

Sen. Bureau 2/22 Do Pass 3/12 (p. 487)

FEB 8 1990

Place On Calendar

HOUSE FILE 2343  
BY COMMITTEE ON LABOR AND  
INDUSTRIAL RELATIONS

(SUCCESSOR TO HSB 663)

Passed House, Date 2/20/90 (p. 487) Passed Senate, Date 2/27/90 (p. 1337)  
Vote: Ayes 61 Nays 32 Vote: Ayes 39 Nays 10  
Approved April 4, 1990

A BILL FOR

1 An Act relating to the fee charged by an employment agency for  
2 the procurement of a position of employment.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2343

1 Section 1. Section 94.6, Code 1989, is amended to read as  
2 follows:

3 94.6 LIMITATION OF FEE.

4 A person, licensed under section 95.1, shall not charge a  
5 fee for the furnishing or procurement of a situation or  
6 employment paying less than two hundred fifty dollars per  
7 month which exceeds twenty-five percent of the wages paid for  
8 the first month of employment or situation furnished or  
9 procured, but in no event shall the charge for the furnishing  
10 or procurement of any situation or employment be in excess of  
11 ~~eight~~ fifteen percent of the annual gross earnings. An  
12 employer shall not require an applicant to pay a fee or charge  
13 as a condition of application or hire with the employer. ~~The~~  
14 ~~provisions-of-this~~ This section ~~shall~~ does not apply to the  
15 furnishing or procurement of vaudeville acts, circus acts,  
16 theatrical, stage or platform attractions or amusement  
17 enterprises or to fees charged solely to employers where no  
18 fee is charged to the employee.

19 EXPLANATION

20 The bill prohibits an employment agency from charging a  
21 client for the procurement of a position of employment a fee  
22 equaling more than 15 percent of the annual gross earnings of  
23 the position. Previously, an employment agency was limited to  
24 charging no more than 8 percent of the annual gross earnings  
25 of a procured position.

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HSB 663

LABOR & INDUSTRIAL RELATIONS

HOUSE FILE 2342

BY (PROPOSED COMMITTEE ON  
LABOR AND INDUSTRIAL  
RELATIONS BILL BY  
CHAIRPERSON SHERZAN

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

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9 procured, but in no event shall the charge for the furnishing  
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11 eight fifteen percent of the annual gross earnings. An  
12 employer shall not require an applicant to pay a fee or charge  
13 as a condition of application or hire with the employer. The  
14 ~~provisions-of-this~~ This section ~~shall~~ does not apply to the  
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HOUSE FILE 2343

AN ACT

RELATING TO THE FEE CHARGED BY AN EMPLOYMENT AGENCY FOR THE  
PROCUREMENT OF A POSITION OF EMPLOYMENT.

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

Section 1. Section 94.6, Code 1989, is amended to read as follows:

94.6 LIMITATION OF FEE.

A person, licensed under section 95.1, shall not charge a fee for the furnishing or procurement of a situation or employment paying less than two hundred fifty dollars per month which exceeds twenty-five percent of the wages paid for the first month of employment or situation furnished or procured, but in no event shall the charge for the furnishing or procurement of any situation or employment be in excess of eight fifteen percent of the annual gross earnings. An employer shall not require an applicant to pay a fee or charge as a condition of application or hire with the employer. ~~The provisions-of-this~~ This section ~~shall~~ does not apply to the furnishing or procurement of vaudeville acts, circus acts, theatrical, stage or platform attractions or amusement

\_\_\_\_\_  
DONALD D. AVENSON  
Speaker of the House

\_\_\_\_\_  
JO ANN ZIMMERMAN  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2343, Seventy-third General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House  
Approved April 6, 1990

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TERRY E. BRANSTAD  
Governor