

a. A residential program which provides care to not more than four individuals and receives moneys appropriated to the department of human services under provisions of a federally approved home and community-based services waiver for persons with mental retardation or other medical assistance program under chapter 249A. In approving a residential program under this paragraph, the department of human services shall consider the geographic location of the program so as to avoid an overconcentration of such programs in an area. In order to be approved under this paragraph, a residential program shall not be required to involve the conversion of a licensed residential care facility for persons with mental retardation.

b. A total of ~~twenty~~ forty residential care facilities for persons with mental retardation which are licensed to serve no more than five individuals may be authorized by the department of human services to convert to operation as a residential program under the provisions of a medical assistance home and community-based services waiver for persons with mental retardation. A converted residential program is subject to the conditions stated in paragraph "a" except that the program shall not serve more than five individuals. The department of human services shall allocate conversion authorizations to provide for ~~four~~ eight conversions in each of the department's five service regions. ~~If a conversion authorization allocated to a region is not used for conversion by January 1, 1998, the department of human services may reallocate the unused conversion authorization to another region. The department of human services shall study the cost effectiveness of the conversions and provide an initial report to the general assembly no later than January 2, 1998, and a final report no later than December 15, 1998.~~

Approved May 20, 1999

CHAPTER 161

DESIGNATION OF STATE POET LAUREATE

H.F. 688

AN ACT providing for the designation of a state poet laureate.

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

Section 1. NEW SECTION. 303.88A STATE POET LAUREATE DESIGNATED — NOMINATING COMMITTEE.

1. A state poet laureate nominating committee is created. At the request of the governor, the executive director of humanities Iowa and the executive director of the Iowa arts council shall each appoint three persons who reside in this state to a poet laureate nominating committee. At its initial meeting held at the call of the executive directors of humanities Iowa and the Iowa arts council, the state poet laureate nominating committee shall elect a chairperson and vice chairperson from among its members and adopt rules of procedure. The members of the state poet laureate nominating committee shall be invited to serve without compensation for their services. The nominating committee is charged with considering the diversity of the people and poetry of Iowa.

2. If more than one meeting is required, the state poet laureate nominating committee shall meet at the call of the chairperson or as determined by the nominating committee and select a list of three nominees, along with biographical and professional information and supporting representative material, who are residents of Iowa and who, based on their

poetic accomplishments, deserve recognition as the state poet laureate. The list of nominees shall be transmitted to the governor. The governor may select the state poet laureate from the list of nominees for a two-year term of office. The state poet laureate is an honorary state office and the incumbent is entitled to no compensation as a result of the appointment.

Approved May 20, 1999

CHAPTER 162

RIGHTS OF DISSENTING SHAREHOLDERS OF BANKS

H.F. 445

AN ACT relating to the rights of a dissenting shareholder of a state bank.

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

Section 1. Section 524.1406, Code 1999, is amended by adding the following new subsection:

NEW SUBSECTION. 3. a. Notwithstanding any contrary provision in chapter 490, division XIII, in determining the fair value of the shareholder's shares under this section, due consideration shall be given to valuation issues acknowledged and authorized by the Internal Revenue Code, as defined in section 422.3, including discounts for minority interests and discounts for lack of marketability.

b. If, prior* to giving notice of a meeting at which a shareholder would be entitled to assert dissenter's rights, a bank may seek a declaratory judgment to establish the fair value for purposes of section 490.1301, subsection 4, of shares held by shareholders who would have a right to dissent. Another cause of action or a counterclaim shall not be joined with such a declaratory action. A declaratory judgment shall be filed in the county where the bank's principal place of business is located. The court shall appoint an attorney to represent minority shareholders. All shareholders of the bank shall be served with notice of the action and be advised of the name, address, and telephone number of the attorney appointed to represent minority shareholder interests. The bank may select an appraiser to give an opinion on fair value and the attorney shall select an appraiser to give an opinion on fair value. Any shareholder may participate individually and present evidence of the fair value of such shareholder's shares. All court costs, appraiser's fees, and the fees and expenses of the attorney shall be assessed against the bank. A judgment in the action shall not determine fair value for a share to be less than the stockholders' equity in the bank in its last statement of condition filed under section 524.220 divided by the number of shares outstanding. A final judgment in the action shall establish fair value for the purposes of chapter 490, division XIII and shall be disclosed to the shareholders in the notice to shareholders of the meeting to approve the transaction that gives rise to dissenters' rights. If the proposed transaction is approved by the shareholders, upon consummation of the proposed transaction the fair value so established shall be paid to all shareholders entitled to payment for their shares upon receipt of such shareholders' share certificates.

Approved May 21, 1999

* See chapter 208, §59 herein