

FILED MAR 2 1995

SENATE FILE
BY BARTZ

245

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

A BILL FOR

1 An Act relating to joint cooperative association memberships and
2 the acceptance of powers of attorney by cooperative
3 associations and others.

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

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S.F. 245

1 Section 1. NEW SECTION. 499.14B JOINT MEMBERSHIP
2 ALLOWED.

3 An association shall issue joint memberships upon the
4 request of an eligible party under section 499.13. Each party
5 with an interest in a joint membership shall be eligible under
6 section 499.13. A joint membership shall be held by each
7 party equally with a right of survivorship. A joint
8 membership shall be entitled to vote as if the membership was
9 held by one party and voting rights shall be exercised by only
10 one party to the joint membership. A joint membership is to
11 be treated as if it was held by a single individual for all
12 other purposes of this chapter.

13 Sec. 2. NEW SECTION. 633.706A ACCEPTANCE OF POWERS OF
14 ATTORNEY.

15 A person, including a cooperative association, shall not
16 refuse to honor or accept a valid power of attorney presented
17 to the person by the attorney in fact or agent designated by
18 the power of attorney and shall not require the principal to
19 execute an additional power of attorney document on a form
20 provided by the person. This section does not require a
21 person to perform an act with the attorney in fact which is
22 beyond the scope of the power conferred in the power of
23 attorney and does not prevent the person from ascertaining the
24 validity of the power of attorney before performing any act
25 with the attorney in fact.

26 EXPLANATION

27 This bill provides that cooperative associations must issue
28 joint memberships upon request of a person joining the
29 association. Each party in a joint membership must be
30 eligible to join the association individually. A joint
31 membership shall be voted like a single membership and is
32 subject to all the provisions of chapter 499 regarding
33 memberships generally.

34 The bill provides that a person cannot refuse to honor a
35 valid power of attorney or require that the person who

1 executed the power of attorney execute another power of
2 attorney on a form provided by the person. The bill also
3 provides that the person is not required to honor an act under
4 a power of attorney which is beyond the scope of the power
5 conferred by the power of attorney and that the person may
6 determine the validity of the power prior to acting.

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