

licensed securities agents, by December 31, 2005. Licensed securities agents marketing the optional program may be compensated from the product distributor, fund company, insurance company, or other distribution agent for their activities in marketing and advising investors regarding the program.

Sec. 17. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 15, 2004

CHAPTER 1080

BANK COLLATERAL PLEDGED TO SECURE PUBLIC FUNDS DEPOSITS

S.F. 2119

AN ACT relating to obligations secured by collateral required to be pledged by banks to the treasurer of state in order to secure the deposit of public moneys, and providing an effective date.

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

Section 1. Section 12C.22, subsection 1, paragraph b, Code 2003, is amended by striking the paragraph.

Sec. 2. Section 12C.22, subsection 1, paragraph c, Code 2003, is amended to read as follows:

c. In the event an assessment is paid by a bank to the treasurer of state pursuant to section 12C.23A, ~~or in the event that collateral pledged by the bank is liquidated pursuant to section 12C.23A, subsection 3, paragraph "e", and the proceeds are used to pay the assessment,~~ the bank is subrogated to the claim of a public funds depositor to the extent the claim is paid from funds paid by the bank ~~or proceeds of collateral pledged by the bank are used to pay the assessment.~~

Sec. 3. Section 12C.22, subsection 5, paragraph d, Code 2003, is amended to read as follows:

d. Establish procedures for ~~adding collateral, releasing collateral, and~~ substituting different collateral for collateral pledged under this section.

Sec. 4. Section 12C.23A, subsection 3, paragraph e, Code Supplement 2003, is amended to read as follows:

e. If a bank fails to pay its assessment when due, the treasurer of state shall ~~satisfy the assessment by liquidating collateral pledged by the bank upon such notice as is required by chapter 554. If the collateral pledged by the bank is inadequate to pay the assessment, the treasurer of state shall~~ make additional assessments as may be necessary against other banks that hold uninsured public funds to satisfy any unpaid assessment. Any additional assessments shall be determined, collected, and satisfied in the same manner as the first assessment except that in calculating the amount of each such additional assessment, the amount of uninsured public funds held by the bank that fails to pay the assessment shall not be counted.

Sec. 5. Section 12C.23A, subsection 3, paragraph f, Code Supplement 2003, is amended by striking the paragraph.

Sec. 6. Section 12C.23A, subsection 3, paragraph g, Code Supplement 2003, is amended to read as follows:

g. If a bank fails to pay its assessment when due and the proceeds from liquidation of the collateral pledged by the bank are not sufficient to pay the assessment against the bank, the treasurer of state shall notify the superintendent or the comptroller of the currency, as applicable, of the failure to pay the assessment. If the bank that has failed to pay the assessment is a nationally chartered financial institution, the superintendent shall immediately notify the bank's primary federal regulator. If the assessment is not paid within thirty days after the bank received the notice of assessment, the treasurer of state shall initiate a lawsuit to collect the amount of the assessment. If a bank is found to have failed to pay the assessment as required by this subsection and is ordered to pay the assessment, the court shall also order that the bank pay court costs and reasonable attorney fees based on the amount of time the attorney general's office spent preparing and bringing the action, and reasonable expenses incurred by the treasurer of state.

Sec. 7. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 16, 2004

CHAPTER 1081

PRIVATE SECTOR EMPLOYEE DRUG TESTING

S.F. 2173

AN ACT concerning private sector employee drug testing relating to authorized testing substances, confirmed positive test results, and testing procedures, and providing an effective date.

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

Section 1. Section 730.5, subsection 1, Code 2003, is amended by adding the following new paragraph after paragraph a:

NEW PARAGRAPH. aa. "Confirmed positive test result" means, except for alcohol testing conducted pursuant to subsection 7, paragraph "f", subparagraph (2), the results of a blood, urine, or oral fluid test in which the level of controlled substances or metabolites in the specimen analyzed meets or exceeds nationally accepted standards for determining detectable levels of controlled substances as adopted by the federal substance abuse and health services administration. If nationally accepted standards for oral fluid tests have not been adopted by the federal substance abuse and health services administration, the standards for determining detectable levels of controlled substances for purposes of determining a confirmed positive test result shall be the same standard that has been established by the federal food and drug administration for the measuring instrument used to perform the oral fluid test.

Sec. 2. Section 730.5, subsection 1, paragraph j, Code 2003, is amended to read as follows:

j. "Sample" means such sample from the human body capable of revealing the presence of