

- 3 1. In line 16, the word "license" is stricken and the word "permit"  
 4 is substituted therefor.  
 5 2. The following new sentence is added at the end of said section:  
 6 "However, it shall be lawful to carry one or more unloaded pistols or  
 7 revolvers for the purpose of or in connection with lawful target prac-  
 8 tice, lawful hunting, lawful sale or attempted sale, lawful exhibit or  
 9 showing, or other lawful use, if such unloaded weapon or weapons are  
 10 carried either (1) in the trunk compartment of a vehicle or (2) in a  
 11 closed container which is too large to be effectively concealed on the  
 12 person or within the clothing of an individual, and such container may  
 13 be carried in a vehicle or in any other manner; and no permit shall be  
 14 required therefor."

Approved May 26, 1965.

CHAPTER 438  
 CONSUMER FRAUDS

H. F. 561

AN ACT outlawing certain consumer frauds, and providing more effective regulatory and enforcement procedures.

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

- 1 SECTION 1. Section seven hundred thirteen point twenty-four  
 2 (713.24), Code 1962, is hereby amended by striking the present sec-  
 3 tion in its entirety and inserting in lieu thereof the following:  
 4 1. Definitions:  
 5 a. The term "advertisement" includes the attempt by publication,  
 6 dissemination, solicitation or circulation to induce directly or indi-  
 7 rectly any person to enter into any obligation or acquire any title or  
 8 interest in any merchandise;  
 9 b. The term "merchandise" includes any objects, wares, goods,  
 10 commodities, intangibles, securities, bonds, debentures, stocks, real  
 11 estate or services;  
 12 c. The term "person" includes any natural person or his legal rep-  
 13 resentative, partnership, corporation (domestic and foreign), com-  
 14 pany, trust, business entity or association, and any agent, employee,  
 15 salesman, partner, officer, director, member, stockholder, associate,  
 16 trustee or cestui que trust thereof;  
 17 d. The term "sale" includes any sale, offer for sale, or attempt to  
 18 sell any merchandise for cash or on credit.  
 19 e. The term "subdivided lands" refers to improved or unimproved  
 20 land or lands divided or proposed to be divided for the purpose of  
 21 sale or lease, whether immediate or future, into five or more lots or  
 22 parcels; provided, however, it does not apply to the leasing of apart-  
 23 ments, offices, stores or similar space within an apartment building,  
 24 industrial building or commercial building unless an undivided in-  
 25 terest in the land is granted as a condition precedent to occupying  
 26 space in said structure.  
 27 2. a. The act, use or employment by any person of any deception,

28 fraud, false pretense, false promise, misrepresentation, or the con-  
29 cealment, suppression, or omission of any material fact with intent  
30 that others rely upon such concealment, suppression or omission, in  
31 connection with the sale or advertisement of any merchandise,  
32 whether or not any person has in fact been misled, deceived or dam-  
33 aged thereby, is declared to be an unlawful practice.

34 *b.* The advertisement for sale, lease or rent, or the actual sale,  
35 lease, or rental of any merchandise at a price or with a rebate or pay-  
36 ment to the purchaser which is contingent upon the procurement of  
37 prospective customers provided by the purchaser, or the procurement  
38 of sales, leases, or rentals to persons suggested by the purchaser, is  
39 declared to be an unlawful practice, unless the agreement or promise  
40 of such contingent price, rebate, or payment, is in writing and made  
41 a part of the contract of such sale, lease or rental. The rights and  
42 obligations of the contract relating to such contingent price, rebate,  
43 or payment shall be interdependent and inseverable from the rights  
44 and obligations relating to the sale, lease, or rental.

45 *c.* It shall be unlawful for any person to advertise the sale of mer-  
46 chandise at reduced rates due to cessation of business operations and  
47 after the date of the first such advertisement remain in business  
48 under the same, or substantially the same, ownership, under the  
49 same, or substantially the same trade name, or continue to offer for  
50 sale the same type of merchandise at the same location for more than  
51 one hundred twenty (120) days.

52 *d.* (1) No person shall offer or advertise within this state for sale  
53 or lease, any subdivided lands without first filing with the real estate  
54 commission, true and accurate copies of all road plans, plats, field  
55 notes and diagrams of water, sewage and electric power lines as they  
56 exist at the time of such filing, provided such filing shall not be re-  
57 quired for a subdivision subject to section three hundred six point  
58 fifteen (306.15) or chapter four hundred nine (409) of the Code.  
59 Each such filing shall be accompanied by a fee of fifty (50) dollars  
60 for each subdivision included, payable to the real estate commission.

61 (2) False or misleading statements filed pursuant to subparagraph  
62 one (1) of paragraph "d" of subsection two (2) of section one (1)  
63 of this Act or section three hundred six point fifteen (306.15) or  
64 chapter four hundred nine (409) of the Code, and advertising, offers  
65 to sell, or contracts not in substantial conformity with the filings  
66 made pursuant to section three hundred six point fifteen (306.15) or  
67 chapter four hundred nine (409) of the Code are unlawful.

68 3. When it appears to the attorney general that a person has en-  
69 gaged in, is engaging in, or is about to engage in any practice declared  
70 to be unlawful by this Act or when he believes it to be in the public  
71 interest that an investigation should be made to ascertain whether a  
72 person in fact has engaged in, is engaging in or is about to engage in,  
73 any such practice, he may:

74 *a.* Require such person to file on such forms as he may prescribe a  
75 statement or report in writing under oath or otherwise, as to all the  
76 facts and circumstances concerning the sale or advertisement of  
77 merchandise by such person, and such other data and information  
78 as he may deem necessary;

- 79       *b.* Examine under oath any person in connection with the sale or  
80 advertisement of any merchandise;
- 81       *c.* Examine any merchandise or sample thereof, record, book, docu-  
82 ment, account or paper as he may deem necessary; and
- 83       *d.* Pursuant to an order of a district court impound any record,  
84 book, document, account, paper, or sample of merchandise that is  
85 produced in accordance with this Act, and retain the same in his  
86 possession until the completion of all proceedings in connection with  
87 which the same are produced.
- 88       4. *a.* To accomplish the objectives and to carry out the duties pre-  
89 scribed by this Act, the attorney general, in addition to other powers  
90 conferred upon him by this Act, may issue subpoenas to any person,  
91 administer an oath or affirmation to any person, conduct hearings in  
92 aid of any investigation or inquiry, prescribe such forms and promul-  
93 gate such rules and regulations as may be necessary, which rules and  
94 regulations shall have the force of law.
- 95       *b.* No information or evidence provided the attorney general by a  
96 person pursuant to subsections three (3) and four (4) of this Act  
97 shall be admitted in evidence, or used in any manner whatsoever, in  
98 any criminal prosecution. If a criminal prosecution under the pro-  
99 visions of this Act is initiated in a state court against a person who  
100 has provided information pursuant to subsections three (3) and four  
101 (4) of this Act, the state shall have the burden of proof that the  
102 information so provided was not used in any manner to further the  
103 criminal investigation or prosecution.
- 104       5. Service by the attorney general of any notice requiring a person  
105 to file a statement or report, or of a subpoena upon any person, shall  
106 be made personally within this state, but if such cannot be obtained,  
107 substituted service therefor may be made in the following manner:
- 108       *a.* Personal service thereof without this state; or
- 109       *b.* The mailing thereof by registered mail to the last known place  
110 of business, residence or abode within or without this state of such  
111 person for whom the same is intended; or
- 112       *c.* As to any person other than a natural person, in the manner  
113 provided in the Rules of Civil Procedure as if a petition had been  
114 filed; or
- 115       *d.* Such service as a district court may direct in lieu of personal  
116 service within this state.
- 117       6. If any person fails or refuses to file any statement or report, or  
118 obey any subpoena issued by the attorney general, the attorney gen-  
119 eral may, after notice, apply to a district court and, after hearing  
120 thereof, request an order:
- 121       *a.* Granting injunctive relief, restraining the sale or advertisement  
122 of any merchandise by such persons;
- 123       *b.* Dissolving a corporation created by or under the laws of this  
124 state or revoking or suspending the certificate of authority to do  
125 business in this state of a foreign corporation or revoking or sus-  
126 pending any other licenses, permits or certificates issued pursuant to  
127 law to such person which are used to further the allegedly unlawful  
128 practice; and
- 129       *c.* Granting such other relief as may be required; until the person  
130 files the statement or report, or obeys the subpoena.

131 7. Whenever it appears to the attorney general that a person has  
132 engaged in, is engaging in or is about to engage in any practice de-  
133 clared to be unlawful by this Act he may seek and obtain in an action  
134 in a district court an injunction prohibiting such person from con-  
135 tinuing such practices or engaging therein or doing any acts in fur-  
136 therance thereof after appropriate notice to such person. Such notice  
137 shall state generally the relief sought and be served in accordance  
138 with subsection five (5) of section one (1) of this Act at least three  
139 (3) days prior to the institution of such action. The court may make  
140 such orders or judgments as may be necessary to prevent the use or  
141 employment by a person of any prohibited practices, or which may be  
142 necessary to restore to any person in interest any moneys or prop-  
143 erty, real or personal which may have been acquired by means of any  
144 practice in this Act declared to be unlawful including the appoint-  
145 ment of a receiver in cases of substantial and willful violation of the  
146 provisions of this Act.

147 8. When a receiver is appointed by the court pursuant to this Act,  
148 he shall have the power to sue for, collect, receive and take into his  
149 possession all the goods and chattels, rights and credits, moneys and  
150 effects, lands and tenements, books, records, documents, papers,  
151 choses in action, bills, notes and property of every description, de-  
152 rived by means of any practice declared to be illegal and prohibited  
153 by this Act, including property with which such property has been  
154 mingled if it cannot be identified in kind because of such comming-  
155 ling, and to sell, convey, and assign the same and hold and dispose of  
156 the proceeds thereof under the direction of the court. Any person  
157 who has suffered damages as a result of the use or employment of  
158 any unlawful practices and submits proof to the satisfaction of the  
159 court that he has in fact been damaged, may participate with general  
160 creditors in the distribution of the assets to the extent he has sus-  
161 tained out-of-pocket losses. In the case of a partnership or business  
162 entity, the receiver shall settle the estate and distribute the assets  
163 under the direction of the court. The court shall have jurisdiction  
164 of all questions arising in such proceedings and may make such orders  
165 and judgments therein as may be required.

166 9. Subject to an order of the court terminating the business affairs  
167 of any person after receivership proceedings held pursuant to this  
168 Act, the provisions of this Act shall not bar any claim against any  
169 person who has acquired any moneys or property, real or personal,  
170 by means of any practice herein declared to be unlawful.

171 10. In any action brought under the provisions of this Act, the  
172 attorney general is entitled to recover costs for the use of this state.

173 11. If any provision of this Act or the application thereof to any  
174 person or circumstances is held invalid, the invalidity shall not affect  
175 other provisions of applications of the Act which can be given effect  
176 without the invalid provision or application and to this end the pro-  
177 visions of this Act are severable.

178 12. Nothing contained in this Act shall apply to the owner or  
179 publisher of newspapers, magazines, publications or printed matter  
180 wherein such advertisement appears, or to the owner or operator of  
181 a radio or television station which disseminates such advertisement  
182 when the owner, publisher or operator has no knowledge of the in-

183 tent, design or purpose of the advertiser; and provided, further, that  
 184 nothing herein contained shall apply to any advertisement which  
 185 complies with the rules and regulations of, and the statutes admin-  
 186 istered by the Federal Trade Commission.

1 SEC. 2. Section seven hundred thirteen point twenty-five  
 2 (713.25), Code 1962, is hereby repealed.

1 SEC. 3. Section four hundred ninety-six A point ninety-one  
 2 (496A.91), Code 1962, is hereby amended by adding the following  
 3 subsection:

4 "3. The corporation has failed or refused to file a statement or  
 5 report, or obey a subpoena issued by the attorney general, as pro-  
 6 vided in section seven hundred thirteen point twenty-four (713.24)  
 7 of the Code."

1 SEC. 4. Section three hundred six point fifteen (306.15), Code  
 2 1962, is hereby amended by striking the present section in its en-  
 3 tirety and inserting in lieu thereof the following:

4 "All road plans, plats and field notes and true and accurate dia-  
 5 grams of water, sewage and electric power lines for rural subdivi-  
 6 sions shall be filed with and recorded by the county auditor and  
 7 approved by the board of supervisors and the county engineer before  
 8 the subdivision is laid out and platted, and if any proposed rural  
 9 subdivision is within one (1) mile of the corporate limits of any city  
 10 or town such road plans shall also be approved by the city engineer  
 11 or council of the adjoining municipality. Such plans shall be clearly  
 12 designated as 'completed', 'partially completed' or 'proposed' with a  
 13 statement of the portion completed and the expected date of full  
 14 completion. In the event such road plans are not approved as herein  
 15 provided such roads shall not become the part of any road system as  
 16 defined in chapter three hundred six (306) of the Code."

Approved May 20, 1965.

## CHAPTER 439

### SIMULATED LEGAL PROCESS

H. F. 164

AN ACT relating to documents which simulate legal process.

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

1 SECTION 1. Chapter seven hundred thirteen (713), Code 1962, is  
 2 hereby amended by adding the following new section:

3 "Whoever sends or delivers to another any document which simu-  
 4 lates a petition, original notice or other court process with intent  
 5 thereby to induce payment of a claim shall be fined not exceeding one  
 6 hundred dollars (\$100.00), or be imprisoned in the county jail not  
 7 exceeding thirty (30) days.

8 1. Proof that the document was mailed or was delivered to any