

April 26, 1965.  
Placed on Calendar.

Senate File 560  
By EDUCATION COMMITTEE.

Passed Senate, Date 5/19 Passed House, Date 6/2  
Vote: Ayes 54 Nays 0 Vote: Ayes 76 Nays 0

Approved.....

*Amended in house amendments 6/2  
passed senate as amended 6/2 (SS-0)*  
**A BILL FOR** *Sifting Committee 5/20  
referred 6/1*

An Act relating to the advertising and selling of courses of instruction.

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

1 Section 1. It shall be unlawful for any person, firm, associa-  
2 tion, or corporation maintaining, advertising, or conducting in  
3 Iowa any course of instruction for profit, or for tuition charge,  
4 whether by classroom instructions or by correspondence, to:  
5 1. Falsely advertise or represent to any person any matter  
6 material to such course of instruction.  
7 2. Collect tuition or other charges in excess of twenty-five  
8 (25) dollars in advance of the actual attendance of a pupil in  
9 the school, or in the case of correspondence courses of study,  
10 in advance of the receipt and approval by the pupil of the first  
11 assignment or lesson of such course. Any contract providing for  
12 advance payment of more than twenty-five (25) dollars shall be  
13 voidable on the part of the pupil or any person liable for the  
14 tuition provided for in the contract.

1 Sec. 2. Every person, firm, association, or corporation main-  
2 taining or conducting in Iowa any such course of instruction, by  
3 classroom instruction or by correspondence, or soliciting in Iowa  
4 the sale of such course, shall file with the superintendent of  
5 public instruction:

6 1. A continuous corporate surety bond to the state of Iowa in

7 the sum of ten thousand (10,000) dollars conditioned for the faith-  
8 ful performance of all contracts and agreements with students made  
9 by such person, firm, association, or corporation, or their sales-  
10 men.

11 2. A statement designating a resident agent for the purpose  
12 of receiving service in civil actions. In the absence of such  
13 designation, service may be had upon the superintendent of public  
14 instruction if service cannot otherwise be made in this state.

15 3. A copy of any catalog, prospectus, brochure, or other ad-  
16 vertising material intended for distribution in Iowa. Such ma-  
17 terial shall state the cost of the course offered, the schedule  
18 of refunds for portions of the course not completed, and if no  
19 refunds are to be paid, the material shall so state. Any contract  
20 induced by advertising materials not previously filed as provided  
21 in this Act shall be voidable on the part of the pupil or any  
22 person liable for the tuition provided for in the contract.

1 Sec. 3. None of the provisions of this Act shall apply to the  
2 following:

3 1. Colleges or universities authorized by the laws of Iowa  
4 or any other state or foreign country to grant degrees.

5 2. Schools of nursing accredited by the board of nurse exam-  
6 iners or an equivalent public board of another state or foreign  
7 country.

8 3. Public schools.

9 4. Private and nonprofit schools recognized by the state de-  
10 partment of public instruction or a local school board for the  
11 purpose of complying with chapter two hundred ninety-nine (299)  
12 of the Code and employing certified teachers.

13 5. Nonprofit schools exclusively engaged in training physical-  
14 ly handicapped persons in the State of Iowa.

15 6. Schools and educational programs conducted by firms,  
16 corporations, or persons for the training of their own employees,  
17 for which no fee is charged.

18 7. Seminars, refresher course and schools of instruction  
19 sponsored by professional, business, or farming organizations or  
20 associations for the members and employees of members of such  
21 organizations or associations.

1 Sec. 4. Violation of any of the provisions of this Act shall  
2 be a misdemeanor, punishable upon conviction by a fine not  
3 exceeding one hundred (100) dollars or thirty (30) days in jail,  
4 or both.

1 Amend Senate File 560, section 1, line 7, by striking the  
2 words "or other charges".

Filed  
May 17, 1965.

*withdrawn 5/19*

By SCHROEDER.

SENATE FILE 560

- 1 Amend Senate File 560 by adding the following paragraph
- 2 at the end of section three (3) thereof:
- 3 "8. Private business schools accredited by The Accrediting
- 4 Commission for Business Schools."

Filed  
May 10, 1965.

*adopted as amended 5/19*  
By REPPERT.

SENATE FILE 560

- 1 Amend Senate File 560 as follows:
- 2 1. By striking from section one (1) lines seven
- 3 (7) and eight (8) the words and figures "twenty-five
- 4 (25) dollars" and inserting in lieu thereof the words
- 5 and figures "seventy-five (75) dollars".
- 6 2. By striking from section one (1) line twelve
- 7 (12) the words and figures "twenty-five (25) dollars"
- 8 and inserting in lieu thereof the words and figures
- 9 "seventy-five (75) dollars".

Filed  
May 13, 1965.

*adopted 5/19*  
By DENMAN.

SENATE FILE 560

- 1 Amend Senate File 560 by striking the period (.) in line
- 2 10 section 2 and inserting in lieu thereof the following:
- 3 " ; provided, however, that the aggregate liability of the surety
- 4 for all breaches of the conditions of the bond shall, in no event,
- 5 exceed the sum of said bond. The surety on the bond shall have
- 6 the right to cancel said bond upon giving 30 days written notice
- 7 to the Superintendent of Public Instruction and thereafter shall
- 8 be relieved of liability for any breach of condition occurring
- 9 after the effective date of said cancellation."

Filed  
May 13, 1965.

*adopted 5/19*  
By DENMAN.

SENATE FILE 560

- 1 Amend Senate File 560 by striking line nine (9) through
- 2 sixteen (16), inclusive of section one (1).

Filed  
June 1, 1965.

*withdrawn 6/2*  
NIELSEN of Emmet-Palo Alto.

SENATE FILE 560

- 1 Amend Senate File 560 by striking from section 3, subsection
- 2 9, line 2 thereof, the words "this state" and by inserting in lieu
- 3 thereof the words "any state or the federal government".

Filed  
June 1, 1965.

*adopted 6/2*  
NIELSEN of Emmet-Palo Alto.

SENATE FILE 560

- 1 Amend Senate File 560 as follows:
- 2 1. By striking from section one (1) lines nine (9) and
- 3 ten (10) the words and figures "seventy-five (75) dollars"
- 4 and inserting in lieu thereof the words and figures "one hundred
- 5 fifty (150) dollars".
- 6 2. By striking from section one (1) line fourteen (14) the
- 7 words and figures "seventy-five (75) dollars" and inserting
- 8 in lieu thereof the words and figures "one hundred fifty
- 9 (150) dollars".

Filed  
June 2, 1965.

*adopted 6/2*  
HAUSHEER of Story.