporated under the laws of another
34 ~~state, Canada, or Canadian province or territory.~~ In that
35 event the consolidation or merger shall not become effective

1 unless and until it has been approved as provided by the laws
2 of the other state and a certificate of approval has been
3 filed with the commissioner of this state or, if the laws of
4 the other state contain no equivalent provision for issuing a
5 certificate of consolidation or merger, then the consolidation
6 or merger shall not become effective unless and until it has
7 been approved by the commissioner of the other state and a
8 certificate conforming with the laws of this state has been
9 filed with the commissioner. If the contract is not approved
10 it shall be inoperative, and the fact of submission and its
11 contents shall not be disclosed by the commissioner. For the
12 purposes of this subsection, "state" includes Canada and
13 Canadian provinces and territories.

14 Sec. 57. Section 522.1, unnumbered paragraph 1, Code 1991,
15 is amended to read as follows:

16 A person shall not, directly or indirectly, act within this
17 state as agent, or otherwise, in receiving or procuring
18 applications for insurance, or in doing or transacting any
19 kind of insurance business for a company or association unless
20 exempt from the provisions of this chapter by section 512-33
21 512B.31, except that the licensing of persons so acting for
22 county mutuals is subject only to section 518.16, until the
23 person has procured a license from the commissioner of
24 insurance.

25 Sec. 58. Section 546.7, Code 1991, is amended to read as
26 follows:

27 546.7 UTILITIES DIVISION.

28 The utilities division shall regulate and supervise public
29 utilities operating in the state. The division shall enforce
30 and implement chapters 476, 476A, 478, and 479, and 479A and
31 shall perform other duties assigned to it by law. The
32 division is headed by the administrator of public utilities
33 who shall be appointed by the governor pursuant to section
34 474.1.

35 Sec. 59. Section 601L.3, subsection 12, unnumbered

1 paragraph 1, Code 1991, is amended to read as follows:

2 Manage and control the property, both real and personal,
3 belonging to the department. The commission shall, according
4 to the schedule established in this subsection, whenever when
5 the price is reasonably competitive and the quality as
6 intended, purchase soybean-based inks and starch-based
7 plastics, including but not limited to starch-based garbage
8 can liners.

9 Sec. 60. Section 616.10, Code 1991, is amended to read as
10 follows:

11 616.10 INSURANCE COMPANIES.

12 Insurance companies may be sued in any county in which
13 their principal place of business is kept, or in which the
14 contract of insurance was made, or in which the loss insured
15 against occurred, or, in case of insurance against death or
16 disability, in the county of the domicile of the insured at
17 the time the loss occurred, or in the county of plaintiff's
18 residence. As used in this section the term "insurance
19 companies" includes nonprofit hospital service corporations
20 and nonprofit medical service corporations which have
21 incorporated under the provisions of chapter 504 or chapter
22 504A.

23 Sec. 61. Section 714.23, subsection 2, paragraph b, Code
24 1991, is amended to read as follows:

25 b. A refund of ninety percent of the tuition for a
26 terminating student shall be paid to the appropriate agency
27 based upon the ratio of completed number of school days to the
28 total school days of the school term or course. This
29 paragraph applies to those persons offering courses of
30 instruction at the postsecondary level, for profit, whose
31 cohort default rate for students under the Stafford loan
32 program as defined by the United States department of
33 education is more than one hundred ten percent of the national
34 average cohort default rate for that program for that period
35 or six percent, whichever is higher.

1 Sec. 62. 1990 Iowa Acts, chapter 1233, section 10,
2 unnumbered paragraph 12, is amended by striking the paragraph
3 and inserting in lieu thereof the following:

4 ~~A student whose district of residence, for the purposes of~~
5 ~~school attendance, changes by August 17, 1989, shall be~~
6 ~~permitted to attend school during the 1989-1990 school year in~~
7 ~~the district in which the student attended during the 1988-~~
8 ~~1989 school year if a request to use the open enrollment~~
9 ~~option under this section is filed by August 17, 1989.~~

10 Sec. 63. The Iowa Code editor shall amend the form
11 published in section 52.21, entitled "Voting Machine Return
12 and Tally Sheet" so that the spaces for voting for the
13 governor and lieutenant governor are combined into one space
14 in column four, and present column six becomes column five.

15 EXPLANATION

16 This bill consists of corrections to Code and Act sections
17 as follows:

18 2A.2: Deletes an obsolete reference to initial terms of
19 members of the commission on compensation, expenses, and
20 salaries for elected state officials.

21 7.14(2): Revises references to Iowa constitutional
22 provisions governing procedures upon disability of the
23 governor. References by year of amendment become confusing
24 where there are multiple amendments, and the codified version
25 of the Constitution shows the amendments combined.

26 12.51, unnumbered paragraph 1: Deletes obsolete
27 conditional language in provisions relating to the main street
28 linked investments loan program. The rural main street
29 program was enacted by the 73rd General Assembly for the
30 fiscal year 1989-1990. See section 99E.32(3z). An
31 appropriation for 1990-1991 is in 1990 Iowa Acts, chapter
32 1262, section 1, subsection 23.

33 18.18(1), unnumbered paragraph 1: Makes a grammatical
34 correction in purchasing provisions by adding the word "as" to
35 the statement, "when the price is reasonably competitive and

1 the quality as intended". See also the amendments to section
2 262.9, subsection 4, unnumbered paragraph 1; section 307.21,
3 subsection 4, paragraph a; and section 601L.3, subsection 12,
4 unnumbered paragraph 1.

5 18.75(2): In provision setting forth duties of the
6 superintendent of printing, deletes a reference to the former
7 state printing board. See also the amendment to section
8 255.27.

9 93.40(7), unnumbered paragraph 1: In provision relating to
10 statewide building energy efficiency rating system, deletes an
11 erroneous reference to a section which did not become law.

12 103A.5(5): Adds a reference to new chapter 104B (minimum
13 plumbing facilities) in a provision setting forth duties of
14 the state building code commissioner. This duty is also
15 specified in section 104B.1, subsection 4.

16 116.2, 116.3, 116.8, 116.15, 116.19, 116.20, 116.21,
17 116.23, 116.25, 116.26, and 116.31: Delete obsolete
18 references to "public accountants" in the chapter governing
19 the accountancy examining board and deletes references to
20 section 116.6, which authorized "public accountants" and which
21 was repealed.

22 117.47(2): In provision relating to insurance requirements
23 for real estate licensees, deletes erroneous reference to a
24 subsection which did not become law.

25 123.32(3) and 123.34, subsection 3: Amend provision in
26 beverage control law relating to local authorities' approval
27 of licensed premises for local events by deleting references
28 to 5-day or 14-day wine permits. Fourteen-day wine permits
29 have now been stricken and 5-day wine permits were not enacted
30 into law.

31 198.3, 198.5, 198.9, 198.10, 198.12, 198.15: In the
32 chapter relating to commercial feed, changes are made to
33 reflect the new procedures whereby a system of licensing has
34 been substituted for the registration system.

35 235A.15(2e): Amends provision allowing access to child

1 abuse information to reflect that the department of justice is
2 now responsible for the victim reparation program under
3 section 910A.5 and section 912.1, subsection 1.

4 235C.3(4), unnumbered paragraph 1: In a provision relating
5 to the council on chemically exposed infants, deletes a
6 reference to an advisory council that was item vetoed.

7 249A.4(13): Strikes a new provision, in which the director
8 of human services was authorized to stop medical assistance
9 payments for substance abuse treatment on recommendation of an
10 advisory council that was item vetoed.

11 252B.1, unnumbered paragraph 1: Changes introductory
12 language in definition section relating to child support
13 recovery, to make the definitions apply to the entire chapter
14 252B. The remainder of the chapter uses most of the terms
15 defined in this section.

16 255.16: Makes a grammatical correction by adding the word
17 "or" in a sentence relating to exceptions from county quotas
18 for treating indigent patients at the university hospital.

19 255.27: Deletes an obsolete reference to the former state
20 board of printing.

21 262.9(4), unnumbered paragraph 1: See explanation for the
22 amendment to section 18.18(1).

23 262A.6A(1): In a provision relating to the Iowa college
24 super savings plan, corrects and updates an erroneous
25 reference to the 1990 authorization resolution.

26 273.9(4, 5) and 273.12: In a provision relating to area
27 education agency funding, delete references to a section that
28 was item vetoed in 1989.

29 303.89(1): In a provision relating to the Iowa arts and
30 culture challenge grant foundation, limits the definition of
31 "foundation" to the arts division subchapter. The word is
32 used with other meaning in section 303.9(3).

33 305A.7: In a provision relating to the reinterring of
34 ancient remains, deletes an obsolete reference to
35 appropriations for the 1976-1977 year, which was partly

1 codified at that time.

2 307.21(4a): See explanation for the amendment to section
3 18.18(1).

4 321.18A and 321.100, unnumbered paragraph 2: Move the
5 provision requiring sales records for implements of husbandry
6 from a fraudulent practices section, where it seemed
7 inappropriate, to a new section following section 321.18,
8 which contains the registration exemption for implements of
9 husbandry.

10 421.27(4), unnumbered paragraph 2: Corrects a clerical
11 error in a tax penalty provision relating to willful failure
12 to file or willfully filing a false return, by substituting
13 "subsection" for "section". Other subsections in the section
14 include waivers.

15 422.45(5), unnumbered paragraph 1: Deletes an excess "or"
16 to improve grammar.

17 422.74: Deletes references to former role of state
18 comptroller in issuing warrants for tax refunds.

19 425.1(3): In the law governing the homestead credit fund,
20 deletes an obsolete reference to the role of the state
21 comptroller. Subsection 1 of this section provides for the
22 director of revenue and finance to issue the warrants.

23 425.2, unnumbered paragraph 2, and 425.11(1a): Change
24 references in the homestead exemption law from "tax year" to
25 the more accurate "fiscal year". "Tax year" is generally only
26 used in income tax provisions.

27 425A.4(1): Changes a reference from "auditor" to
28 "assessor" to agree with the rest of the section which
29 provides for the assessor to accept applications for the
30 family farm tax credit. The Code editor would not generally
31 recommend deletion of the sentence relating to the 1990 year
32 until three to five years have passed.

33 427.1(18): In a provision giving a tax exemption to
34 fraternal beneficiary association funds, substitutes a
35 reference to new section 512B.16, which contains a list of

1 benefits similar to that in former section 512.2.

2 427.1(37), unnumbered paragraph 1: In the property tax
3 exemption for native prairie and wetland, deletes an obsolete
4 reference to the role of the county conservation board as a
5 designating authority. This function was removed from the
6 county conservation boards in 1990 Iowa Acts, chapter 1199,
7 section 8.

8 490.632(2), unnumbered paragraph 1 and paragraph a: In a
9 provision relating to reacquired shares in the new corporation
10 law, switches the introductory words in two paragraphs to
11 correct a drafting error, as requested by one of the chief
12 drafters of the new law.

13 508C.16, unnumbered paragraph 2: In the chapter governing
14 the Iowa life and health insurance guaranty association,
15 substitutes a reference to the indemnification provisions of
16 chapter 490, the new corporation law, for an obsolete
17 reference to former section 496A.4A. The provisions are
18 similar.

19 512B.15(2): In a provision relating to consolidations and
20 mergers of domestic fraternal benefit societies with foreign
21 or Canadian fraternal benefit societies, "state" is defined to
22 include Canada and Canadian provinces and territories to
23 correct an omission to include these words in several
24 instances.

25 522.1, unnumbered paragraph 1: In the law on licensing of
26 insurance agents, replaces an obsolete reference to former
27 section 512.33, which contained certain exemptions relating to
28 agents of fraternal benefit societies, by a reference to new
29 section 512B.31, which contains similar language.

30 546.7: Adds chapter 479A (interstate natural gas
31 pipelines) to the list of chapters administered by the
32 utilities division.

33 601L.3(12), unnumbered paragraph 1: See explanation for
34 the amendment to section 18.18(1).

35 616.10: In a provision relating to venue for suits against

1 insurance companies, adds a reference to nonprofit hospital
2 service corporations and nonprofit medical service
3 corporations incorporated under new chapter 504A, as well as
4 former chapter 504.

5 714.23(2b): In a provision relating to refunds from for-
6 profit postsecondary schools, adds words to the sentence to
7 improve it grammatically.

8 1990 Iowa Acts, ch 1233, §10, unnumbered paragraph 12:
9 This is part of an amendment to section 282.18, relating to
10 open enrollment. The enrolled bill showed the language as
11 stricken but in 1990 Iowa Acts, it is not shown as stricken
12 due to a clerical error. The paragraph was correctly omitted
13 from Code 1991. It is here stricken from 1990 Acts to conform
14 with the enrolled bill and Code 1991.

15 In a temporary section, the Code editor is directed to
16 amend the "Voting Machine Return and Tally Sheet" form in
17 section 52.21, to combine the columns for voting for governor
18 and lieutenant governor into one.

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HSB 114

Judiciary & Law Enforcement

HOUSE FILE 198
BY (PROPOSED COMMITTEE ON
JUDICIARY AND LAW
ENFORCEMENT BILL BY
CHAIRPERSON JAY)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to nonsubstantive Code and Act corrections.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 2A.2, Code 1991, is amended to read as
2 follows:

3 2A.2 TERMS.

4 Members of the commission shall serve for a term of office
5 of five years, ~~and for the initial commission, one member~~
6 ~~appointed by each shall be appointed to serve for five years,~~
7 ~~one for four years, one for three years, one for two years,~~
8 ~~and one for one year.~~ A vacancy on the commission
9 shall be filled for the unexpired term in the same manner as
10 the original appointment was made.

11 Sec. 2. Section 7.14, subsection 2, Code 1991, is amended
12 to read as follows:

13 2. The finding of or failure to find a disability shall be
14 immediately made public, and in case if the governor is found
15 to be unable to discharge the duties of the office, the person
16 next in line of succession to the office of governor shall be
17 immediately notified. After receiving the notification such
18 that person may, under Article IV, section 17, and amendment 2
19 of 1952 sections 17 and 19, Constitution of the State of Iowa,
20 become governor until the disability be is removed.

21 Sec. 3. Section 12.51, unnumbered paragraph 1, Code 1991,
22 is amended to read as follows:

23 The treasurer of state shall adopt rules to implement a
24 main street linked investments loan program to increase the
25 availability of lower cost funds to stimulate building
26 restorations or rehabilitations of historic buildings within
27 the central business district of a city which is a certified
28 local government, or in the Iowa main street program ~~or, if~~
29 ~~enacted by the Seventy-third General Assembly, in the rural~~
30 main street program. The rules shall include the following
31 conditions:

32 Sec. 4. Section 18.18, subsection 1, unnumbered paragraph
33 1, Code 1991, is amended to read as follows:

34 When purchasing paper products, the department of general
35 services shall, whenever when the price is reasonably

1 competitive and the quality as intended, purchase the recycled
2 product. The department of general services shall also
3 purchase, ~~whenever~~ when the price is reasonably competitive
4 and the quality as intended, and in keeping with the schedule
5 established in this subsection, soybean-based inks and starch-
6 based plastics, including but not limited to starch-based
7 plastic garbage can liners.

8 Sec. 5. Section 18.75, subsection 2, Code 1991, is amended
9 to read as follows:

10 2. Have charge of the office equipment and supplies ~~of the~~
11 ~~printing-board~~ and of the stock, if any, required in
12 connection with printing contracts.

13 Sec. 6. Section 93.40, subsection 7, unnumbered paragraph
14 1, Code 1991, is amended to read as follows:

15 For purposes of this section ~~and section 93-41~~:

16 Sec. 7. Section 103A.5, subsection 5, Code 1991, is
17 amended to read as follows:

18 5. Administer and enforce ~~the provisions of chapter~~
19 chapters 104A and 104B.

20 Sec. 8. Section 116.2, unnumbered paragraph 1, Code 1991,
21 is amended to read as follows:

22 As used in this chapter unless the context otherwise
23 requires: "Accounting practitioner" means a person licensed by
24 the board as provided in this chapter, who does not hold a
25 certificate as a certified public accountant ~~or public~~
26 ~~accountant~~ under this chapter, and who offers to perform or
27 performs for the public, and for compensation, any of the
28 following services:

29 Sec. 9. Section 116.3, subsections 3 through 6, Code 1991,
30 are amended to read as follows:

31 3. All fees and other moneys received by the board,
32 pursuant to ~~the provisions of~~ this chapter, shall be paid
33 monthly to the treasurer of state for deposit in the
34 professional licensing revolving fund.

35 The board shall make a biennial report to the governor of

1 its proceedings, with an account of all moneys received and
2 disbursed, a list of the names of certified public
3 accountants, ~~public-accountants,~~ and accounting practitioners
4 whose certificates, permits to practice, or licenses have been
5 revoked or suspended, and such other information as it may
6 ~~deem~~ deems proper or the governor requests.

7 4. The board may ~~promulgate~~ adopt rules of professional
8 conduct appropriate to establishing and maintaining high
9 standards of integrity and dignity in the practice as a
10 certified public accountant, ~~public-accountant,~~ or accounting
11 practitioner. Rules shall be adopted relating to the
12 following matters:

13 a. ~~Rules-relating-to-the~~ The propriety of opinions on
14 financial statements by a certified public accountant or
15 ~~public-accountant~~ who is not independent.

16 b. Actions discreditable to the practice as a certified
17 public accountant, ~~public-accountant,~~ or accounting
18 practitioner.

19 c. ~~Rules-relating-to-the~~ The professional confidences
20 between a certified public accountant, ~~public-accountant,~~ or
21 accounting practitioner and a client.

22 d. Contingent fees.

23 e. ~~Rules-relating-to-technical~~ Technical competence and
24 the expression of opinions on financial statements.

25 f. ~~Rules-relating-to-the~~ The failure to disclose a
26 material fact known to the certified public accountant or
27 ~~public-accountant,~~ or accounting practitioner.

28 g. ~~Rules-relating-to-material~~ Material misstatement known
29 to the certified public accountant, ~~public-accountant,~~ or
30 accounting practitioner.

31 h. ~~Rules-relating-to-negligent~~ Negligent conduct in an
32 examination or in making a report on an examination.

33 i. ~~Rules-relating-to-the-failure~~ Failure to direct
34 attention to any material departure from generally accepted
35 accounting principles.

1 5. A certified public accountant~~7-public-accountant7~~ or
2 accounting practitioner shall not commit and shall not permit
3 associates or persons who are under the accountant's or
4 practitioner's supervision to commit any of the following
5 acts:

6 a. Pay a commission, brokerage, or other participation in
7 the fees or profits of professional work directly or
8 indirectly to the laity.

9 b. Directly or indirectly accept commission, brokerage, or
10 other participation in the fees, charges, or profits of work
11 recommended or turned over to the laity as incident to
12 services for clients.

13 c. Permit others to carry out on behalf of the accountant
14 or practitioner, either with or without compensation, acts
15 which, if carried out by the accountant or practitioner, would
16 place that person in violation of rules of the board adopted
17 pursuant to this chapter.

18 6. The board shall establish rules relative to the conduct
19 of practice as a certified public accountant~~7-public~~
20 ~~accountant7~~ and accounting practitioner in respect to the
21 enumerated items in subsections 4 and 5, but ~~such this~~
22 ~~direction shall~~ is not be-construed-as a limitation upon the
23 rights of the board to make and adopt any rules and
24 ~~regulations~~ relating to the ~~rules-of~~ conduct of certified
25 public accountants~~7-public-accounants7~~ or accounting
26 practitioners~~7~~ which are not specifically enumerated in this
27 chapter.

28 Sec. 10. Section 116.8, subsection 1, Code 1991, is
29 amended to read as follows:

30 1. If the applicant has had two or more years actual
31 experience in practice as an accounting practitioner as an
32 employee of a certified public accountant~~7-a-public~~
33 ~~accountant7~~ or an accounting practitioner, or

34 Sec. 11. Section 116.15, unnumbered paragraph 1, Code
35 1991, is amended to read as follows:

1 Staff may be employed to collect and account for all fees
2 and pay them to the treasurer of state for deposit as provided
3 by law. The board shall set the fees for examination as a
4 certified public accountant, and for examination as an
5 accounting practitioner, based upon the annual cost of
6 administering the examinations. The fees for registration and
7 renewal of a certificate and permit as a certified public
8 accountant, ~~registration-as-a-public-accountant,~~ registration
9 of a foreign public accountant, and licensure and renewal as
10 an accounting practitioner, shall be based upon the
11 administrative costs of sustaining the board which shall
12 include, but are not limited to, the costs for:

13 Sec. 12. Section 116.19, unnumbered paragraph 1; Code
14 1991, is amended to read as follows:

15 Each office established or maintained in this state for the
16 practice of public accounting in this state by a certified
17 public accountant, or partnership or corporation of certified
18 public accountants, ~~or-by-a-public-accountant-or-a-partnership~~
19 ~~of-public-accountants,~~ or by an accounting practitioner or
20 partnership of accounting practitioners, or by a person
21 registered under section 116.17, shall be registered annually
22 under this chapter with the board, but no fee shall be charged
23 for ~~such~~ the registration.

24 Sec. 13. Section 116.20, subsection 1, Code 1991, is
25 amended to read as follows:

26 1. The certificate of certified public accountant granted
27 by the board under section 116.5 ~~and-the-registration-with-the~~
28 ~~board-as-a-public-accountant-under-section-116.6,~~ and the
29 license to practice as an accounting practitioner under
30 section 116.7 or 116.8 shall be renewed as determined by the
31 board. There shall be a renewal fee, in the amount to be
32 determined from time to time by the board. The board shall
33 give notice by restricted certified mail, return receipt
34 requested, to the holder of a certificate, ~~registration,~~ or
35 license who has failed to renew it. If the holder fails to

1 renew the certificate~~7-registration7~~ or license within thirty
2 days of receipt of the notice, the certificate~~7-registration7~~
3 or license lapses and is void.

4 Sec. 14. Section 116.20, subsection 2, paragraph a, Code
5 1991, is amended to read as follows:

6 a. Persons holding the certificate of certified public
7 accountant on July 1, 1975, and who have had three years'
8 continuous practical accounting experience as a~~public~~
9 ~~accountant-or~~ a staff accountant, or three years' continuous
10 employment as a field examiner under a revenue agent-in-charge
11 of the income tax bureau of the treasury department of the
12 United States, or as a field examiner in the office of the
13 auditor of state, department of management, department of
14 revenue and finance, or the insurance division of the
15 department of commerce, of this state, or a bank examiner
16 employed by the banking division of the department of commerce
17 of this state pursuant to section 524.208 shall be issued
18 permits by the board.

19 Sec. 15. Section 116.20, subsections 3 through 5, Code
20 1991, are amended to read as follows:

21 3. Permits to engage in the practice of public accounting
22 in this state shall also be issued by the board to persons,
23 partnerships, and corporations registered under sections
24 ~~116-67~~ 116.17 and 116.18 if all offices of the registrant are
25 maintained and registered as required under section 116.19.

26 4. There shall be a permit fee in an amount to be
27 determined by the board, payable by certified public
28 accountants~~7-public-accountants7~~ and accounting practitioners
29 engaged in practice in this state. A fee shall not be charged
30 for the renewal of a partnership or corporation permit to
31 practice. All permits shall expire as determined by the
32 board.

33 5. No A person, firm, or corporation shall not practice as
34 a certified public accountant~~7-public-accountant7~~ or
35 accounting practitioner without a permit.

1 Sec. 16. Section 116.21, unnumbered paragraph 1 and
2 subsections 1 and 8, Code 1991, are amended to read as
3 follows:

4 After notice and hearing as provided in section 116.23, the
5 board may revoke or may suspend for a period not to exceed two
6 years, any a certificate issued under section 116.5~~7~~-~~or-any~~
7 ~~registration-granted-under-section-116-67~~ or any a license
8 issued under section 116.7 or 116.8, or may revoke, suspend,
9 or refuse to renew any a permit issued under section 116.20,
10 or may censure the holder of any-~~such~~ a permit, for any one or
11 any combination of the following causes:

12 1. The certificate, permit, or license shall be
13 permanently revoked if fraud or deceit was used in obtaining a
14 certificate as a certified public accountant~~7-registration-as~~
15 ~~a-public-accountant7~~ or a license as an accounting
16 practitioner, or in obtaining a permit to practice public
17 accounting under this chapter.

18 8. Cancellation, revocation, suspension, or refusal to
19 renew the authority to practice as a certified public
20 accountant~~7-a-public-accountant7~~ or an accounting practitioner
21 by any other state, for any cause other than failure to pay
22 appropriate fees in the other state.

23 Sec. 17. Section 116.23, subsection 4, Code 1991, is
24 amended to read as follows:

25 4. At any hearing the accused may appear in person and by
26 counsel, produce evidence and witnesses on behalf of the
27 accused, cross-examine witnesses, and examine evidence which
28 is produced against the accused. A corporation may be
29 represented before the board by counsel, or by a shareholder
30 who is a certified public accountant~~7-public-accountant7~~ or
31 accounting practitioner of this state in good standing. The
32 accused ~~shall-be~~ is entitled, on application to the board, to
33 the issuance of subpoenas to compel the attendance of
34 witnesses on behalf of the accused.

35 Sec. 18. Section 116.25, subsections 3, 4, and 10, Code

1 1991, are amended to read as follows:

2 3. No A person shall not assume or use the title or
3 designation "public accountant" or any other title,
4 designation, words, letters, abbreviation, sign, card, or
5 device tending to indicate that such the person is a public
6 accountant, ~~unless-such-person-is-registered-as-a-public~~
7 ~~accountant-under-section-116-67-or~~ unless such the person has
8 received a certificate as a certified public accountant under
9 section 116.5.

10 4. No A partnership or corporation shall not assume or use
11 the title or designation "public accountant" or any other
12 title, designation, words, letters, abbreviation, sign, card,
13 or device tending to indicate that such the partnership or
14 corporation is composed of certified public accountants,
15 unless such the partnership or corporation is registered ~~as-a~~
16 ~~partnership-or-corporation-of-public-accountants-under-section~~
17 ~~116-67-or~~ as a partnership or corporation of certified public
18 accountants under section 116.18.

19 10. No A person shall not assume or use the title or
20 designation "certified public accountant" or "public
21 accountant" in conjunction with names indicating or implying
22 that there is a partnership or corporation or in conjunction
23 with the designation "and company", and "and co.", or a
24 similar designation, if in any such case, there is in fact no
25 bona fide partnership or corporation registered under section
26 ~~116-6-or~~ 116.18; however, a sole proprietor or partnership
27 lawfully using a title or designation on July 1, 1975,
28 may continue to do so if the sole proprietor or partnership
29 otherwise complies with the provisions of this chapter.

30 Sec. 19. Section 116.26, Code 1991, is amended to read as
31 follows:

32 116.26 EMPLOYEES OF ACCOUNTANTS.

33 ~~Nothing-contained-in-this~~ This chapter shall does not
34 prohibit any person not a certified public accountant, ~~public~~
35 ~~accountant,~~ or accounting practitioner from serving as an

1 employee of, or an assistant to, a certified public
2 accountant~~7-public-accountant7~~ or accounting practitioner, or
3 partnership or corporation composed of certified public
4 accountants~~7-public-accountants7~~ or accounting practitioners,
5 holding a permit to practice issued under section 116.20, or a
6 foreign accountant registered under section 116.17; however,
7 such the employee or assistant shall not issue any accounting
8 or financial statement over the employee's or assistant's
9 name.

10 Sec. 20. Section 116.31, unnumbered paragraph 1, Code
11 1991, is amended to read as follows:

12 All statements, records, schedules, working papers, and
13 memoranda made by a certified public accountant~~7-public~~
14 accountant~~7~~ or accounting practitioner incident to or in the
15 course of professional service to clients by such the
16 accountant, except reports submitted by a certified public
17 accountant~~7-public-accountant7~~ or accounting practitioner to a
18 client, ~~shall-be-and~~ remain the property of such the
19 accountant in the absence of an express agreement between such
20 the accountant and the client to the contrary.

21 Sec. 21. Section 117.47, subsection 2, is amended to read
22 as follows:

23 2. ~~Except-as-otherwise-provided-in-subsection-77-the~~ The
24 commission shall contract with an insurance provider for a
25 group policy under which coverage is available to all
26 licensees. The contract shall be solicited by competitive,
27 sealed bid.

28 Sec. 22. Section 123.32, subsection 3, Code 1991, is
29 amended to read as follows:

30 3. Licensed premises for local events. A local authority
31 may define, by motion of the local authority, licensed
32 premises which shall be used by holders of liquor control
33 licenses, beer permits, and wine permits at festivals, fairs,
34 or celebrations which are sponsored or authorized by the local
35 authority. The licensed premises defined by motion of the

1 local authority shall be used by the holders of five-day or
2 fourteen-day liquor control licenses, five-day-or-fourteen-day
3 wine-permits, or five-day or fourteen-day beer permits only.

4 Sec. 23. Section 123.34, subsection 3, Code 1991, is
5 amended to read as follows:

6 3. The fee for a fourteen-day liquor license or beer
7 permit is one quarter of the annual fee for that class of
8 liquor license, wine-permit, or beer permit. The fee for the
9 privilege to sell on the two Sundays in the fourteen-day
10 period is twenty percent of the price of the fourteen-day
11 liquor license, wine-permit, or beer permit.

12 Sec. 24. Section 198.3, subsection 1, Code 1991, is
13 amended to read as follows:

14 1. "Brand name" means any word, name, symbol, or device or
15 any combination thereof, identifying the commercial feed of a
16 distributor or-registrant and distinguishing it from that of
17 others.

18 Sec. 25. Section 198.5, subsection 2, paragraph d, Code
19 1991, is amended to read as follows:

20 d. The product name and brand name, if any, and the net
21 weight of each registered commercial feed used in the mixture,
22 and the net weight of each other ingredient used.

23 Sec. 26. Section 198.9, subsection 2, paragraph b,
24 unnumbered paragraph 2, Code 1991, is amended to read as
25 follows:

26 Failure to make an accurate statement of tonnage or to pay
27 the inspection fee or comply as provided herein-shall
28 constitute in this section is sufficient cause for the
29 cancellation of ~~all-registrations-on-file-for~~ the license of
30 the distributor.

31 Sec. 27. Section 198.10, subsection 2, Code 1991, is
32 amended to read as follows:

33 2. Before the issuance, amendment, or repeal of any a rule
34 authorized by this chapter, the secretary shall publish the
35 proposed rule, amendment, or notice to repeal an existing rule

1 in a manner reasonably calculated to give interested parties,
2 including all current registrants licensees, adequate notice,
3 and shall afford all interested persons an opportunity to be
4 heard, orally or in writing, within a reasonable period of
5 time. After consideration of all views presented by
6 interested persons, the secretary shall take appropriate
7 action to issue the proposed rule or to amend or repeal an
8 existing rule. ~~The provisions of this subsection~~
9 ~~notwithstanding~~ However, if the secretary, pursuant to the
10 ~~authority of~~ this chapter, adopts the official definitions of
11 feed ingredients or official feed terms as adopted by the
12 ~~Association~~ association of American Feed Control Officials
13 feed control officials, or ~~rules~~ regulations promulgated
14 pursuant to the authority of the federal Food, Drug, and
15 Cosmetic Act, any amendment or modification adopted by ~~said~~
16 that association, or by the secretary of health, ~~education and~~
17 welfare and human services in the case of regulations
18 promulgated pursuant to the federal Food, Drug and Cosmetic
19 Act, shall be adopted automatically under this chapter without
20 regard to publication of the notice required by this
21 subsection, unless the secretary, by order specifically
22 determines that ~~said~~ an amendment or modification shall not be
23 adopted.

24 Sec. 28. Section 198.12, subsection 1, Code 1991, is
25 amended to read as follows:

26 1. When the secretary or the secretary's authorized agent
27 has reasonable cause to believe any lot of commercial feed is
28 being distributed in violation of any of the provisions of
29 this chapter or of any of the prescribed rules adopted under
30 this chapter, the secretary or agent may issue and enforce a
31 written or printed "withdrawal from distribution" order,
32 warning the distributor not to dispose of the lot of
33 commercial feed in any manner until written permission is
34 given by the secretary or the court. The secretary shall
35 release the lot of commercial feed so withdrawn when ~~said~~ the

1 provisions and rules have been complied with. If compliance
2 is not obtained within thirty days, the secretary may begin,
3 or upon request of the distributor ~~or-registrant~~ shall begin,
4 proceedings for condemnation.

5 Sec. 29. Section 198.15, Code 1991, is amended to read as
6 follows:

7 198.15 PUBLICATION.

8 The secretary shall publish at least annually, in such
9 forms as the secretary may-deem deems proper, information
10 concerning the sales of commercial feeds, together with such
11 data on their production and use as the secretary may-consider
12 considers advisable, and a report of the results of the
13 analyses of official samples of commercial feeds sold within
14 the state as compared with the analyses guaranteed in-the
15 ~~registration-and~~ on the label. ~~Provided,-that~~ However, the
16 information concerning production and use of commercial feed
17 shall not disclose the operations of any person.

18 Sec. 30. Section 235A.15, subsection 2, paragraph e,
19 subparagraph (3), Code 1991, is amended to read as follows:

20 (3) To the department of ~~public-safety~~ justice for the
21 sole purpose of the filing of a claim for reparation pursuant
22 to section 910A.5 and section 912.4, subsections 3 through 5.

23 Sec. 31. Section 235C.3, subsection 4, unnumbered
24 paragraph 1, Code 1991, is amended to read as follows:

25 The council shall seek to improve effective treatment
26 services within the state for chemically exposed infants. As
27 part of this responsibility, the council shall make
28 ~~recommendations to-the-addiction-treatment-effectiveness~~
29 ~~advisory-council-established-in-section-125-15A:--Such~~
30 recommendations which shall include, but are not limited to,
31 the following:

32 Sec. 32. Section 249A.4, subsection 13, Code 1991, is
33 amended by striking the subsection.

34 Sec. 33. Section 252B.1, unnumbered paragraph 1, Code
35 1991, is amended to read as follows:

1 As used in ~~sections-252B-2-to-252B-10~~ this chapter, unless
2 the context otherwise requires:

3 Sec. 34. Section 255.16, Code 1991, is amended to read as
4 follows:

5 255.16 COUNTY QUOTAS.

6 Subject to subsequent qualifications in this section, there
7 shall be treated at the university hospital during each fiscal
8 year a number of committed indigent patients from each county
9 which bears the same relation to the total number of committed
10 indigent patients admitted during the year as the population
11 of the county bears to the total population of the state
12 according to the last preceding official census. This
13 standard ~~shall-apply~~ applies to indigent patients, the
14 expenses of whose commitment, transportation, care, and
15 treatment ~~shall-be~~ are borne by appropriated funds, and ~~shall~~
16 does not govern the admission of obstetrical patients under
17 chapter 255A, or obstetrical or orthopedic patients under this
18 chapter in accordance with eligibility standards pursuant to
19 section 255A.5. If the number of patients admitted from any
20 county exceeds by more than ten percent the county quota as
21 fixed ~~and-ascertained~~ under the first sentence of this
22 section, the charges and expenses of the care and treatment of
23 ~~such~~ the patients in excess of ten percent of the quota shall
24 be paid from the funds of ~~such~~ the county at actual cost; but
25 if the number of excess patients from any county does not
26 exceed ten percent, all costs, expenses, and charges incurred
27 in their behalf shall be paid from the appropriation for the
28 support of the hospital. Notwithstanding the quota
29 established for a county under this section, the governor,
30 upon a finding of necessity due to a regional or statewide
31 economic emergency, may increase a county's quota of the
32 number of committed indigent patients admitted to the
33 university hospital.

34 Sec. 35. Section 255.27, Code 1991, is amended to read as
35 follows:

1 255.27 FACULTY TO PREPARE BLANKS -- PRINTING.

2 The medical faculty of the state university hospital shall
3 from time to time prepare blanks containing ~~such~~ questions and
4 requiring ~~such~~ information ~~as may, in its judgment, be~~ that it
5 finds necessary and proper to be obtained by the physician who
6 examines ~~such~~ a patient under order of court. ~~Such~~ The blanks
7 shall be printed by the state, and a sufficient supply thereof
8 shall be furnished by the ~~state-board~~ superintendent of
9 printing to the clerk of each juvenile court in the state.
10 The cost of printing ~~said~~ the blanks shall be audited,
11 allowed, and paid in the same manner as other bills for public
12 printing.

13 Sec. 36. Section 262.9, subsection 4, unnumbered paragraph
14 1, Code 1991, is amended to read as follows:

15 Manage and control the property, both real and personal,
16 belonging to the institutions. The board shall purchase or
17 require the purchase of, ~~whenever~~ when the price is reasonably
18 competitive and the quality as intended, and in keeping with
19 the schedule established in this subsection, soybean-based
20 inks and starch-based plastics, including but not limited to
21 starch-based plastic garbage can liners.

22 Sec. 37. Section 262A.6A, subsection 1, Code 1991, is
23 amended to read as follows:

24 1. The board shall issue bonds authorized under section
25 262A.4 by the Seventy-second General Assembly in an amount not
26 exceeding nineteen million dollars; and from the forty-one
27 million three hundred thousand dollars authorized by 1990 Iowa
28 Acts, ~~House-Concurrent-Resolution-1337-if-approved-by-the~~
29 governor chapter 1273, in an amount not exceeding fifteen
30 million dollars; in the form of capital appreciation bonds as
31 provided in this section rather than the form prescribed in
32 sections 262A.5 and 262A.6. The capital appreciation bonds
33 shall be designed to be marketed primarily to Iowans to
34 facilitate savings for future higher education costs.

35 Sec. 38. Section 273.9, subsections 4 and 5, Code 1991,

1 are amended to read as follows:

2 4. The costs of media services provided through the area
3 education agency ~~shall be funded as provided in section~~
4 ~~257-37. Media services~~ shall not be funded until the program
5 plans submitted by the administrators of each area education
6 agency as required by section 273.4 are modified as necessary
7 and approved by the director of the department of education
8 according to the criteria ~~and limitations of sections 257-37~~
9 ~~and~~ section 273.6.

10 5. ~~The costs of educational services provided through the~~
11 ~~area education agency shall be funded within the limitations~~
12 ~~in section 257-37.~~

13 Sec. 39. Section 273.12 is amended to read as follows:

14 273.12 FUNDS -- USE RESTRICTED.

15 Funds generated for educational services ~~under section~~
16 ~~257-37* and subject to approval under section 273-9,~~
17 ~~subsection 5,~~ shall not be expended by an area education
18 agency for the purpose of assisting either a public employer
19 or employee organization in collective bargaining negotiations
20 under chapter 20 if the public employer is a school district,
21 or the employee organization consists of employees of a school
22 district, located within the boundaries of the area education
23 agency.

24 Sec. 40. Section 303.89, subsection 1, Code 1991, is
25 amended to read as follows:

26 1. The Iowa arts and culture challenge grant foundation is
27 established. The foundation is an independent nonprofit
28 quasi-public instrumentality and the exercise of the powers
29 granted to the foundation as a corporation in this chapter is
30 an essential governmental function. As used in this chapter
31 subchapter, "foundation" means the Iowa arts and culture
32 challenge grant foundation.

33 Sec. 41. Section 305A.7, Code 1991, is amended to read as
34 follows:

35 305A.7 REINTERRING ANCIENT REMAINS.

1 The state archaeologist ~~shall have~~ has the primary
2 responsibility for investigating, preserving, and reinterring
3 discoveries of ancient human remains. For the purposes of
4 this section, ancient human remains ~~shall be~~ are those remains
5 found within the state which are more than one hundred fifty
6 years old. The state archaeologist shall make arrangements
7 for the services of a forensic osteologist in studying and
8 interpreting ancient burials and may designate other qualified
9 archaeologists to assist the state archaeologist in recovering
10 physical and cultural information about the ancient burials.
11 The state archaeologist shall file with the Iowa department of
12 public health a written report containing both physical and
13 cultural information regarding the remains at the conclusion
14 of each investigation. ~~{Appropriations-to-the-state-board-of~~
15 ~~regents}-to-be-used-by-the-state-archaeologist-in~~
16 ~~investigating,-reporting-upon-and-interring-ancient-human~~
17 ~~remains-pursuant-to-this-section-~~

18 Sec. 42. Section 307.21, subsection 4, paragraph a, Code
19 1991, is amended to read as follows:

20 a. Provide centralized purchasing services for the
21 department, in co-operation with the department of general
22 services. The administrator shall, ~~whenever~~ when the price is
23 reasonably competitive and the quality as intended, purchase
24 soybean-based inks and starch-based plastics, including but
25 not limited to starch-based garbage can liners, and shall
26 purchase these items in accordance with the schedule
27 established in section 18.18. However, the administrator need
28 not purchase garbage can liners in accordance with the
29 schedule if the liners are utilized by a facility approved by
30 the environmental protection commission created under section
31 455A.6, for purposes of recycling.

32 Sec. 43. NEW SECTION. 321.18A RECORDS OF IMPLEMENTS OF
33 HUSBANDRY.

34 A person selling at retail new implements of husbandry with
35 a retail list price in excess of five thousand dollars upon

1 which the manufacturer has affixed a vehicle identification
2 number, shall maintain for ten years a record of the number,
3 the name and address of the purchaser, and the date of sale.

4 Sec. 44. Section 321.100, unnumbered paragraph 2, Code
5 1991, is amended by striking the unnumbered paragraph.

6 Sec. 45. Section 421.27, subsection 4, unnumbered
7 paragraph 2, Code 1991, is amended to read as follows:

8 The penalties imposed under this section subsection are not
9 subject to waiver.

10 Sec. 46. Section 422.45, subsection 5, unnumbered
11 paragraph 1, Code 1991, is amended to read as follows:

12 The gross receipts ~~or~~ from services rendered, furnished, or
13 performed and of all sales of goods, wares, or merchandise
14 used for public purposes to any a tax-certifying or tax-
15 levying body of the state or a governmental subdivision of the
16 state, including regional transit systems, as defined in
17 section 601J.1, the state board of regents, state department
18 of human services, state department of transportation, any
19 municipally owned solid waste facility which sells all or part
20 of its processed waste as fuel to a municipally owned public
21 utility, and all divisions, boards, commissions, agencies, or
22 instrumentalities of state, federal, county, or municipal
23 government which have no earnings going to the benefit of an
24 equity investor or stockholder, except sales of goods, wares,
25 or merchandise or from services rendered, furnished, or
26 performed and used by or in connection with the operation of
27 any municipally owned public utility engaged in selling gas,
28 electricity, or heat to the general public.

29 Sec. 47. Section 422.74, Code 1991, is amended to read as
30 follows:

31 422.74 CERTIFICATION OF REFUND.

32 Wherever if a refund is authorized in any division of this
33 chapter ~~a-refund-is-authorized~~, the director shall certify the
34 amount of the refund and the name of the payee ~~to-the-state~~
35 ~~comptroller;--Upon-certification-from-the-director, the-state~~

1 ~~comptroller-shall~~ and draw a warrant on the state general fund
2 of the state in the amount specified payable to the named
3 payee, and the ~~state~~ treasurer of state shall pay the same
4 warrant.

5 Sec. 48. Section 425.1, subsection 3, Code 1991, is
6 amended to read as follows:

7 3. The amount due each county shall be paid ~~by-the-state~~
8 ~~comptroller-upon-requisition-of-the-director-of-revenue~~ in two
9 payments on November 15 and March 15 of each fiscal year,
10 drawn upon warrants payable to the respective county
11 treasurers. The two payments shall be as nearly equal as
12 possible.

13 Sec. 49. Section 425.2, unnumbered paragraph 2, Code 1991,
14 is amended to read as follows:

15 Upon the filing and allowance of the claim, the claim shall
16 be allowed on that homestead for successive years without
17 further filing as long as the property is legally or equitably
18 owned and used as a homestead by that person or that person's
19 spouse on July 1 of each of those successive years, and the
20 owner of the property being claimed as a homestead declares
21 residency in Iowa for purposes of income taxation, and the
22 property is occupied by that person or that person's spouse
23 for at least six months in each of those calendar years in
24 which the tax fiscal year begins. When the property is sold
25 or transferred, the buyer or transferee who wishes to qualify
26 shall refile for the credit. However, when the property is
27 transferred as part of a distribution made pursuant to chapter
28 598, the transferee who is the spouse retaining ownership of
29 the property is not required to refile for the credit.
30 Property divided pursuant to chapter 598 shall not be modified
31 following the division of the property. An owner who ceases
32 to use a property for a homestead or intends not to use it as
33 a homestead for at least six months in a calendar year shall
34 provide written notice to the assessor by July 1 following the
35 date on which the use is changed. A person who sells or

1 transfers a homestead or the personal representative of a
2 deceased person who had a homestead at the time of death,
3 shall provide written notice to the assessor that the property
4 is no longer the homestead of the former claimant.

5 Sec. 50. Section 425.11, subsection 1, paragraph a,
6 unnumbered paragraph 1, Code 1991, is amended to read as
7 follows:

8 The homestead ~~must-include~~ includes the dwelling house
9 which the owner, in good faith, is occupying as a home on July
10 1 of the year for which the credit is claimed and occupies as
11 a home for at least six months during the calendar year in
12 which the tax fiscal year begins, except as otherwise
13 provided.

14 Sec. 51. Section 425A.4, subsection 1, Code 1991, is
15 amended to read as follows:

16 1. The family farm tax credit allowed on agricultural land
17 under section 425A.3, subsection 1, shall only be granted upon
18 tracts of agricultural land on which the persons designated in
19 section 425A.3, subsection 2, paragraphs "a", "b", "c", and
20 "d" were actively engaged in farming, and for which the
21 persons have filed an application for the credit for each
22 tract. To apply for the credit, the person shall each year on
23 or before October 1 deliver to the county assessor, on forms
24 furnished by the assessor, a verified statement and
25 designation of the tracts of agricultural land for which the
26 credit is claimed. The auditor assessor shall return the
27 statement and designation on October 15 of each year to the
28 county board of supervisors with a recommendation for
29 allowance or disallowance. However, the deadline for filing
30 claims in the 1990 calendar year ~~shall-be~~ is December 1, 1990,
31 and the assessor shall return the statements and designations
32 to the county board of supervisors on December 15, 1990.

33 Sec. 52. Section 427.1, subsection 18, Code 1991, is
34 amended to read as follows:

35 18. Fraternal beneficiary funds. The accumulations and

1 funds held or possessed by fraternal beneficiary associations
2 for the purposes of paying the benefits contemplated by
3 section 512-27, 512B.16, or for the payment of the expenses of
4 such the associations.

5 Sec. 53. Section 427.1, subsection 37, unnumbered
6 paragraph 1, Code 1991, is amended to read as follows:

7 Land designated as native prairie or land designated as a
8 protected wetland by the department of natural resources
9 pursuant to section 108.12. Application for the exemption
10 shall be made on forms provided by the department of revenue
11 and finance. Land designated as a protected wetland shall be
12 assessed at a value equal to the average value of the land
13 where the wetland is located and which is owned by the person
14 granted the exemption. The application forms shall be filed
15 with the assessing authority not later than the first of
16 February of the year for which the exemption is requested.
17 The application must be accompanied by an affidavit signed by
18 the applicant that if the exemption is granted, the property
19 will not be used for economic gain during the assessment year
20 in which the exemption is granted. If the property is used
21 for economic gain during the assessment year in which the
22 exemption is granted, the property shall lose its tax
23 exemption and shall be taxed at the rate levied by the county
24 for the fiscal year beginning in that assessment year. The
25 first annual application shall be accompanied by a certificate
26 from the department of natural resources stating that the land
27 is native prairie or protected wetland. The department of
28 natural resources shall issue a certificate for the native
29 prairie exemption if the board or department finds that the
30 land has never been cultivated, is unimproved, is primarily a
31 mixture of warm season grasses interspersed with flowering
32 plants, and meets the other criteria established by the
33 natural resource commission for native prairie. The
34 department of natural resources shall issue a certificate for
35 the wetland exemption if the department finds the land is a

1 protected wetland, as defined under section 108.1, or if the
2 wetland was previously drained and cropped but has been
3 restored under a nonpermanent restoration agreement with the
4 department or other county, state, or federal agency or
5 private conservation group. A taxpayer may seek judicial
6 review of a decision of the department according to chapter
7 17A. The natural resource commission shall adopt rules to
8 implement this subsection.

9 Sec. 54. Section 490.632, subsection 2, unnumbered
10 paragraph 1 and paragraph a, Code 1991, are amended to read as
11 follows:

12 When If a corporation reacquires its own shares after
13 December 30, 1989, but prior-to before January 1, 1991, those
14 shares shall constitute issued but not outstanding shares as
15 of and after their reacquisition if either of the following is
16 applicable:

17 a. If When the shares are reacquired, the articles of
18 incorporation contain a provision specifying that reacquired
19 shares constitute issued but not outstanding shares.

20 Sec. 55. Section 508C.16, unnumbered paragraph 2, Code
21 1991, is amended to read as follows:

22 ~~The provisions of section 496A.4A shall~~ Sections 490.850
23 through 490.858 apply to the association.

24 Sec. 56. Section 512B.15, subsection 2, Code 1991, is
25 amended to read as follows:

26 2. If the commissioner finds that the contract is in
27 conformity with this section, that the financial statements
28 are correct, and that the consolidation or merger is just and
29 equitable to the members of each society, the commissioner
30 shall approve the contract and issue a certificate to that
31 effect. Upon the commissioner's approval, the contract shall
32 be in full force and effect unless a society which is a party
33 to the contract is incorporated under the laws of another
34 state ~~7-Canada-7-or-Canadian-province-or-territory~~. In that
35 event the consolidation or merger shall not become effective

1 unless and until it has been approved as provided by the laws
2 of the other state and a certificate of approval has been
3 filed with the commissioner of this state or, if the laws of
4 the other state contain no equivalent provision for issuing a
5 certificate of consolidation or merger, then the consolidation
6 or merger shall not become effective unless and until it has
7 been approved by the commissioner of the other state and a
8 certificate conforming with the laws of this state has been
9 filed with the commissioner. If the contract is not approved
10 it shall be inoperative, and the fact of submission and its
11 contents shall not be disclosed by the commissioner. For the
12 purposes of this subsection, "state" includes Canada and
13 Canadian provinces and territories.

14 Sec. 57. Section 522.1, unnumbered paragraph 1, Code 1991,
15 is amended to read as follows:

16 A person shall not, directly or indirectly, act within this
17 state as agent, or otherwise, in receiving or procuring
18 applications for insurance, or in doing or transacting any
19 kind of insurance business for a company or association unless
20 exempt from the provisions of this chapter by section ~~512-33~~
21 512B.31, except that the licensing of persons so acting for
22 county mutuals is subject only to section 518.16, until the
23 person has procured a license from the commissioner of
24 insurance.

25 Sec. 58. Section 546.7, Code 1991, is amended to read as
26 follows:

27 546.7 UTILITIES DIVISION.

28 The utilities division shall regulate and supervise public
29 utilities operating in the state. The division shall enforce
30 and implement chapters 476, 476A, 478, and 479, and 479A and
31 shall perform other duties assigned to it by law. The
32 division is headed by the administrator of public utilities
33 who shall be appointed by the governor pursuant to section
34 474.1.

35 Sec. 59. Section 601L.3, subsection 12, unnumbered

1 paragraph 1, Code 1991, is amended to read as follows:

2 Manage and control the property, both real and personal,
3 belonging to the department. The commission shall, according
4 to the schedule established in this subsection, whenever when
5 the price is reasonably competitive and the quality as
6 intended, purchase soybean-based inks and starch-based
7 plastics, including but not limited to starch-based garbage
8 can liners.

9 Sec. 60. Section 616.10, Code 1991, is amended to read as
10 follows:

11 616.10 INSURANCE COMPANIES.

12 Insurance companies may be sued in any county in which
13 their principal place of business is kept, or in which the
14 contract of insurance was made, or in which the loss insured
15 against occurred, or, in case of insurance against death or
16 disability, in the county of the domicile of the insured at
17 the time the loss occurred, or in the county of plaintiff's
18 residence. As used in this section the term "insurance
19 companies" includes nonprofit hospital service corporations
20 and nonprofit medical service corporations which have
21 incorporated under the provisions of chapter 504 or chapter
22 504A.

23 Sec. 61. Section 714.23, subsection 2, paragraph b, Code
24 1991, is amended to read as follows:

25 b. A refund of ninety percent of the tuition for a
26 terminating student shall be paid to the appropriate agency
27 based upon the ratio of completed number of school days to the
28 total school days of the school term or course. This
29 paragraph applies to those persons offering courses of
30 instruction at the postsecondary level, for profit, whose
31 cohort default rate for students under the Stafford loan
32 program as defined by the United States department of
33 education is more than one hundred ten percent of the national
34 average cohort default rate for that program for that period
35 or six percent, whichever is higher.

1 Sec. 62. 1990 Iowa Acts, chapter 1233, section 10,
 2 unnumbered paragraph 12, is amended by striking the paragraph
 3 and inserting in lieu thereof the following:

4 ~~A student, whose district of residence, for the purposes of~~
 5 ~~school attendance, changes by August 17, 1989, shall be~~
 6 ~~permitted to attend school during the 1989-1990 school year in~~
 7 ~~the district in which the student attended during the 1988-~~
 8 ~~1989 school year if a request to use the open enrollment~~
 9 ~~option under this section is filed by August 17, 1989.~~

10 Sec. 63. The Iowa Code editor shall amend the form
 11 published in section 52.21, entitled "Voting Machine Return
 12 and Tally Sheet" so that the spaces for voting for the
 13 governor and lieutenant governor are combined into one space
 14 in column four, and present column six becomes column five.

15 EXPLANATION

16 This bill consists of corrections to Code and Act sections
 17 as follows:

18 2A.2: Deletes an obsolete reference to initial terms of
 19 members of the commission on compensation, expenses, and
 20 salaries for elected state officials.

21 7.14(2): Revises references to Iowa constitutional
 22 provisions governing procedures upon disability of the
 23 governor. References by year of amendment become confusing
 24 where there are multiple amendments, and the codified version
 25 of the Constitution shows the amendments combined.

26 12.51, unnumbered paragraph 1: Deletes obsolete
 27 conditional language in provisions relating to the main street
 28 linked investments loan program. The rural main street
 29 program was enacted by the 73rd General Assembly for the
 30 fiscal year 1989-1990. See section 99E.32(3z). An
 31 appropriation for 1990-1991 is in 1990 Iowa Acts, chapter
 32 1262, section 1, subsection 23.

33 18.18(1), unnumbered paragraph 1: Makes a grammatical
 34 correction in purchasing provisions by adding the word "as" to
 35 the statement, "when the price is reasonably competitive and

1 the quality as intended". See also the amendments to section
2 262.9, subsection 4, unnumbered paragraph 1; section 307.21,
3 subsection 4, paragraph a; and section 601L.3, subsection 12,
4 unnumbered paragraph 1.

5 18.75(2): In provision setting forth duties of the
6 superintendent of printing, deletes a reference to the former
7 state printing board. See also the amendment to section
8 255.27.

9 93.40(7), unnumbered paragraph 1: In provision relating to
10 statewide building energy efficiency rating system, deletes an
11 erroneous reference to a section which did not become law.

12 103A.5(5): Adds a reference to new chapter 104B (minimum
13 plumbing facilities) in a provision setting forth duties of
14 the state building code commissioner. This duty is also
15 specified in section 104B.1, subsection 4.

16 116.2, 116.3, 116.8, 116.15, 116.19, 116.20, 116.21,
17 116.23, 116.25, 116.26, and 116.31: Delete obsolete
18 references to "public accountants" in the chapter governing
19 the accountancy examining board and deletes references to
20 section 116.6, which authorized "public accountants" and which
21 was repealed.

22 117.47(2): In provision relating to insurance requirements
23 for real estate licensees, deletes erroneous reference to a
24 subsection which did not become law.

25 123.32(3) and 123.34, subsection 3: Amend provision in
26 beverage control law relating to local authorities' approval
27 of licensed premises for local events by deleting references
28 to 5-day or 14-day wine permits. Fourteen-day wine permits
29 have now been stricken and 5-day wine permits were not enacted
30 into law.

31 198.3, 198.5, 198.9, 198.10, 198.12, 198.15: In the
32 chapter relating to commercial feed, changes are made to
33 reflect the new procedures whereby a system of licensing has
34 been substituted for the registration system.

35 235A.15(2e): Amends provision allowing access to child

1 abuse information to reflect that the department of justice is
2 now responsible for the victim reparation program under
3 section 910A.5 and section 912.1, subsection 1.

4 235C.3(4), unnumbered paragraph 1: In a provision relating
5 to the council on chemically exposed infants, deletes a
6 reference to an advisory council that was item vetoed.

7 249A.4(13): Strikes a new provision, in which the director
8 of human services was authorized to stop medical assistance
9 payments for substance abuse treatment on recommendation of an
10 advisory council that was item vetoed.

11 252B.1, unnumbered paragraph 1: Changes introductory
12 language in definition section relating to child support
13 recovery, to make the definitions apply to the entire chapter
14 252B. The remainder of the chapter uses most of the terms
15 defined in this section.

16 255.16: Makes a grammatical correction by adding the word
17 "or" in a sentence relating to exceptions from county quotas
18 for treating indigent patients at the university hospital.

19 255.27: Deletes an obsolete reference to the former state
20 board of printing.

21 262.9(4), unnumbered paragraph 1: See explanation for the
22 amendment to section 18.18(1).

23 262A.6A(1): In a provision relating to the Iowa college
24 super savings plan, corrects and updates an erroneous
25 reference to the 1990 authorization resolution.

26 273.9(4, 5) and 273.12: In a provision relating to area
27 education agency funding, delete references to a section that
28 was item vetoed in 1989.

29 303.89(1): In a provision relating to the Iowa arts and
30 culture challenge grant foundation, limits the definition of
31 "foundation" to the arts division subchapter. The word is
32 used with other meaning in section 303.9(3).

33 305A.7: In a provision relating to the reinterring of
34 ancient remains, deletes an obsolete reference to
35 appropriations for the 1976-1977 year, which was partly

1 codified at that time.

2 307.21(4a): See explanation for the amendment to section
3 18.18(1).

4 321.18A and 321.100, unnumbered paragraph 2: Move the
5 provision requiring sales records for implements of husbandry
6 from a fraudulent practices section, where it seemed
7 inappropriate, to a new section following section 321.18,
8 which contains the registration exemption for implements of
9 husbandry.

10 421.27(4), unnumbered paragraph 2: Corrects a clerical
11 error in a tax penalty provision relating to willful failure
12 to file or willfully filing a false return, by substituting
13 "subsection" for "section". Other subsections in the section
14 include waivers.

15 422.45(5), unnumbered paragraph 1: Deletes an excess "or"
16 to improve grammar.

17 422.74: Deletes references to former role of state
18 comptroller in issuing warrants for tax refunds.

19 425.1(3): In the law governing the homestead credit fund,
20 deletes an obsolete reference to the role of the state
21 comptroller. Subsection 1 of this section provides for the
22 director of revenue and finance to issue the warrants.

23 425.2, unnumbered paragraph 2, and 425.11(1a): Change
24 references in the homestead exemption law from "tax year" to
25 the more accurate "fiscal year". "Tax year" is generally only
26 used in income tax provisions.

27 425A.4(1): Changes a reference from "auditor" to
28 "assessor" to agree with the rest of the section which
29 provides for the assessor to accept applications for the
30 family farm tax credit. The Code editor would not generally
31 recommend deletion of the sentence relating to the 1990 year
32 until three to five years have passed.

33 427.1(18): In a provision giving a tax exemption to
34 fraternal beneficiary association funds, substitutes a
35 reference to new section 512B.16, which contains a list of

1 benefits similar to that in former section 512.2.

2 427.1(37), unnumbered paragraph 1: In the property tax
3 exemption for native prairie and wetland, deletes an obsolete
4 reference to the role of the county conservation board as a
5 designating authority. This function was removed from the
6 county conservation boards in 1990 Iowa Acts, chapter 1199,
7 section 8.

8 490.632(2), unnumbered paragraph 1 and paragraph a: In a
9 provision relating to reacquired shares in the new corporation
10 law, switches the introductory words in two paragraphs to
11 correct a drafting error, as requested by one of the chief
12 drafters of the new law.

13 508C.16, unnumbered paragraph 2: In the chapter governing
14 the Iowa life and health insurance guaranty association,
15 substitutes a reference to the indemnification provisions of
16 chapter 490, the new corporation law, for an obsolete
17 reference to former section 496A.4A. The provisions are
18 similar.

19 512B.15(2): In a provision relating to consolidations and
20 mergers of domestic fraternal benefit societies with foreign
21 or Canadian fraternal benefit societies, "state" is defined to
22 include Canada and Canadian provinces and territories to
23 correct an omission to include these words in several
24 instances.

25 522.1, unnumbered paragraph 1: In the law on licensing of
26 insurance agents, replaces an obsolete reference to former
27 section 512.33, which contained certain exemptions relating to
28 agents of fraternal benefit societies, by a reference to new
29 section 512B.31, which contains similar language.

30 546.7: Adds chapter 479A (interstate natural gas
31 pipelines) to the list of chapters administered by the
32 utilities division.

33 601L.3(12), unnumbered paragraph 1: See explanation for
34 the amendment to section 18.18(1).

35 616.10: In a provision relating to venue for suits against

1 insurance companies, adds a reference to nonprofit hospital
2 service corporations and nonprofit medical service
3 corporations incorporated under new chapter 504A, as well as
4 former chapter 504.

5 714.23(2b): In a provision relating to refunds from for-
6 profit postsecondary schools, adds words to the sentence to
7 improve it grammatically.

8 1990 Iowa Acts, ch 1233, §10, unnumbered paragraph 12:
9 This is part of an amendment to section 282.18, relating to
10 open enrollment. The enrolled bill showed the language as
11 stricken but in 1990 Iowa Acts, it is not shown as stricken
12 due to a clerical error. The paragraph was correctly omitted
13 from Code 1991. It is here stricken from 1990 Acts to conform
14 with the enrolled bill and Code 1991.

15 In a temporary section, the Code editor is directed to
16 amend the "Voting Machine Return and Tally Sheet" form in
17 section 52.21, to combine the columns for voting for governor
18 and lieutenant governor into one.

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HOUSE FILE 198

AN ACT

RELATING TO NONSUBSTANTIVE CODE AND ACT CORRECTIONS.

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

Section 1. Section 2A.2, Code 1991, is amended to read as follows:

2A.2 TERMS.

Members of the commission shall serve for a term of office of five years, ~~and for the initial commission, one member appointed by each shall be appointed to serve for five years, one for four years, one for three years, one for two years, and one for one year.~~ Vacancies A vacancy on the commission shall be filled for the unexpired term in the same manner as the original appointment was made.

Sec. 2. Section 7.14, subsection 2, Code 1991, is amended to read as follows:

2. The finding of or failure to find a disability shall be immediately made public, and ~~in case~~ if the governor is found to be unable to discharge the duties of the office, the person next in line of succession to the office of governor shall be immediately notified. After receiving the notification such that person may, under Article IV, ~~section 17, and amendment 2 of 1952 sections 17 and 19,~~ Constitution of the State of Iowa, become governor until the disability be is removed.

Sec. 3. Section 12.51, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The treasurer of state shall adopt rules to implement a main street linked investments loan program to increase the availability of lower cost funds to stimulate building restorations or rehabilitations of historic buildings within the central business district of a city which is a certified local government, or in the Iowa main street program ~~or, if enacted by the Seventy-third General Assembly, in the rural main street program.~~ The rules shall include the following conditions:

Sec. 4. Section 18.18, subsection 1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

When purchasing paper products, the department of general services shall, whenever when the price is reasonably competitive and the quality as intended, purchase the recycled product. The department of general services shall also purchase, whenever when the price is reasonably competitive and the quality as intended, and in keeping with the schedule established in this subsection, soybean-based inks and starch-based plastics, including but not limited to starch-based plastic garbage can liners.

Sec. 5. Section 18.75, subsection 2, Code 1991, is amended to read as follows:

2. Have charge of the office equipment and supplies of the printing board and of the stock, if any, required in connection with printing contracts.

Sec. 6. Section 93.40, subsection 7, unnumbered paragraph 1, Code 1991, is amended to read as follows:

For purposes of this section and section 93.41:

Sec. 7. Section 103A.5, subsection 5, Code 1991, is amended to read as follows:

5. Administer and enforce the provisions of chapters chapters 104A and 104B.

Sec. 8. Section 116.2, unnumbered paragraph 1, Code 1991, is amended to read as follows:

As used in this chapter unless the context otherwise requires: "Accounting practitioner" means a person licensed by the board as provided in this chapter, who does not hold a certificate as a certified public accountant or public accountant under this chapter, and who offers to perform or performs for the public, and for compensation, any of the following services:

Sec. 9. Section 116.3, subsections 3 through 6, Code 1991, are amended to read as follows:

3. All fees and other moneys received by the board, pursuant to the provisions of this chapter, shall be paid monthly to the treasurer of state for deposit in the professional licensing revolving fund.

The board shall make a biennial report to the governor of its proceedings, with an account of all moneys received and disbursed, a list of the names of certified public accountants, public accountants, and accounting practitioners whose certificates, permits to practice, or licenses have been revoked or suspended, and such other information as it may deem deems proper or the governor requests.

4. The board may promulgate adopt rules of professional conduct appropriate to establishing and maintaining high standards of integrity and dignity in the practice as a

certified public accountant, public accountant, or accounting practitioner. Rules shall be adopted relating to the following matters:

a. Rules relating to the The propriety of opinions on financial statements by a certified public accountant or public accountant who is not independent.

b. Actions discreditable to the practice as a certified public accountant, public accountant, or accounting practitioner.

c. Rules relating to the The professional confidences between a certified public accountant, public accountant, or accounting practitioner and a client.

d. Contingent fees.

e. Rules relating to technical Technical competence and the expression of opinions on financial statements.

f. Rules relating to the The failure to disclose a material fact known to the certified public accountant or public accountant, or accounting practitioner.

g. Rules relating to material Material misstatement known to the certified public accountant, public accountant, or accounting practitioner.

h. Rules relating to negligent Negligent conduct in an examination or in making a report on an examination.

i. Rules relating to the failure Failure to direct attention to any material departure from generally accepted accounting principles.

5. A certified public accountant, public accountant, or accounting practitioner shall not commit and shall not permit associates or persons who are under the accountant's or practitioner's supervision to commit any of the following acts:

a. Pay a commission, brokerage, or other participation in the fees or profits of professional work directly or indirectly to the laity.

b. Directly or indirectly accept commission, brokerage, or other participation in the fees, charges, or profits of work recommended or turned over to the laity as incident to services for clients.

c. Permit others to carry out on behalf of the accountant or practitioner, either with or without compensation, acts which, if carried out by the accountant or practitioner, would place that person in violation of rules of the board adopted pursuant to this chapter.

6. The board shall establish rules relative to the conduct of practice as a certified public accountant, public accountant, and accounting practitioner in respect to the enumerated items in subsections 4 and 5, but such this direction shall is not be construed as a limitation upon the rights of the board to make and adopt any rules and regulations relating to the ~~rules-of~~ conduct of certified public accountants, ~~public-accountants,~~ or accounting practitioners, which are not specifically enumerated in this chapter.

Sec. 10. Section 116.8, subsection 1, Code 1991, is amended to read as follows:

1. If the applicant has had two or more years actual experience in practice as an accounting practitioner as an employee of a certified public accountant, ~~a-public accountant,~~ or an accounting practitioner, or

Sec. 11. Section 116.15, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Staff may be employed to collect and account for all fees and pay them to the treasurer of state for deposit as provided by law. The board shall set the fees for examination as a certified public accountant, and for examination as an accounting practitioner, based upon the annual cost of administering the examinations. The fees for registration and renewal of a certificate and permit as a certified public accountant, ~~registration-as-a-public-accountant,~~ registration

of a foreign public accountant, and licensure and renewal as an accounting practitioner, shall be based upon the administrative costs of sustaining the board which shall include, but are not limited to, the costs for:

Sec. 12. Section 116.19, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Each office established or maintained in this state for the practice of public accounting in this state by a certified public accountant, or partnership or corporation of certified public accountants, ~~or-by-a-public-accountant-or-a-partnership of-public-accountants,~~ or by an accounting practitioner or partnership of accounting practitioners, or by a person registered under section 116.17, shall be registered annually under this chapter with the board, but no fee shall be charged for such the registration.

Sec. 13. Section 116.20, subsection 1, Code 1991, is amended to read as follows:

1. The certificate of certified public accountant granted by the board under section 116.5 ~~and-the-registration-with-the-board-as-a-public-accountant-under-section-116.6,~~ and the license to practice as an accounting practitioner under section 116.7 or 116.8 shall be renewed as determined by the board. There shall be a renewal fee, in the amount to be determined from time to time by the board. The board shall give notice by restricted certified mail, return receipt requested, to the holder of a certificate, ~~registration,~~ or license who has failed to renew it. If the holder fails to renew the certificate, ~~registration,~~ or license within thirty days of receipt of the notice, the certificate, ~~registration,~~ or license lapses and is void.

Sec. 14. Section 116.20, subsection 2, paragraph a, Code 1991, is amended to read as follows:

a. Persons holding the certificate of certified public accountant on July 1, 1975, and who have had three years' continuous practical accounting experience as a public

accountant or a staff accountant, or three years' continuous employment as a field examiner under a revenue agent-in-charge of the income tax bureau of the treasury department of the United States, or as a field examiner in the office of the auditor of state, department of management, department of revenue and finance, or the insurance division of the department of commerce, of this state, or a bank examiner employed by the banking division of the department of commerce of this state pursuant to section 524.208 shall be issued permits by the board.

Sec. 15. Section 116.20, subsections 3 through 5, Code 1991, are amended to read as follows:

3. Permits to engage in the practice of public accounting in this state shall also be issued by the board to persons, partnerships, and corporations registered under sections ~~116.67~~ 116.17 and 116.18 if all offices of the registrant are maintained and registered as required under section 116.19.

4. There shall be a permit fee in an amount to be determined by the board, payable by certified public accountants, ~~public accountants~~, and accounting practitioners engaged in practice in this state. A fee shall not be charged for the renewal of a partnership or corporation permit to practice. All permits shall expire as determined by the board.

5. No ~~A~~ person, firm, or corporation shall not practice as a certified public accountant, ~~public accountant~~, or accounting practitioner without a permit.

Sec. 16. Section 116.21, unnumbered paragraph 1 and subsections 1 and 8, Code 1991, are amended to read as follows:

After notice and hearing as provided in section 116.23, the board may revoke or may suspend for a period not to exceed two years, ~~any a~~ certificate issued under section 116.5 ~~or any registration granted under section 116.67~~ or any a license issued under section 116.7 or 116.8, or may revoke, suspend,

or refuse to renew any a permit issued under section 116.20, or may censure the holder of ~~any such a~~ permit, for any one or any combination of the following causes:

1. The certificate, permit, or license shall be permanently revoked if fraud or deceit was used in obtaining a certificate as a certified public accountant, ~~registration as a public accountant~~, or a license as an accounting practitioner, or in obtaining a permit to practice public accounting under this chapter.

8. Cancellation, revocation, suspension, or refusal to renew the authority to practice as a certified public accountant, ~~a public accountant~~, or an accounting practitioner by any other state, for any cause other than failure to pay appropriate fees in the other state.

Sec. 17. Section 116.23, subsection 4, Code 1991, is amended to read as follows:

4. At any hearing the accused may appear in person and by counsel, produce evidence and witnesses on behalf of the accused, cross-examine witnesses, and examine evidence which is produced against the accused. A corporation may be represented before the board by counsel, or by a shareholder who is a certified public accountant, ~~public accountant~~, or accounting practitioner of this state in good standing. The accused ~~shall be~~ is entitled, on application to the board, to the issuance of subpoenas to compel the attendance of witnesses on behalf of the accused.

Sec. 18. Section 116.25, subsections 3, 4, and 10, Code 1991, are amended to read as follows:

3. No A person shall not assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such the person is a public accountant, ~~unless such person is registered as a public accountant under section 116.67~~ or unless such the person has received a certificate as a certified public accountant under section 116.5.

4. No A partnership or corporation shall not assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such the partnership or corporation is composed of certified public accountants, unless such the partnership or corporation is registered as a ~~partnership or corporation of public accountants under section 116.67~~ or as a partnership or corporation of certified public accountants under section 116.18.

10. No A person shall not assume or use the title or designation "certified public accountant" or "public accountant" in conjunction with names indicating or implying that there is a partnership or corporation or in conjunction with the designation "and company", and "and co.", or a similar designation, if in any such case, there is in fact no bona fide partnership or corporation registered under section ~~116.6~~ or 116.18; however, a sole proprietor or partnership lawfully using such a title or designation on July 1, 1975, may continue to do so if the sole proprietor or partnership otherwise complies with the provisions of this chapter.

Sec. 19. Section 116.25, Code 1991, is amended to read as follows:

116.26 EMPLOYEES OF ACCOUNTANTS.

~~Nothing contained in this~~ This chapter shall does not prohibit any person not a certified public accountant, ~~public accountant,~~ or accounting practitioner from serving as an employee of, or an assistant to, a certified public accountant, ~~public accountant,~~ or accounting practitioner, or partnership or corporation composed of certified public accountants, ~~public accountants,~~ or accounting practitioners, holding a permit to practice issued under section 116.20, or a foreign accountant registered under section 116.17; however, such the employee or assistant shall not issue any accounting or financial statement over the employee's or assistant's name.

Sec. 20. Section 116.31, unnumbered paragraph 1, Code 1991, is amended to read as follows:

All statements, records, schedules, working papers, and memoranda made by a certified public accountant, ~~public accountant,~~ or accounting practitioner incident to or in the course of professional service to clients by such the accountant, except reports submitted by a certified public accountant, ~~public accountant,~~ or accounting practitioner to a client, shall ~~be and~~ remain the property of such the accountant in the absence of an express agreement between such the accountant and the client to the contrary.

Sec. 21. Section 117.47, subsection 2, is amended to read as follows:

2. ~~Except as otherwise provided in subsection 7,~~ The commission shall contract with an insurance provider for a group policy under which coverage is available to all licensees. The contract shall be solicited by competitive, sealed bid.

Sec. 22. Section 123.32, subsection 3, Code 1991, is amended to read as follows:

3. Licensed premises for local events. A local authority may define, by motion of the local authority, licensed premises which shall be used by holders of liquor control licenses, beer permits, and wine permits at festivals, fairs, or celebrations which are sponsored or authorized by the local authority. The licensed premises defined by motion of the local authority shall be used by the holders of five-day or fourteen-day liquor control licenses, ~~five-day or fourteen-day wine permits,~~ or five-day or fourteen-day beer permits only.

Sec. 23. Section 123.34, subsection 3, Code 1991, is amended to read as follows:

3. The fee for a fourteen-day liquor license or beer permit is one quarter of the annual fee for that class of liquor license, ~~wine permit,~~ or beer permit. The fee for the privilege to sell on the two Sundays in the fourteen-day

period is twenty percent of the price of the fourteen-day liquor license, wine permit, or beer permit.

Sec. 24. Section 198.3, subsection 1, Code 1991, is amended to read as follows:

1. "Brand name" means any word, name, symbol, or device or any combination thereof, identifying the commercial feed of a distributor or registrant and distinguishing it from that of others.

Sec. 25. Section 198.5, subsection 2, paragraph d, Code 1991, is amended to read as follows:

d. The product name and brand name, if any, and the net weight of each registered commercial feed used in the mixture, and the net weight of each other ingredient used.

Sec. 26. Section 198.9, subsection 2, paragraph b, unnumbered paragraph 2, Code 1991, is amended to read as follows:

Failure to make an accurate statement of tonnage or to pay the inspection fee or comply as provided herein shall constitute in this section is sufficient cause for the cancellation of all registrations on file for the license of the distributor.

Sec. 27. Section 198.10, subsection 2, Code 1991, is amended to read as follows:

2. Before the issuance, amendment, or repeal of any a rule authorized by this chapter, the secretary shall publish the proposed rule, amendment, or notice to repeal an existing rule in a manner reasonably calculated to give interested parties, including all current registrants licensees, adequate notice, and shall afford all interested persons an opportunity to be heard, orally or in writing, within a reasonable period of time. After consideration of all views presented by interested persons, the secretary shall take appropriate action to issue the proposed rule or to amend or repeal an existing rule. The provisions of this subsection notwithstanding However, if the secretary, pursuant to the

authority of this chapter, adopts the official definitions of feed ingredients or official feed terms as adopted by the Association association of American Feed Control Officials feed control officials, or rules regulations promulgated pursuant to the authority of the federal Food, Drug, and Cosmetic Act, any amendment or modification adopted by said that association, or by the secretary of health, education, and welfare and human services in the case of regulations promulgated pursuant to the federal Food, Drug and Cosmetic Act, shall be adopted automatically under this chapter without regard to publication of the notice required by this subsection, unless the secretary, by order specifically determines that said an amendment or modification shall not be adopted.

Sec. 28. Section 198.12, subsection 1, Code 1991, is amended to read as follows:

1. When the secretary or the secretary's authorized agent has reasonable cause to believe any lot of commercial feed is being distributed in violation of any of the provisions of this chapter or of any of the prescribed rules adopted under this chapter, the secretary or agent may issue and enforce a written or printed "withdrawal from distribution" order, warning the distributor not to dispose of the lot of commercial feed in any manner until written permission is given by the secretary or the court. The secretary shall release the lot of commercial feed so withdrawn when said the provisions and rules have been complied with. If compliance is not obtained within thirty days, the secretary may begin, or upon request of the distributor or registrant shall begin, proceedings for condemnation.

Sec. 29. Section 198.15, Code 1991, is amended to read as follows:

198.15 PUBLICATION.

The secretary shall publish at least annually, in such forms as the secretary may deem deems proper, information

concerning the sales of commercial feeds, together with such data on their production and use as the secretary may consider considers advisable, and a report of the results of the analyses of official samples of commercial feeds sold within the state as compared with the analyses guaranteed in the registration and on the label. ~~Provided, that~~ However, the information concerning production and use of commercial feed shall not disclose the operations of any person.

Sec. 30. Section 235A.15, subsection 2, paragraph e, subparagraph (3), Code 1991, is amended to read as follows:

(3) To the department of ~~public safety~~ justice for the sole purpose of the filing of a claim for reparation pursuant to section 910A.5 and section 912.4, subsections 3 through 5.

Sec. 31. Section 235C.3, subsection 4, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The council shall seek to improve effective treatment services within the state for chemically exposed infants. As part of this responsibility, the council shall make recommendations ~~to the addiction treatment effectiveness advisory council established in section 125.15A~~ ~~Such~~ recommendations which shall include, but are not limited to, the following:

Sec. 32. Section 249A.4, subsection 13, Code 1991, is amended by striking the subsection.

Sec. 33. Section 252B.1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

As used in sections ~~252B.2 to 252B.10~~ this chapter, unless the context otherwise requires:

Sec. 34. Section 255.16, Code 1991, is amended to read as follows:

255.16 COUNTY QUOTAS.

Subject to subsequent qualifications in this section, there shall be treated at the university hospital during each fiscal year a number of committed indigent patients from each county which bears the same relation to the total number of committed

indigent patients admitted during the year as the population of the county bears to the total population of the state according to the last preceding official census. This standard ~~shall apply~~ applies to indigent patients, the expenses of whose commitment, transportation, care, and treatment ~~shall be~~ are borne by appropriated funds, and does not govern the admission of obstetrical patients under chapter 255A, or obstetrical or orthopedic patients under this chapter in accordance with eligibility standards pursuant to section 255A.5. If the number of patients admitted from any county exceeds by more than ten percent the county quota as fixed ~~and ascertained~~ under the first sentence of this section, the charges and expenses of the care and treatment of ~~such the~~ patients in excess of ten percent of the quota shall be paid from the funds of ~~such the~~ county at actual cost; but if the number of excess patients from any county does not exceed ten percent, all costs, expenses, and charges incurred in their behalf shall be paid from the appropriation for the support of the hospital. Notwithstanding the quota established for a county under this section, the governor, upon a finding of necessity due to a regional or statewide economic emergency, may increase a county's quota of the number of committed indigent patients admitted to the university hospital.

Sec. 35. Section 255.27, Code 1991, is amended to read as follows:

255.27 FACULTY TO PREPARE BLANKS -- PRINTING.

The medical faculty of the state university hospital shall from time to time prepare blanks containing such questions and requiring such information ~~as may in its judgment be~~ that it finds necessary and proper to be obtained by the physician who examines such a patient under order of court. ~~Such~~ The blanks shall be printed by the state, and a sufficient supply thereof shall be furnished by the ~~state board~~ superintendent of printing to the clerk of each juvenile court in the state.

The cost of printing said the blanks shall be audited, allowed, and paid in the same manner as other bills for public printing.

Sec. 36. Section 262.9, subsection 4, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Manage and control the property, both real and personal, belonging to the institutions. The board shall purchase or require the purchase of, whenever when the price is reasonably competitive and the quality as intended, and in keeping with the schedule established in this subsection, soybean-based inks and starch-based plastics, including but not limited to starch-based plastic garbage can liners.

Sec. 37. Section 262A.6A, subsection 1, Code 1991, is amended to read as follows:

1. The board shall issue bonds authorized under section 262A.4 by the Seventy-second General Assembly in an amount not exceeding nineteen million dollars; and from the forty-one million three hundred thousand dollars authorized by 1990 Iowa Acts, House-Concurrent-Resolution-1337-if-approved-by-the-governor chapter 1273, in an amount not exceeding fifteen million dollars; in the form of capital appreciation bonds as provided in this section rather than the form prescribed in sections 262A.5 and 262A.6. The capital appreciation bonds shall be designed to be marketed primarily to Iowans to facilitate savings for future higher education costs.

Sec. 38. Section 273.9, subsections 4 and 5, Code 1991, are amended to read as follows:

4. The costs of media services provided through the area education agency ~~shall be funded as provided in section 257.37~~--Media services shall not be funded until the program plans submitted by the administrators of each area education agency as required by section 273.4 are modified as necessary and approved by the director of the department of education according to the criteria ~~and limitations~~ of sections-257.37 and section 273.6.

~~5r--The costs of educational services provided through the area education agency shall be funded within the limitations in section 257.37.~~

Sec. 39. Section 273.12, Code 1991, is amended to read as follows:

273.12 FUNDS -- USE RESTRICTED.

Funds generated for educational services under ~~section 257.37 and subject to approval under section 273.9~~ subsection 5r shall not be expended by an area education agency for the purpose of assisting either a public employer or employee organization in collective bargaining negotiations under chapter 20 if the public employer is a school district, or the employee organization consists of employees of a school district, located within the boundaries of the area education agency.

Sec. 40. Section 303.69, subsection 1, Code 1991, is amended to read as follows:

1. The Iowa arts and culture challenge grant foundation is established. The foundation is an independent nonprofit quasi-public instrumentality and the exercise of the powers granted to the foundation as a corporation in this chapter is an essential governmental function. As used in this chapter subchapter, "foundation" means the Iowa arts and culture challenge grant foundation.

Sec. 41. Section 305A.7, Code 1991, is amended to read as follows:

305A.7 REINTERRING ANCIENT REMAINS.

The state archaeologist shall ~~have~~ has the primary responsibility for investigating, preserving, and reinterring discoveries of ancient human remains. For the purposes of this section, ancient human remains shall be are those remains found within the state which are more than one hundred fifty years old. The state archaeologist shall make arrangements for the services of a forensic osteologist in studying and interpreting ancient burials and may designate other qualified

archaeologists to assist the state archaeologist in recovering physical and cultural information about the ancient burials. The state archaeologist shall file with the Iowa department of public health a written report containing both physical and cultural information regarding the remains at the conclusion of each investigation. ~~{Appropriations-to-the-state-board-of regents}-to-be-used-by-the-state-archaeologist-in investigating-reporting-upon-and-interring-ancient-human remains-pursuant-to-this-section-~~

Sec. 42. Section 307.21, subsection 4, paragraph a, Code 1991, is amended to read as follows:

a. Provide centralized purchasing services for the department, in co-operation with the department of general services. The administrator shall, whenever when the price is reasonably competitive and the quality as intended, purchase soybean-based inks and starch-based plastics, including but not limited to starch-based garbage can liners, and shall purchase these items in accordance with the schedule established in section 18.18. However, the administrator need not purchase garbage can liners in accordance with the schedule if the liners are utilized by a facility approved by the environmental protection commission created under section 455A.6, for purposes of recycling.

Sec. 43. NEW SECTION. 321.18A RECORDS OF IMPLEMENTS OF HUSBANDRY.

A person selling at retail new implements of husbandry with a retail list price in excess of five thousand dollars upon which the manufacturer has affixed a vehicle identification number, shall maintain for ten years a record of the number, the name and address of the purchaser, and the date of sale.

Sec. 44. Section 321.100, unnumbered paragraph 2, Code 1991, is amended by striking the unnumbered paragraph.

Sec. 45. Section 421.27, subsection 4, unnumbered paragraph 2, Code 1991, is amended to read as follows:

The penalties imposed under this section subsection are not subject to waiver.

Sec. 46. Section 422.45, subsection 5, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The gross receipts or from services rendered, furnished, or performed and of all sales of goods, wares, or merchandise used for public purposes to any a tax-certifying or tax-leveing body of the state or a governmental subdivision of the state, including regional transit systems, as defined in section 601J.1, the state board of regents, state department of human services, state department of transportation, any municipally owned solid waste facility which sells all or part of its processed waste as fuel to a municipally owned public utility, and all divisions, boards, commissions, agencies, or instrumentalities of state, federal, county, or municipal government which have no earnings going to the benefit of an equity investor or stockholder, except sales of goods, wares, or merchandise or from services rendered, furnished, or performed and used by or in connection with the operation of any municipally owned public utility engaged in selling gas, electricity, or heat to the general public.

Sec. 47. Section 422.74, Code 1991, is amended to read as follows:

422.74 CERTIFICATION OF REFUND.

Wherever If a refund is authorized in any division of this chapter ~~a-refund-is-authorized~~, the director shall certify the amount of the refund and the name of the payee ~~to-the-state comptroller--Upon-certification-from-the-director-the-state comptroller-shall~~ and draw a warrant on the state general fund of the state in the amount specified payable to the named payee, and the state treasurer of state shall pay the same warrant.

Sec. 48. Section 425.1, subsection 3, Code 1991, is amended to read as follows:

3. The amount due each county shall be paid by the state comptroller upon requisition of the director of revenue in two payments on November 15 and March 15 of each fiscal year, drawn upon warrants payable to the respective county treasurers. The two payments shall be as nearly equal as possible.

Sec. 49. Section 425.2, unnumbered paragraph 2, Code 1991, is amended to read as follows:

Upon the filing and allowance of the claim, the claim shall be allowed on that homestead for successive years without further filing as long as the property is legally or equitably owned and used as a homestead by that person or that person's spouse on July 1 of each of those successive years, and the owner of the property being claimed as a homestead declares residency in Iowa for purposes of income taxation, and the property is occupied by that person or that person's spouse for at least six months in each of those calendar years in which the tax fiscal year begins. When the property is sold or transferred, the buyer or transferee who wishes to qualify shall refile for the credit. However, when the property is transferred as part of a distribution made pursuant to chapter 598, the transferee who is the spouse retaining ownership of the property is not required to refile for the credit.

Property divided pursuant to chapter 598 shall not be modified following the division of the property. An owner who ceases to use a property for a homestead or intends not to use it as a homestead for at least six months in a calendar year shall provide written notice to the assessor by July 1 following the date on which the use is changed. A person who sells or transfers a homestead or the personal representative of a deceased person who had a homestead at the time of death, shall provide written notice to the assessor that the property is no longer the homestead of the former claimant.

Sec. 50. Section 425.11, subsection 1, paragraph a, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The homestead ~~must include~~ includes the dwelling house which the owner, in good faith, is occupying as a home on July 1 of the year for which the credit is claimed and occupies as a home for at least six months during the calendar year in which the tax fiscal year begins, except as otherwise provided.

Sec. 51. Section 425A.4, subsection 1, Code 1991, is amended to read as follows:

1. The family farm tax credit allowed on agricultural land under section 425A.3, subsection 1, shall only be granted upon tracts of agricultural land on which the persons designated in section 425A.3, subsection 2, paragraphs "a", "b", "c", and "d" were actively engaged in farming, and for which the persons have filed an application for the credit for each tract. To apply for the credit, the person shall each year on or before October 1 deliver to the county assessor, on forms furnished by the assessor, a verified statement and designation of the tracts of agricultural land for which the credit is claimed. The ~~auditor~~ assessor shall return the statement and designation on October 15 of each year to the county board of supervisors with a recommendation for allowance or disallowance. However, the deadline for filing claims in the 1990 calendar year shall ~~be~~ is December 1, 1990, and the assessor shall return the statements and designations to the county board of supervisors on December 15, 1990.

Sec. 52. Section 427.1, subsection 18, Code 1991, is amended to read as follows:

18. Fraternal beneficiary funds. The accumulations and funds held or possessed by fraternal beneficiary associations for the purposes of paying the benefits contemplated by section 512~~2~~2, 512B.16, or for the payment of the expenses of such the associations.

Sec. 53. Section 427.1, subsection 37, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Land designated as native prairie or land designated as a protected wetland by the department of natural resources pursuant to section 108.12. Application for the exemption shall be made on forms provided by the department of revenue and finance. Land designated as a protected wetland shall be assessed at a value equal to the average value of the land where the wetland is located and which is owned by the person granted the exemption. The application forms shall be filed with the assessing authority not later than the first of February of the year for which the exemption is requested. The application must be accompanied by an affidavit signed by the applicant that if the exemption is granted, the property will not be used for economic gain during the assessment year in which the exemption is granted. If the property is used for economic gain during the assessment year in which the exemption is granted, the property shall lose its tax exemption and shall be taxed at the rate levied by the county for the fiscal year beginning in that assessment year. The first annual application shall be accompanied by a certificate from the department of natural resources stating that the land is native prairie or protected wetland. The department of natural resources shall issue a certificate for the native prairie exemption if the board or department finds that the land has never been cultivated, is unimproved, is primarily a mixture of warm season grasses interspersed with flowering plants, and meets the other criteria established by the natural resource commission for native prairie. The department of natural resources shall issue a certificate for the wetland exemption if the department finds the land is a protected wetland, as defined under section 108.1, or if the wetland was previously drained and cropped but has been restored under a nonpermanent restoration agreement with the department or other county, state, or federal agency or private conservation group. A taxpayer may seek judicial review of a decision of the department according to chapter

17A. The natural resource commission shall adopt rules to implement this subsection.

Sec. 54. Section 490.632, subsection 2, unnumbered paragraph 1 and paragraph a, Code 1991, are amended to read as follows:

When if a corporation reacquires its own shares after December 30, 1989, but ~~prior to~~ before January 1, 1991, those shares ~~shall~~ constitute issued but not outstanding shares as of and after their reacquisition if either of the following is applicable:

a. if When the shares are reacquired, the articles of incorporation contain a provision specifying that reacquired shares constitute issued but not outstanding shares.

Sec. 55. Section 508C.16, unnumbered paragraph 2, Code 1991, is amended to read as follows:

~~The provisions of section 496A-4A shall~~ Sections 490.850 through 490.858 apply to the association.

Sec. 56. Section 512B.15, subsection 2, Code 1991, is amended to read as follows:

2. If the commissioner finds that the contract is in conformity with this section, that the financial statements are correct, and that the consolidation or merger is just and equitable to the members of each society, the commissioner shall approve the contract and issue a certificate to that effect. Upon the commissioner's approval, the contract shall be in full force and effect unless a society which is a party to the contract is incorporated under the laws of another ~~state, Canada, or Canadian province or territory~~. In that event the consolidation or merger shall not become effective unless and until it has been approved as provided by the laws of the other state and a certificate of approval has been filed with the commissioner of this state or, if the laws of the other state contain no equivalent provision for issuing a certificate of consolidation or merger, then the consolidation or merger shall not become effective unless and until it has

been approved by the commissioner of the other state and a certificate conforming with the laws of this state has been filed with the commissioner. If the contract is not approved it shall be inoperative, and the fact of submission and its contents shall not be disclosed by the commissioner. For the purposes of this subsection, "state" includes Canada and Canadian provinces and territories.

Sec. 57. Section 522.1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

A person shall not, directly or indirectly, act within this state as agent, or otherwise, in receiving or procuring applications for insurance, or in doing or transacting any kind of insurance business for a company or association unless exempt from the provisions of this chapter by section ~~512.33~~ 512B.31, except that the licensing of persons so acting for county mutuals is subject only to section 518.16, until the person has procured a license from the commissioner of insurance.

Sec. 58. Section 546.7, Code 1991, is amended to read as follows:

546.7 UTILITIES DIVISION.

The utilities division shall regulate and supervise public utilities operating in the state. The division shall enforce and implement chapters 476, 476A, 478, and 479, and 479A and shall perform other duties assigned to it by law. The division is headed by the administrator of public utilities who shall be appointed by the governor pursuant to section 474.1.

Sec. 59. Section 601L.3, subsection 12, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Manage and control the property, both real and personal, belonging to the department. The commission shall, according to the schedule established in this subsection, whenever when the price is reasonably competitive and the quality as intended, purchase soybean-based inks and starch-based

plastics, including but not limited to starch-based garbage can liners.

Sec. 60. Section 616.10, Code 1991, is amended to read as follows:

616.10 INSURANCE COMPANIES.

Insurance companies may be sued in any county in which their principal place of business is kept, or in which the contract of insurance was made, or in which the loss insured against occurred, or, in case of insurance against death or disability, in the county of the domicile of the insured at the time the loss occurred, or in the county of plaintiff's residence. As used in this section the term "insurance companies" includes nonprofit hospital service corporations and nonprofit medical service corporations which have incorporated under the provisions of chapter 504 or chapter 504A.

Sec. 61. Section 714.23, subsection 2, paragraph b, Code 1991, is amended to read as follows:

b. A refund of ninety percent of the tuition for a terminating student shall be paid to the appropriate agency based upon the ratio of completed number of school days to the total school days of the school term or course. This paragraph applies to those persons offering courses of instruction at the postsecondary level, for profit, whose cohort default rate for students under the Stafford loan program as defined by the United States department of education is more than one hundred ten percent of the national average cohort default rate for that program for that period or six percent, whichever is higher.

Sec. 62. 1990 Iowa Acts, chapter 1233, section 10, unnumbered paragraph 12, is amended by striking the paragraph and inserting in lieu thereof the following:

~~A student whose district of residence for the purposes of school attendance changes by August 1, 1989, shall be permitted to attend school during the 1989-1990 school year in~~

~~the-district-in-which-the-student-attended-during-the-1988-1989-school-year-if-a-request-to-use-the-open-enrollment option-under-this-section-is-filed-by-August-17-1989-~~

Sec. 63. The Iowa Code editor shall amend the form published in section 52.21, entitled "Voting Machine Return and Tally Sheet" so that the spaces for voting for the governor and lieutenant governor are combined into one space in column four, and present column six becomes column five.

ROBERT C. ARNOULD
Speaker of the House

JOE J. WELSH
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 198, Seventy-fourth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved May 2, 1991

TERRY E. BRANSTAD
Governor

HF 198