

4 words "practitioners of medicine" and substituting in lieu thereof the
5 words "physicians and surgeons".

1 SEC. 2. In addition to the grounds for revocation of license set
2 forth in section twenty-four hundred ninety-two (2492), of the code,
3 1931, any licensed optometrist who shall practice or advertise as prac-
4 ticing his profession, under a false or assumed name or shall by such
5 advertisement mislead the public to believe that he is practicing for
6 or on behalf of an unlicensed person, shall have his license revoked.

Senate File No. 192. Approved March 29, 1933.

CHAPTER 46

APPROPRIATIONS OF PUBLIC FUNDS

S. F. 91

AN ACT to repeal sections twenty-five hundred twenty-three-c two (2523-c2) and twenty-nine hundred twenty-three-d one (2923-d1), code, 1931, relating to appropriations of public funds.

Be it enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Sections twenty-five hundred twenty-three-c two
2 (2523-c2) and twenty-nine hundred twenty-three-d one (2923-d1),
3 code, 1931, are hereby repealed.

Senate File No. 91. Approved March 18, 1933.

CHAPTER 47

REGULATION OF MEMBERSHIP-SALES AND SERVICE PLANS

H. F. 475

AN ACT to provide for the regulation, supervision and licensing of persons, firms, corporations or associations, which sell, or offer for sale, memberships or certificates of membership entitling the holders thereof to purchase, either from the issuer or someone designated by the issuer, merchandise, materials, equipment or services on a fixed basis.

Be it enacted by the General Assembly of the State of Iowa:

1 SECTION 1. The administration of the provisions of this act shall
2 be vested in the secretary of state of the state of Iowa, to be adminis-
3 tered in the same manner as is provided for in chapter 393-C1, code
4 of Iowa, 1931.

1 SEC. 2. The term "association" when used in this act shall
2 mean any person, firm, company, partnership, association or cor-
3 poration other than building and loan associations, insurance com-
4 panies and associations, and corporations and cooperative associations
5 subject to the provisions of chapters 389, 390 and 392, code of Iowa,
6 1931, which sell, offer for sale, and/or issue to the public generally
7 memberships or certificates of membership entitling the holder there-
8 of to purchase merchandise, materials, equipment and/or services on
9 a discount or cost-plus basis. The term "issue" when used in this

10 act shall mean issue, sell, place, engage in or otherwise dispose of or
11 handle.

12 The term "membership" when used in this act shall mean certifi-
13 cates, memberships, shares, bonds, contracts, stocks or agreements of
14 any kind or character issued upon any plan offered generally to the
15 public entitling the holder thereof to purchase merchandise, materials,
16 equipment and/or service, either from the issuer or someone desig-
17 nated by the issuer, either under a franchise or otherwise, whether it
18 be at a discount, cost plus a percentage, cost plus a fixed amount, at
19 a fixed price, or on any other basis.

20 This act shall not apply to any corporation or association organized
21 upon the assessment plan, for the purpose of insuring the lives of
22 individuals or furnishing benefits to the widows, heirs, orphans or
23 legatees of deceased members, or insuring the health of persons, or
24 furnishing accident indemnity, nor to any benevolent associations or
25 societies.

1 SEC. 3. No association contemplated by this act shall issue any
2 membership until it shall have procured from the secretary of
3 state a certificate of authority authorizing it to engage in such
4 business.

5 To secure such certificate of authority it shall be necessary for such
6 association to file with the secretary of state an application under
7 oath, showing the name and location of such association, the name
8 and postoffice address of its officers, the date of organization, and if
9 incorporated, a certified copy of its articles of incorporation, a copy
10 of its by-laws or rules by which it is to be governed, the form of its
11 certificates or contracts, all printed matter issued by it, together with
12 a detailed statement of its financial condition and such other informa-
13 tion concerning its affairs or plan of business as the secretary of
14 state may require.

1 SEC. 4. Upon the filing of the application referred to in the pre-
2 ceding section, if the secretary of state is satisfied that the business
3 is not in violation of law, or against public policy, and is safe, reliable
4 and entitled to public confidence, and that the certificate or contract
5 is in proper form, he may issue a certificate of authority authorizing
6 it to transact business within this state for the period of one year
7 from the date of the issuance thereof.

1 SEC. 5. Before any association shall be authorized to transact the
2 business contemplated by this act, it shall file and deposit with the
3 secretary of state a bond in the penal sum of twenty-five thousand
4 dollars (\$25,000.00), running to the state of Iowa, for the use and
5 benefit of any purchaser of a membership or contract, conditioned
6 upon the faithful performance of all contracts entered into by such
7 association, to be performed by it or someone designated by it, for
8 whose benefit the same may be made, and providing for the refund-
9 ing of the amount of the membership fee in the event of the failure
10 of the association, or someone designated by it, to perform its con-
11 tract or contracts in accordance with the terms and conditions thereof,
12 and the payment of any and all damages sustained as a result of any
13 breach of the conditions of said bond. Said bond shall be in such
14 form, consistent with the provisions hereof, as the secretary of state

15 may prescribe, and shall be executed with surety by a surety company
16 authorized to do business in this state. In suits against the surety
17 company upon such bond it shall not be necessary to join the issuer
18 as a party.

1 SEC. 6. In addition to the filing of the bond as hereinbefore pro-
2 vided, every such association shall on the 10th day of each month
3 deposit with the secretary of state, securities of the kind provided for
4 in section eighty-seven hundred thirty-seven (8737), code of Iowa,
5 1931, in an amount equal to 50% of the amount of the sale price of
6 the memberships sold by said association during the previous month,
7 and said association shall keep such deposit at all times equal to 50%
8 of the sale price of all outstanding and unredeemed memberships.

9 For the purpose of determining the amount of such deposit liability,
10 every such association shall file with its deposit on the 10th of each
11 month, a sworn statement showing the names and addresses of all
12 persons to whom memberships were sold during the previous month,
13 together with the selling price, the amount received from each per-
14 son, and the amount, if any, due from each person.

15 Said sworn statement shall also show the names and addresses of
16 all persons whose memberships were redeemed and cancelled during
17 the previous month, and by whom.

18 The deposit herein provided for shall be for the protection of all
19 purchasers or holders of memberships in the association making said
20 deposit.

1 SEC. 7. The license period for each such association shall be one
2 year, and renewable annually thereafter on the same terms and con-
3 ditions as provided for in the original qualification.

4 Such association shall pay to the secretary of state for its certifi-
5 cate of authority to transact business in accordance with this act, a
6 fee of one hundred dollars (\$100.00) and an annual renewal fee of one
7 hundred dollars (\$100.00) to be paid on or before the date of the
8 expiration of the license period both of which fees shall be by the
9 secretary of state turned into the state treasury as are other fees of
10 his office.

1 SEC. 8. During the month of January of each year, or at
2 such other time as the secretary of state may require, every
3 association transacting the business contemplated herein shall
4 file with the secretary of state in such form as he prescribes,
5 a statement showing its financial condition on the 31st day of Decem-
6 ber preceding.

7 Every such association shall be subject to examination by the secre-
8 tary of state or his representatives, the expense of which shall be
9 paid by the association in the same manner and on the same basis
10 and under the same terms and conditions as is now provided for in
11 section eighty-five hundred eighty-one-c twelve (8581-c12), code of
12 Iowa, 1931. In making such examination the secretary of state or
13 his representatives, shall have full access to and may demand the pro-
14 duction of all books, securities, papers, contracts, moneys, etc., of
15 said association, and may administer oaths, summon and compel the
16 attendance of witnesses and the giving of testimony thereby.

17 If upon such examination, or at any other time after reasonable
18 notice and a hearing, it shall appear that such association does not
19 conduct its business in accordance with law, or is insolvent, or is
20 doing an unsafe and unsound business, or is conducting its business
21 contrary to public policy, or that the further continuance of its busi-
22 ness is hazardous and against the public interest, or if such asso-
23 ciation upon request refuses to be examined, or fails to make the
24 deposit and reports as herein required, he shall revoke its certificate
25 of authority, and having revoked the certificate of authority of such
26 association he shall report this fact to the attorney general, who shall
27 at once apply to the district court or a judge thereof, for the appoint-
28 ment of a receiver to close up the affairs of such association, and an
29 injunction may issue in the same proceeding enjoining and restrain-
30 ing the association from transacting business in this state.

1 SEC. 9. The salesmen or agents of every association qualified un-
2 der this act, shall be licensed or registered in the same manner and
3 under the same terms and conditions as is provided for in section
4 eighty-five hundred eighty-one-c eleven (8581-c11), code of Iowa,
5 1931, and the license or registration of such salesmen or agents shall
6 be subject to suspension and revocation in the same manner and
7 under the same terms and conditions as is provided for in section
8 eighty-five hundred eighty-one-c thirteen (8581-c13), code of Iowa,
9 1931.

1 SEC. 10. Any member, salesman, agent or representative of any
2 association, who shall attempt to issue any membership as contem-
3 plated by this act, or to transact any business whatsoever, in the
4 name of or on behalf of such association not authorized to do busi-
5 ness in this state, or which has failed or refused to comply with
6 the provisions of this act, or has violated any of its provisions, shall
7 be deemed guilty of a misdemeanor, and on conviction thereof shall
8 be punished by imprisonment in the penitentiary not to exceed five
9 (5) years, or fined not less than one thousand dollars (\$1000) nor
10 more than five thousand dollars (\$5000), or by both such fine and
11 imprisonment.

1 SEC. 11. Every association as defined herein shall, before receiv-
2 ing a certificate of authority to do business in this state, or any
3 renewal thereof, file in the office of the secretary of state an agree-
4 ment in writing that thereafter service of notice or process of any
5 kind may be made on the secretary of state, and when so made
6 shall be as valid, binding and effective for all purposes as if served
7 upon the association according to the laws of this or any other state,
8 and waiving all claim or right of error by reason of such acknowledg-
9 ment of service.

10 The service of such notice or process on any association shall be in
11 the same manner as is provided for in section eighty-seven hundred
12 sixty-seven (8767), code of Iowa, 1931.

1 SEC. 12. Should the court declare any section or clause of this
2 act unconstitutional, then such decision shall affect only the section
3 or clause so declared to be unconstitutional, and shall not affect any
4 other section or clause of this act.

1 SEC. 13. This act being deemed of immediate importance shall be
 2 in full force and effect from and after its publication in the Toledo
 3 Chronicle, a newspaper published in Toledo, Iowa, and the Cedar
 4 Rapids Tribune, a newspaper published in Cedar Rapids, Iowa.

House File No. 475. Approved April 20, 1933.

I hereby certify that the foregoing act was published in the Toledo Chronicle April 27, 1933, and the Cedar Rapids Tribune April 28, 1933.

MRS. ALEX MILLER, *Secretary of State.*

CHAPTER 48

HYBRID SEED CORN

H. F. 299

AN ACT to prohibit the fraudulent advertising or selling of seed corn represented to be hybrid unless it represents the first generation of a cross between strains of different parentage and involving inbred lines of corn or their combination and prescribing a penalty therefor.

Be it enacted by the General Assembly of the State of Iowa:

1 SECTION 1. It shall be unlawful for any person, firm, corporation
 2 or its agents or representatives to sell, offer or expose for sale, or
 3 falsely mark or tag, within the state of Iowa, any seed corn as hybrid
 4 unless it represents the first generation of a cross between strains of
 5 different parentage and involving inbred lines of corn and (or) their
 6 combinations.

1 SEC. 2. The cross mentioned above shall be produced by cross fer-
 2 tilization, controlled, either by hand or by detasseling at the proper
 3 time.

1 SEC. 3. Every violation of the provisions of this act shall be
 2 deemed a misdemeanor punishable by a fine of not more than one
 3 hundred dollars (\$100) or imprisonment for thirty (30) days in the
 4 county jail or both. The department of agriculture through its duly
 5 authorized agent or agents may institute proceedings in a court of
 6 competent jurisdiction to enforce this act.

House File No. 299. Approved March 23, 1933.

CHAPTER 49

ITINERANT VENDORS OF DRUGS

S. F. 130

AN ACT to amend and revise sections thirty-one hundred forty-eight (3148) and thirty-one hundred forty-nine (3149) of chapter one hundred fifty-five (155) of the code, 1931, relating to itinerant vendors of drugs, and fixing the license fees therefor, and providing an exemption therefrom.

Be it enacted by the General Assembly of the State of Iowa:

1 SECTION 1. That section thirty-one hundred forty-eight (3148) of
 2 the code, 1931, be amended and revised by striking from the second
 3 line thereof the following: “, by himself, agent, or employee”.