

- i. Chapter 463, relating to drainage refunding bonds.
  - j. Chapter 464, relating to defaulted drainage bonds. The sections in this chapter shall be organized with the sections in chapter 463.
  - k. Chapter 465, relating to individual drainage rights.
  - l. Chapter 466, relating to drainage districts in connection with United States levees.
  - m. Chapter 467, relating to interstate drainage districts.
3. Notwithstanding any other provision of this Act, if the Code arrangement required in this section is not feasible or is not satisfactory to the Code editor, the editor may rearrange the affected sections as necessary.
4. Not later than September 15, 1989, the Code editor shall report to the legislative council any provisions relating to drainage which cannot be reconciled by the Code editor under this Act. The legislative council may appoint an interim study committee to review the report of the Code editor and make recommendations to the general assembly.

Approved May 4, 1989

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**CHAPTER 127**  
DAMINOZIDE PROHIBITION  
*S.F. 485*

**AN ACT** to prohibit the sale, purchase, or use of a pesticide containing daminozide, providing an effective date, and making a penalty applicable.

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

Section 1. NEW SECTION. 206.33 DAMINOZIDE — PROHIBITION.

A person shall not offer for sale, sell, purchase, apply, or use a pesticide containing daminozide in this state.

Sec. 2. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 4, 1989

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**CHAPTER 128**  
CONSUMER RENTAL PURCHASE AGREEMENTS  
*S.F. 486*

**AN ACT** relating to rent-to-own regulations.

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

Section 1. Section 537.3605, subsection 8, Code 1989, is amended by striking the subsection and inserting in lieu thereof the following:

8. A statement that at any time after the first periodic payment is made, the lessee may acquire ownership of the property by exercising the option to purchase the property, and at what price, or by what formula or method the purchase price will be determined. It is not a violation of this subsection for the lessor and the lessee to agree in writing to allow the lessee to acquire ownership of the property for less than the amounts referred to in this subsection.

Sec. 2. Section 537.3608, Code 1989, is amended by striking the section and inserting in lieu thereof the following:

537.3608 ACQUIRING OWNERSHIP.

1. A lessor shall not offer a consumer rental purchase agreement in which fifty percent of all lease payments necessary to acquire ownership of the leased property exceed the cash price of the leased property. When fifty percent of all lease payments made by a lessee equals the cash price of the property disclosed to the lessee pursuant to section 537.3605, subsection 9, the lessee shall acquire ownership of the leased property and the agreement shall terminate.

2. At any time after tendering an initial lease payment, a lessee may acquire ownership of the property that is the subject of the consumer rental purchase agreement by tendering an amount equal to the amount by which the cash price of the leased property exceeds fifty percent of all lease payments made by the lessee.

3. It is not a violation of this section for the lessor and the lessee to agree in writing to allow the lessee to acquire ownership of the property for less than the amounts referred to in this section.

Sec. 3. Section 537.3621, Code 1989, is amended to read as follows:

537.3621 DAMAGES.

In case of a violation of a provision of this part with respect to a consumer rental purchase agreement, or a violation of the Iowa debt collection practices Act, article 7 of this chapter, where a debt arises in connection with a consumer rental purchase agreement, the lessee in the agreement may recover from the person committing the violation, or may set off or counterclaim in an action by that person, actual damages, with a minimum recovery of three hundred dollars or twenty-five percent of the total cost to acquire ownership under the consumer rental purchase agreement, whichever is greater; attorneys' fees; and court costs.

Sec. 4. Section 537.7102, subsection 1, Code 1989, is amended to read as follows:

1. "Debt" means an actual or alleged obligation arising out of a consumer credit transaction, consumer rental purchase agreement, or a transaction which would have been a consumer credit transaction either if a finance charge was made, if the obligation was not payable in installments, if a lease was for a term of four months or less, or if a lease was of an interest in land. A debt includes a check as defined in section 554.3104 given in a transaction in connection with a consumer rental purchase agreement, in a transaction which was a consumer credit sale or in a transaction which would have been a consumer credit sale if credit was granted and if a finance charge was made.

Approved May 4, 1989

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## CHAPTER 129

### WATER TREATMENT SYSTEMS TESTING

S.F. 490

**AN ACT** relating to the sale, lease, rental, or advertising of water treatment systems.

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

Section 1. Section 714.16, subsection 2, paragraph h, subparagraph (1), Code 1989, is amended to read as follows:

(1) Has been performance tested by a third-party testing agency that has been authorized by the Iowa department of public health. Alternatively, in lieu of third-party performance