

March 11, 1965.
Placed on Calendar.

House File 561
By JUDICIARY COMMITTEE.

Passed House, Date ^{deferred 3/31} 4/7

Passed Senate, Date 5/12

Vote: Ayes 16 Nays 16

Vote: Ayes 51 Nays 4

Approved May 20, 1965

passed house as amended 5/3 (99-5) passed on file 4/13

A BILL FOR

Judiciary 7/14
pass 4/26
deferred 5/7

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-
2 four (713.24), Code 1962, is hereby amended by striking the
3 present section in its entirety and inserting in lieu thereof
4 the following:

5 1. Definitions:

6 a. The term "advertisement" includes the attempt by
7 publication, dissemination, solicitation or circulation to
8 induce directly or indirectly any person to enter into any
9 obligation or acquire any title or interest in any merchandise;

10 b. The term "merchandise" includes any objects, wares, goods,
11 commodities, intangibles, real estate or services;

12 c. The term "person" includes any natural person or his
13 legal representative, partnership, corporation (domestic and
14 foreign), company, trust, business entity or association, and
15 any agent, employee, salesman, partner, officer, director,
16 member, stockholder, associate, trustee or cestui que trust
17 thereof;

18 d. The term "sale" includes any sale, offer for sale, or
19 attempt to sell any merchandise for cash or on credit.

20 e. The term "debt pooling" includes rendering financial

21 advice to debtors and arranging for pro rata payment of their
22 creditors for compensation.

23 f. The term "subdivided lands" refers to improved or un-
24 improved land or lands divided or proposed to be divided for
25 the purpose of sale or lease, whether immediate or future,
26 into five or more lots or parcels; provided, however, it does
27 not apply to the leasing of apartments, offices, stores or
28 similar space within an apartment building, industrial building
29 or commercial building unless an undivided interest in the
30 land is granted as a condition precedent to occupying space
31 in said structure.

32 2. a. The act, use or employment by any person of any
33 deception, fraud, false pretense, false promise, misrepresenta-
34 tion, or the concealment, suppression, or omission of any
35 material fact with intent that others rely upon such conceal-
36 ment, suppression or omission, in connection with the sale or
37 advertisement of any merchandise, whether or not any person has
38 in fact been misled, deceived or damaged thereby, is declared
39 to be an unlawful practice.

40 b. The advertisement for sale, lease or rent, or the actual
41 sale, lease, or rental of any merchandise at a price or with
42 a rebate to the purchaser which is contingent upon the procure-
43 ment of prospective customers provided by the purchaser, or
44 the procurement of sales, leases, or rentals to persons suggested
45 by the purchaser, is declared to be an unlawful practice.

46 c. The advertisement for sale, lease, or rent, or install-
47 ation of any merchandise, or the entering into of a contract
48 for the sale, lease, installation or rental of any merchandise,

49 which merchandise is subject to any municipal, county or state
50 statutes, ordinance or regulations as to quality of installation
51 or construction, without including in the contract price the
52 cost to the purchaser of fulfilling such municipal, county,
53 or state statutes, ordinances or regulations, is declared to
54 be an unlawful practice.

55 d. Any person which advertises the sale of merchandise
56 at a reduced rate due to the cessation of business operations,
57 and which more than ninety days but not more than two years
58 after the first such advertisement, remains in business in
59 substantially the same ownership, under the same or substantially
60 the same trade name, or continues to offer for sale the same
61 type of merchandise at the same location, shall be guilty of
62 fraud and subjected to the remedies of this chapter.

63 e. (1) No person shall contract to furnish advice or
64 services to or in behalf of a debtor residing in this state
65 in connection with any debt pooling plan, whereby such debtor
66 deposits any funds for the purpose of making pro rata payments
67 or other distributions to his creditors without first presenting
68 to the debtor a written agreement from each and every creditor
69 to be included in the pool a written agreement stating the
70 terms under which such creditor will agree to discharge the
71 debtor from all legal actions based upon the debt. Nor shall
72 such person receive from any debtor residing within this state
73 consideration in excess of 6% per annum of the total amount
74 of the debts pooled.

75 (2) Every person contracting to provide the services provided
76 in subparagraph one (1) of paragraph "e." of subsection two (2)

77 of section one (1) of this Act shall register its name, and
78 address with the state banking department, shall present accurate
79 and complete records of each and all contracts with debtors which
80 it has made, and shall post with the state banking board a surety
81 bond not less than the amount of the debts of all debtors for
82 which it is liable under existing contracts. Such surety bond
83 shall be for the purpose of satisfying any judgments entered
84 against said person in favor of debtors for failure of the debt
85 pooler to perform the terms of its contract with said debtor.

86 f. (1) no person shall offer or advertise within this
87 state for sale or lease any subdivided lands without first
88 filing with the real estate board true and accurate copies
89 of all road plans, plats, field notes and diagrams of water,
90 sewage and electric power lines as they exist at the time of
91 such filing, provided such filing shall not be required for
92 a subdivision subject to section three hundred six point
93 fifteen (306.15) of the Code.

94 (2) Every sales contract relating to the purchase of
95 real property in a subdivision shall clearly set forth the
96 legal description of the property, the principal amount of
97 any encumbrances outstanding at the date of the contract, any
98 and all oil, gas or mineral rights reserved and the full terms
99 of the contract. The seller's name shall be notarized on all
100 contracts of sale. No contract to be used shall contain an
101 agreement by the purchasers that he will not record the contract
102 or any memorandum thereof.

103 (3) False or misleading statements filed pursuant to sub-
104 paragraph one (1) of paragraph "f." of subsection two (2) of

105 section one (1) of this Act or section three hundred six point
106 fifteen (306.15) of the Code, and advertising, offers to sell, or
107 contracts not in substantial conformity with the filings made
108 pursuant to section three hundred six point fifteen (306.15) of
109 the Code are unlawful.

110 3. When it appears to the attorney general that a person
111 has engaged in, is engaging in, or is about to engage in any
112 practice declared to be unlawful by this Act or when he believes
113 it to be in the public interest that an investigation should
114 be made to ascertain whether a person in fact has engaged in,
115 is engaging in or is about to engage in, any such practice,
116 he may:

117 a. Require such person to file on such forms as he
118 prescribed a statement or report in writing under oath or
119 otherwise, as to all the facts and circumstances concerning
120 the sale or advertisement of merchandise by such person, and
121 such other data and information as he may deem necessary;

122 b. Examine under oath any person in connection with the
123 sale or advertisement of any merchandise;

124 c. Examine any merchandise or sample thereof, record,
125 book, document, account or paper as he may deem necessary; and

126 d. Pursuant to an order of a district court impound any
127 record, book, document, account, paper, or sample of merchandise
128 that is produced in accordance with this Act, and retain the
129 same in his possession until the completion of all proceedings
130 in connection with which the same are produced.

131 4. To accomplish the objectives and to carry out the
132 duties prescribed by this Act, the attorney general, in

133 addition to other powers conferred upon him by this Act, may
134 issue subpoenas to any person, administer an oath or affirmation
135 to any person, conduct hearings in aid of any investigation
136 or inquiry, prescribe such forms and promulgate such rules
137 and regulations as may be necessary, which rules and regulations
138 shall have the force of law.

139 5. Service by the attorney general of any notice requiring
140 a person to file a statement or report, or of a subpoena upon
141 any person, shall be made personally within this state, but
142 if such cannot be obtained, substituted service therefor may
143 be made in the following manner:

- 144 a. Personal service thereof without this state; or
- 145 b. The mailing thereof by registered mail to the last
146 known place of business, residence or abode within or without
147 this state of such person for whom the same is intended; or
- 148 c. As to any person other than a natural person, in the
149 manner provided in the Rules of Civil Procedure as if a petition
150 had been filed; or
- 151 d. Such service as a district court may direct in lieu
152 of personal service within this state.

153 6. If any person fails or refuses to file any statement or
154 report, or obey any subpoena issued by the attorney general,
155 the attorney general may, after notice, apply to a district
156 court and, after hearing thereof, request an order:

- 157 a. Granting injunctive relief, restraining the sale or
158 advertisement of any merchandise by such persons;
- 159 b. Dissolving a corporation created by or under the
160 laws of this state or revoking or suspending the certificate

161 of authority to do business in this state of a foreign corpora-
162 tion or revoking or suspending any other licenses, permits
163 or certificates issued pursuant to law to such person which
164 are used to further the allegedly unlawful practice; and
165 c. Granting such other relief as may be required; until
166 the person files the statement or report, or obeys the subpoena.
167 7. Whenever it appears to the attorney general that a person
168 has engaged in, is engaging in or is about to engage in any
169 practice declared to be unlawful by this Act he may seek and
170 obtain in an action in a district court an injunction prohibiting
171 such person from continuing such practices or engaging therein
172 or doing any acts in furtherance thereof after appropriate
173 notice to such person. Such notice shall state generally the
174 relief sought and be served in accordance with subsection five
175 (5) of section one (1) of this Act at least three (3) days prior
176 to the institution of such action. The court may make such orders
177 or judgments as may be necessary to prevent the use or employment
178 by a person of any prohibited practices, or which may be necessary
179 to restore to any person in interest any moneys or property,
180 real or personal which may have been acquired by means of any
181 practice in this Act declared to be unlawful including the
182 appointment of a receiver in cases of substantial and willful
183 violation of the provisions of this Act.
184 8. When a receiver is appointed by the court pursuant to
185 this Act, he shall have the power to sue for, collect, receive
186 and take into his possession all the goods and chattels, rights
187 and credits, moneys and effects, lands and tenements, books,
188 records, documents, papers, choses in action, bills, notes

189 and property of every description, derived by means of any
190 practice declared to be illegal and prohibited by this Act,
191 including property with which such property has been mingled
192 if it cannot be identified in kind because of such commingling,
193 and to sell, convey, and assign the same and hold and dispose
194 of the proceeds thereof under the direction of the court.

195 Any person who has suffered damages as a result of the use or
196 employment of any unlawful practices and submits proof to
197 the satisfaction of the court that he has in fact been damaged,
198 may participate with general creditors in the distribution of
199 the assets to the extent he has sustained out-of-pocket losses.

200 In the case of a partnership or business entity, the receiver
201 shall settle the estate and distribute the assets under the
202 direction of the court. The court shall have jurisdiction of
203 all questions arising in such proceedings and may make such
204 orders and judgments therein as may be required.

205 9. Subject to an order of the court terminating the business
206 affairs of any person after receivership proceedings held
207 pursuant to this Act, the provisions of this Act shall not
208 bar any claim against any person who has acquired any moneys
209 or property, real or personal, by means of any practice herein
210 declared to be unlawful.

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

214 11. If any provision of this Act or the application thereof
215 to any person or circumstances is held invalid, the invalidity
216 shall not affect other provisions or applications of the Act

217 which can be given effect without the invalid provision or
218 application and to this end the provisions of this Act are
219 severable.

220 12. Nothing contained in this Act shall apply to the
221 owner or publisher of newspapers, magazines, publications or
222 printed matter wherein such advertisement appears, or to the
223 owner or operator of a radio or television station which
224 disseminates such advertisement when the owner, publisher or
225 operator has no knowledge of the intent, design or purpose
226 of the advertiser; and provided, further, that nothing herein
227 contained shall apply to any advertisement which complies with
228 the rules and regulations of, and the statutes administered
229 by the Federal Trade Commission.

230 13. Any person violating any substantive provisions of this
231 Act shall be fined not more than one thousand dollars (\$1,000)
232 or be imprisoned not more than five (5) years, or both such fine
233 and imprisonment, or be enjoined as provided in this Act.

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 sub-section:

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

1 Sec. 4. Section three hundred six point fifteen (306.15),
2 Code 1962, is hereby amended by striking the present section in

3 its entirety and inserting in lieu thereof the following:

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

19 A copy of all items filed pursuant to this section, shall
20 be promptly forwarded by the recorder to the Iowa real estate
21 commission."

EXPLANATION OF HOUSE FILE 561

This bill outlaws certain practices which work frauds upon consumers, and gives the Attorney General powers to investigate possible frauds and seek injunctive relief to prevent frauds.

1 Amend House File 561 by striking all after the enacting
2 clause and inserting in lieu thereof the following:

3 Section 1. Section seven hundred thirteen point twenty-
4 four (713.24), Code 1962, is hereby amended by striking the
5 present section in its entirety and inserting in lieu thereof
6 the following:

7 1. Definitions:

8 a. The term "advertisement" includes the attempt by
9 publication, dissemination, solicitation or circulation to
10 induce directly or indirectly any person to enter into any
11 obligation or acquire any title or interest in any merchandise;

12 b. The term "merchandise" includes any objects, wares, goods,
13 commodities, intangibles, securities, bonds, debentures,
14 stocks, real estate or services;

15 c. The term "person" includes any natural person or his
16 legal representative, partnership, corporation (domestic and
17 foreign), company, trust, business entity or association, and
18 any agent, employee, salesman, partner, officer, director,
19 member, stockholder, associate trustee or cestui que trust
20 thereof;

21 d. The term "sale" includes any sale offer for sale, or
22 attempt to sell any merchandise for cash or on credit.

23 e. The term "debt pooling" includes rendering financial
24 advice to debtors and arranging for pro rata payment of their
25 creditors for compensation.

26 f. The term "subdivided lands" refers to improved or un-
27 improved land or lands divided or proposed to be divided for
28 the purpose of sale or lease, whether immediate or future,
29 into five or more lots or parcels; provided, however, it does
30 not apply to the leasing of apartments, offices, stores or
31 similar space within an apartment building, industrial building
32 or commercial building unless an undivided interest in the
33 land is granted as a condition precedent to occupying space
34 in said structure.

35 2. a. The act, use or employment by any person of any
36 deception, fraud, false pretense, false promise, misrepresenta-
37 tion, or the concealment, suppression, or omission of any
38 material fact with intent that others rely upon such conceal-
39 ment, suppression or omission, in connection with the sale or
40 advertisement of any merchandise, whether or not any person has
41 in fact been misled, deceived or damaged thereby, is declared
42 to be an unlawful practice.

43 b. The advertisement for sale, lease or rent, or the actual
44 sale, lease, or rental of any merchandise at a price or with
45 a rebate or payment to the purchaser which is contingent upon
46 the procurement of prospective customers provided by the purchaser,
47 or the procurement of sales, leases, or rentals to persons suggested
48 by the purchaser, is declared to be an unlawful practice, unless
49 the agreement or promise of such contingent price, rebate, or
50 payment, is in writing and made a part of the contract of such
51 sale, lease or rental. The rights and obligations of the
52 contract relating to such contingent price, rebate, or payment
53 shall be interdependent and inseverable from the rights and
54 obligations relating to the sale, lease, or rental.

55 c. The advertisement for sale, lease, or rent, or install-
56 ation of any merchandise, or the entering into of a contract
57 for the sale, lease, installation or rental of any merchandise,
58 which merchandise is subject to any municipal, county or state
59 statutes, ordinance or regulations as to manner, method or
60 quality of installation or construction, without including in
61 the contract price the cost to the purchaser of fulfilling
62 such municipal, county, or state statutes, ordinances or
63 regulations, is declared to be an unlawful practice.

64 d. It shall be unlawful for any person to advertise the
65 sale of merchandise at reduced rates due to the cessation of
66 business operations and after the date of the first such
67 advertisement remain in business under the same, or substantially
68 the same, ownership, under the same, or substantially the same
69 trade name, or continue to offer for sale the same type of
70 merchandise at the same location for more than one hundred
71 twenty (120) days.

72 e. (1) No person shall contract to furnish advice or
73 services to or in behalf of a debtor residing in this state
74 in connection with any debt pooling plan, whereby such debtor
75 deposits any funds for the purpose of making pro rata payments
76 or other distributions to his creditors without first presenting
77 to the debtor a written agreement from each and every creditor
78 to be included in the pool stating the

79 terms under which such creditor will agree to discharge the
80 debtor from all legal actions based upon the debt.

81 (2) Every person contracting to provide the services
82 provided in subparagraph one (1) of paragraph "e" of subsection
83 two (2) of section one (1) of the Act, shall register its name
84 and address with the state banking department, and at the
85 request of the banking department, present accurate and complete
86 records of each and all contracts with debtors which it has
87 made and shall post with the state banking department a surety
88 bond in an amount determined by the banking department.

89 (3) The provisions of subsection two (2), paragraph "e" of
90 the Act shall not apply to attorneys admitted to practice
91 by the supreme court furnishing such advice to their clients.

92 f. (1) No person shall offer or advertise within this state
93 for sale or lease, any subdivided lands without first filing
94 with real estate commission, true and accurate copies
95 of all road plans, plats, field notes and diagrams of water,
96 sewage and electric power lines as they exist at the time of
97 such filing, provided such filing shall not be required for
98 a subdivision subject to section three hundred six point
99 fifteen (306.15) or chapter four hundred nine (409) of the
100 Code. Each such filing shall be accompanied by a fee of fifty
101 (50) dollars for each subdivision included, payable to the
102 real estate commission.

103 (2) Every sales contract relating to the purchase of
104 real property in a subdivision shall clearly set forth the
105 legal description of the property, the principal amount of
106 any encumbrances outstanding at the date of the contract, any
107 and all oil, gas or mineral rights reserved and the full terms
108 of the contract. The seller's name shall be notarized on all
109 contracts of sale. No contract to be used shall contain an
110 agreement by the purchasers that he will not record the contract
111 or any memorandum thereof.

112 (3) False or misleading statements pursuant to sub-
113 paragraph one (1) of paragraph "f" of subsection two (2) of
114 section one (1) of this Act or section three hundred six point
115 fifteen (306.15) or chapter four hundred nine (409) of the
116 Code, and advertising, offers to sell, or contracts not in
117 substantial conformity with the filings made pursuant to
118 section three hundred six point fifteen (306.15) or chapter
119 four hundred nine (409) of the Code are unlawful.

120 3. When it appears to the attorney general that a person
121 has engaged in, is engaging in, or is about to engage in any
122 practice declared to be unlawful by this Act or when he believes
123 it to be in the public interest that an investigation should
124 be made to ascertain whether a person in fact has engaged in,
125 is engaging in or is about to engage in, any such practice,
126 he may:

127 a. Require such person to file on such forms as he may prescribe
128 a statement or report in writing under oath or
129 otherwise, as to all the facts and circumstances concerning
130 the sale or advertisement of merchandise by such person, and
131 such other data and information as he may deem necessary;

132 b. Examine under oath any person in connection with the
133 sale or advertisement of any merchandise;

134 c. Examine any merchandise or sample thereof, record,
135 book, document, account or paper as he may deem necessary; and
136 d. Pursuant to an order of a district court impound any
137 record, book, document, account, paper, or sample of merchandise
138 that is produced in accordance with this Act, and retain the
139 same in his possession until the completion of all proceedings
140 in connection with which the same are produced.

141 4. a. To accomplish the objectives and to carry out the
142 duties prescribed by this Act, the attorney general, in
143 addition to other powers conferred upon him by this Act, may
144 issue subpoenas to any person, administer an oath or affirmation
145 to any person, conduct hearings in aid of any investigation
146 or inquiry, prescribe such forms and promulgate such rules
147 and regulations as may be necessary, which rules and regulations
148 shall have the force of law.

149 b. No information or evidence provided the attorney general
150 by a person pursuant to subsections three (3) and four (4)
151 of this Act shall be admitted in evidence, or used in any manner
152 whatsoever, in any criminal prosecution. If a criminal
153 prosecution under the provisions of this Act is initiated in a
154 state court against a person who has provided information
155 pursuant to subsections three (3) and four (4) of this Act,
156 the state shall have the burden of proof that the information
157 so provided was not used in any manner to further the criminal
158 investigation or prosecution.

159 5. Service by the attorney general of any notice requiring
160 a person to file a statement or report, or of a subpoena upon
161 any person, shall be made personally within this state, but
162 if such cannot be obtained, substituted service therefor may
163 be made in the following manner:

- 164 a. Personal service thereof without this state; or
- 165 b. The mailing thereof by registered mail to the last
166 known place of business, residence or abode within or without
167 this state of such person for whom the same is intended; or
- 168 c. As to any person other than a natural person, in the
169 manner provided in the Rules of Civil Procedure as if a petition
170 had been filed; or
- 171 d. Such service as a district court may direct in lieu
172 of personal service within this state.

173 6. If any person fails or refuses to file any statement or
174 report, or obey any subpoena issued by the attorney general,
175 the attorney general may, after notice, apply to a district
176 court and, after hearing thereof, request an order:

- 177 a. Granting injunctive relief, restraining the sale or
178 advertisement of any merchandise by such persons;
- 179 b. Dissolving a corporation created by or under the
180 laws of this state or revoking or suspending the certificate
181 of authority to do business in this state of a foreign corpora-
182 tion or revoking or suspending any other licenses, permits
183 or certificates issued pursuant to law to such person which
184 are used to further the allegedly unlawful practice; and
- 185 c. Granting such other relief as may be required; until
186 the person files the statement or report, or obeys the subpoena.

187 7. Whenever it appears to the attorney general that a person
188 has engaged in, is engaging in or is about to engage in any
189 practice declared to be unlawful by this Act he may seek and
190 obtain in an action in a district court an injunction prohibiting
191 such person from continuing such practices or engaging therein
192 or doing any acts in furtherance thereof after appropriate
193 notice to such person. Such notice shall state generally the
194 relief sought and be served in accordance with subsection five
195 (5) of section one (1) of this Act at least three (3) days prior
196 to the institution of such action. The court may make such
197 orders or judgments as may be necessary to prevent the use or
198 employment by a person of any prohibited practices, or which may
199 be necessary to restore to any person in interest any moneys or
200 property, real or personal which may have been acquired by means
201 of any practice in this Act declared to be unlawful including
202 the appointment of a receiver in cases of substantial and willful
203 violation of the provisions of this Act.

204 8. When a receiver is appointed by the court pursuant to
205 this Act, he shall have the power to sue for, collect, receive
206 and take into his possession all the goods and chattels, rights
207 and credits, moneys and effects, lands and tenements, books,
208 records, documents, papers, choses in action, bills, notes
209 and property of every description, derived by means of any
210 practice declared to be illegal and prohibited by this Act,
211 including property with which such property has been mingled
212 if it cannot be identified in kind because of such commingling,
213 and to sell, convey, and assign the same and hold and dispose
214 of the proceeds thereof under the direction of the court.
215 Any person who has suffered damages as a result of the use or
216 employment of any unlawful practices and submits proof to
217 the satisfaction of the court that he has in fact been damaged,
218 may participate with general creditors in the distribution of
219 the assets to the extent he has sustained out-of-pocket losses.
220 In the case of a partnership or business entity, the receiver
221 shall settle the estate and distribute the assets under the
222 direction of the court. The court shall have jurisdiction of
223 all questions arising in such proceedings and may make such
224 orders and judgments therein as may be required.

225 9. Subject to an order of the court terminating the business
226 affairs of any person after receivership proceedings held
227 pursuant to this Act, the provisions of this Act shall not
228 bar any claim against any person who has acquired any moneys
229 or property, real or personal, by means of any practice herein
230 declared to be unlawful.

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

234 11. If any provision of this Act or the application thereof
235 to any person or circumstances is held invalid, the invalidity
236 shall not affect other provisions or applications of the Act
237 which can be given effect without the invalid provision or
238 application and to this end the provisions of this Act are
239 severable.

240 12. Nothing contained in this Act shall apply to the
241 owner or publisher of newspapers, magazines, publications or
242 printed matter wherein such advertisement appears, or to the
243 owner or operator of a radio or television station which
244 disseminates such advertisement when the owner, publisher or
245 operator has no knowledge of the intent, design or purpose
246 of the advertiser; and provided, further, that nothing herein
247 contained shall apply to any advertisement which complies with
248 the rules and regulations of, and the statutes administered
249 by the Federal Trade Commission.

250 13. Any person in violation of subsection two (2) of
251 section one (1) of this Act shall be fined not more than five
252 hundred (500) dollars or be imprisoned in the county jail not
253 more than one (1) year, or by both such fine and imprisonment.

254 Sec. 2. Section seven hundred thirteen point twenty-five
255 (713.25), Code 1962, is hereby repealed.

256 Sec. 3. Section four hundred ninety-six A point ninety-one
257 (496A.91), Code 1962, is hereby amended by adding the following
258 subsection.

259 "3. The corporation has failed or refused to file a state-
260 ment or report, or obey a subpoena issued by the attorney general,
261 as provided in section seven hundred thirteen point twenty-four
262 (713.24) of the Code."

263 Sec. 4. Section three hundred six point fifteen (306.15),
264 Code 1962, is hereby amended by striking the present section in
265 its entirety and inserting in lieu thereof the following:

266 "All road plans, plats and field notes and true and
267 accurate diagrams of water, sewage and electric power lines
268 for rural subdivisions shall be filed with and recorded by the
269 county auditor and approved by the board of supervisors and
270 the county engineer before the subdivision is laid out and
271 platted, and if any proposed rural subdivision is within one (1)
272 mile of the corporate limits of any city or town such road
273 plans shall also be approved by the city engineer or council
274 of the adjoining municipality. Such plans shall be clearly
275 designated as "completed", "partially completed" or "proposed"
276 with a statement of the portion completed and the expected date
277 of full completion. In the event such road plans are not
278 approved as herein provided such roads shall not become the
279 part of any road system as defined in Chapter three hundred
280 six (306), of the Code.

Filed
March 24, 1965.

adopted 4/23 amended

JUDICIARY COMMITTEE,
JOHN L. DUFFY, *Chairman*.

HOUSE FILE 561

- 1 Amend the judiciary committee amendment to House File 561, filed
- 2 March 24, 1965, by striking all of lines 55 through 63.

Filed
March 31, 1965.

adopted 4/7

DENATO of Polk.
DUFFY of Dubuque.
JACKSON of Clinton.

HOUSE FILE 561

- 1 Amend the committee amendment to House File 561 filed by
- 2 the Judiciary Committee on March 24, 1965, as follows:
- 3 1. By striking line twenty-three (23), twenty-four (24)
- 4 and twenty-five (25).
- 5 2. By striking lines seventy-two (72) through ninety-one
- 6 (91) inclusive.

Filed
April 6, 1965.

adopted 4/7

DUFFY of Dubuque.
DENATO of Polk.
GAUDINEER of Polk.

HOUSE FILE 561

- 1 Amend House File 561 as follows:
- 2 1. By striking lines 103 through 111.
- 3 2. By striking lines 250 through 253 of section 1,
- 4 subsection 13.

Filed and adopted
May 12, 1965.

house concurred 5/3

By SHAFF and ELVERS.

HOUSE FILE 561

- 1 Amend House File 561 by adding thereto the following
- 2 new section:
- 3 "Sec. 5. The provisions of this Act shall not apply
- 4 to any person, firm, partnership or corporation licensed
- 5 to do business or practice any trade or profession under a
- 6 license issued by this state or any department, commission
- 7 or agency thereof."

Filed and lost
May 12, 1965

By SHAFF.