

Commerce: Hibbs, Chair; Rapp and Crabb.

JAN 30 1979

HOUSE FILE 172

Commerce *Do Pass 2/13*

By WEST and PERKINS

House File 172

2/1, D. Pass 2/16 (p. 844)

Commerce
Bergman, Chairperson
Craft
Robinson

Passed House, Date 2-26-79 (p. 678) Passed Senate, Date 4-26-79 (p. 1427)

Vote: Ayes 62 Nays 33 Vote: Ayes 38 Nays 11

Approved June 6, 1979

*Repassed House 5-7-79 (p. 2109)
83-11*

A BILL FOR

- 1 An Act providing that repairs by the seller to new
- 2 merchandise before sale do not constitute consumer
- 3 fraud if within prescribed monetary limits.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 5 *was receded from amendment and*
- 6 *Repassed 5-10-79 (p. 2237)*
- 7 *62-22*

HOUSE FILE 172

H-4243

- 1 Amend the Senate amendment H-4181, to House File
- 2 172, as passed by the House, as follows:
- 3 1. Page 1, by inserting after line 8 the
- 4 following:
- 5 "_____". Page 1, line 11, by striking the words
- 6 "three hundred" and inserting in lieu thereof the
- 7 words "one hundred fifty".

H-4243 FILED *W/Drawn 5/7 (2108)* BY WELSH of Dubuque
MAY 2, 1979

HOUSE FILE 172

H-4244

- 1 Amend the Senate amendment H-4181 to House File
- 2 172 as amended, passed, and reprinted by the House
- 3 as follows:
- 4 1. Page 1, by striking line 15, and inserting
- 5 in lieu thereof the words "ments or replacements
- 6 will be disclosed."
- 7 2. Page 1, by striking lines 18 and 19, and
- 8 inserting in lieu thereof the words "of a material
- 9 fact."

H-4244 FILED *Adopted 5/7 (p. 2108)* BY CONNOLLY of Dubuque
MAY 2, 1979

1 Section 1. Section seven hundred fourteen point sixteen
2 (714.16), subsection two (2), paragraph a, Code 1979, is
3 amended by adding the following new unnumbered paragraph:

4 NEW UNNUMBERED PARAGRAPH. "Material fact" as used in this
5 subsection does not include repairs of damage to or adjustments
6 on or replacements of parts with new parts of otherwise new
7 merchandise if the repairs, adjustments or replacements are
8 made to achieve substantial compliance with factory
9 specifications and are made before sale of the merchandise
10 at retail and the cost of the repairs, adjustments and parts
11 does not exceed three hundred dollars or ten percent of the
12 retail value of the merchandise, whichever is less.

13 Sec. 2. This Act is effective January first following
14 its enactment.

15 EXPLANATION

16 This bill provides that repairs by the seller to new
17 merchandise before sale do not constitute consumer fraud if
18 the cost of repairs and parts does not exceed three hundred
19 dollars or ten percent of the retail value of the merchandise,
20 whichever is less.

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HOUSE FILE 172

S-3522

1 Amend House File 172 as passed by the House as
2 follows:
3 1. Page 1, line 12, by inserting after the word
4 "less" the words ", providing that the seller posts
5 in a conspicuous place notice that repairs, adjust-
6 ments or replacements will be disclosed upon request.
7 The exemption provided in this paragraph does not
8 apply to the concealment, suppression or omission
9 of a material fact if the purchaser requests disclo-
10 sure of any repair, adjustment or replacement."

S-3522 FILED *Adopted 4/20 (p. 1311)* BY JOHN SCOTT
APRIL 18, 1979

HOUSE FILE 172

S-3567

1 i Amend House File 172 as passed by the House
2 as follows:
3 1. Page 1, line 12, by striking the words
4 "retail value" and inserting in lieu thereof the
5 words "actual cost".
6 2. Page 1, line 12, by inserting after the
7 word "less" the words ", of the actual cost
8 of replacement and labor charged to the retailer or
9 performed by the retailer".

S-3567 FILED & ADOPTED (*p. 1312*) BY RICHARD COMITO
APRIL 20, 1979

*Noted to reconsider 4-20 (p. 1360), prevailed 4-26
Withdrawn 4/26 (p. 1426)*

HOUSE FILE 172

S-3585

1 Amend House File 172 as passed by the House as
2 follows:
A 3 1. Page 1, line 10, by striking the words
4 "cost of the" and inserting in lieu thereof the
5 words "actual cost of any labor and parts charged to
6 or performed by a retailer for any such".
B 7 2. Page 1, line 12, by striking the words
8 "retail value" and inserting in lieu thereof the words
9 "actual cost to a retailer including freight".

S-3585 FILED *Adopted 4/26 (1426)* BY RICHARD COMITO
APRIL 23, 1979

HOUSE FILE 172

S-3635

1 Amend House File 172 as follows:
2 1. Page 1, line 8, by striking the word "sub-
3 stantial".

S-3635 FILED & ADOPTED (*p. 1426*) BY BOB RUSH
APRIL 26, 1979

HOUSE FILE 172

S-3356

1 Amend House File 172 as passed by the House
2 as follows:
3 1. Page 1, line 12, by inserting after the
4 word "less" the words ", providing that the seller
5 posts in a conspicuous place notice that repairs,
6 adjustments or replacements will be disclosed upon
7 request. The exemption provided in this paragraph
8 does not apply to the concealment, suppression or
9 omission of a material fact if the purchaser requests
10 disclosure of any repair, adjustment or replacement."

S-3356 FILED *drawn 4/3 (p. 1013)* BY PATRICK J. DELUHERY
APRIL 2, 1979

HOUSE FILE 172

S-3517

1 Amend House File 172 as passed by the House as
2 follows:
3 1. Page 1, line 10, by inserting before the word
4 "cost" the word "actual".
5 2. Page 1, line 10, by striking the word "parts"
6 and inserting in lieu thereof the following: "parts,
7 as determined by the retail value of all labor, parts
8 and servicing used in performing the repair, adjustment
9 or replacement,".

S-3517 FILED *Let 4/20 (p. 1310)* BY EARL M. WILLITS
APRIL 18, 1979

HOUSE FILE 172

S-3519

1 Amend House File 172 as passed by the House as
2 follows:
3 1. Page 1, line 12, by striking the period and
4 inserting in lieu thereof the following: "; provided,
5 however, that the exception established by this
6 paragraph does not apply to any wholesale or retail
7 transaction unless the seller in the transaction also
8 offers to deliver to the buyer merchandise which has
9 not been repaired, adjusted or fitted with replacement
10 parts."

S-3519 FILED *Let 4/20 (p. 1310)* BY ROBERT M. CARR
APRIL 18, 1979

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 172

S-3738

- 1 Amend the Senate amendment H-4181 to House File
- 2 172 as amended, passed, and reprinted by the House
- 3 as follows:
- 4 1. Page 1, by striking line 15, and inserting
- 5 in lieu thereof the words "ments or replacements will
- 6 be disclosed."
- 7 2. Page 1, by striking lines 18 and 19, and
- 8 inserting in lieu thereof the words "of a material
- 9 fact."

S-3738 FILED
MAY 8, 1979

RECEIVED FROM THE HOUSE

*Senate refused to concur 5/9 (p. 1606)
House receded 5/10 (p. 2237)*

SENATE AMENDMENT TO
HOUSE FILE 172

H-4181

- 1 Amend House File 172 as passed by the House as
- 2 follows:
- 3 1. Page 1, line 8, by striking the word
- 4 "substantial".
- 5 2. Page 1, line 10, by striking the words "cost
- 6 of the" and inserting in lieu thereof the words "actual
- 7 cost of any labor and parts charged to or performed
- 8 by a retailer for any such".
- 9 3. Page 1, line 12, by striking the words "retail
- 10 value" and inserting in lieu thereof the words "actual
- 11 cost to a retailer including freight".
- 12 4. Page 1, line 12, by inserting after the word
- 13 "less" the words ", providing that the seller posts
- 14 in a conspicuous place notice that repairs, adjust-
- 15 ments or replacements will be disclosed upon request.
- 16 The exemption provided in this paragraph does not
- 17 apply to the concealment, suppression or omission
- 18 of a material fact if the purchaser requests disclo-
- 19 sure of any repair, adjustment or replacement".

H-4181 FILED
APRIL 30, 1979

RECEIVED FROM THE SENATE

House amended & concurred 5/7 (p. 2108)

provided in this paragraph does not apply to the concealment, suppression or omission of a material fact if the purchaser requests disclosure of any repair, adjustment or replacement.

Sec. 2. This Act is effective January first following its enactment.

HOUSE FILE 172

AN ACT

PROVIDING THAT REPAIRS BY THE SELLER TO NEW MERCHANDISE BEFORE SALE DO NOT CONSTITUTE CONSUMER FRAUD IF WITHIN PRESCRIBED MONETARY LIMITS.

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

Section 1. Section seven hundred fourteen point sixteen (714.16), subsection two (2), paragraph a, Code 1979, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. "Material fact" as used in this subsection does not include repairs of damage to or adjustments on or replacements of parts with new parts of otherwise new merchandise if the repairs, adjustments or replacements are made to achieve compliance with factory specifications and are made before sale of the merchandise at retail and the actual cost of any labor and parts charged to or performed by a retailer for any such repairs, adjustments and parts does not exceed three hundred dollars or ten percent of the actual cost to a retailer including freight of the merchandise, whichever is less, providing that the seller posts in a conspicuous place notice that repairs, adjustments or replacements will be disclosed upon request. The exemption

FLOYD H. MILLEN
Speaker of the House

TERRY E. BRANSTAD
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 172, Sixty-eighth General Assembly.

DAVID L. WRAY
Chief Clerk of the House

Approved June 6, 1979

ROBERT D. RAY
Governor