

MAR 25 1978

Place On Calendar

HOUSE FILE 2364

By COMMITTEE ON COMMERCE

(Formerly House File 2184)

Passed House, Date 5-1-77 (2095) Passed Senate, Date _____

Vote: Ayes 27 Nays 1 Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act providing that repairs to goods by a seller within
2 prescribed limitations shall not be considered consumer
3 fraud.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section seven hundred fourteen point sixteen
2 (714.16), subsection two (2), paragraph a, Code 1977
3 Supplement, is amended to read as follows:

4 a. The act, use or employment by any person of any de-
5 ception, fraud, false pretense, false promise, misrepresen-
6 tation, or the concealment, suppression, or omission of any
7 material fact with intent that others rely upon such conceal-
8 ment, suppression or omission, in connection with the sale
9 or advertisement of any merchandise, whether or not any person
10 has in fact been misled, deceived or damaged thereby, is
11 declared to be an unlawful practice. However, a person who
12 sells goods may repair damage to or make adjustments on or
13 replace parts of otherwise new goods to achieve substantial
14 compliance with factory specifications if the cost of the
15 repairs and parts does not exceed three hundred dollars or
16 ten percent of the retail value of the goods whichever is
17 less. A seller who makes repairs or adjustments or replaces
18 parts pursuant to the limitations prescribed in this paragraph
19 shall not be in violation of the provisions of this section.

20 Sec. 2. This Act is effective January 1, 1979.

21 EXPLANATION

22 This bill provides that a seller of goods may make cer-
23 tain repairs to goods within prescribed limitations which
24 shall not constitute consumer fraud.

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