

in Commerce to Pass 4/7/91 (p. 10 46)

MAR 20 1991

Prop. in Senate

HOUSE FILE 571
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 6)

Passed House, Date 3/25/91 (p. 817) Passed Senate, Date 4/24/91 (p. 1457)
Vote: Ayes 79 Nays 19 Vote: Ayes 36 Nays 13
Approved May 28, 1991

A BILL FOR

1 An Act relating to the advertisement and sale of wood products
2 and making certain consumer fraud penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

HF 571

1 Section 1. Section 714.16, subsection 2, Code 1991, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. m. It is an unlawful practice for a person
4 to advertise the sale of wood products without disclosing
5 information which may affect the price of the product.

6 An advertisement for all plywood and dimension lumber
7 products shall include the grade and species, in accordance
8 with federal products standards 1 and 20, and the measure.
9 The products advertised shall also be labeled according to the
10 federal products standards.

11 An advertisement for any other wood product shall include
12 the grade and species, according to the applicable federal
13 product standards, and the measure. These products need not
14 be labeled.

15 An advertisement for any wood products must also include
16 the following:

17 (1) The condition of the wood product, including but not
18 limited to the following designations:

19 (a) Green.

20 (b) Kiln-dried.

21 (c) Air-dried or partially air-dried.

22 (2) Whether the wood product consists of seconds, culls,
23 shop grade, or ungraded material.

24 Use of any contrived or unrecognized grading standard is
25 prohibited, and any factors affecting the final delivered
26 price of the products shall be disclosed and displayed in a
27 conspicuous place.

28 This paragraph applies only to persons who offer wood
29 products for sale in the ordinary course of business, except
30 that this paragraph does not apply to any person who produces
31 rough-sawed lumber, commonly referred to as native lumber, in
32 this state. For purposes of this paragraph:

33 "Dimension lumber" means softwood lumber nominally referred
34 to as "two inch by four inch" or greater.

35 "Labeling" means all labels and other written, printed,

1 branded, or graphic matter upon any building material.

2 "Plywood" means a structural material consisting of sheets
3 or chips of wood glued or cemented together.

4 "Wood products" means any wood products derived from trees
5 as a result of any work or manufacturing process upon the
6 wood, and intended primarily for use as a building material.

7 EXPLANATION

8 This bill provides that a person who commercially offers
9 wood products for sale must disclose information regarding the
10 product which would affect the price of the product including
11 the grade of the product and the grading standard used, the
12 genus and species of the product, the condition of the
13 product, and whether the product consists of seconds, culls,
14 shop grade, or ungraded product. The bill applies only to
15 persons who offer wood products for sale in the ordinary
16 course of the person's business, except that it does not apply
17 to persons producing rough-sawed lumber (native lumber). An
18 act defined under this bill would be a consumer fraud and
19 subject to the penalties provided in section 714.16.

20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

HSB 6

Commerce

HOUSE FILE 571
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY
CHAIRPERSON HANSEN of
Woodbury)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the advertisement and sale of wood building
2 materials and making certain consumer fraud penalties
3 applicable.

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

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

1 Section 1. Section 714.16, subsection 2, Code 1991, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. m. It is an unlawful practice for a person
4 to advertise the sale of wood building materials without
5 disclosing information which may affect the price of the
6 material. Such information includes the following:

7 (1) The grade of the wood material and the grading
8 standard used.

9 (2) The genus and species or species group of the wood
10 material.

11 (3) The condition of the wood, including but not limited
12 to the following designations:

13 (a) Green.

14 (b) Kiln-dried.

15 (c) Air-dried or partially air-dried.

16 (4) The size, manufacturer, model name and number, and
17 trade name of the wood material.

18 (5) Whether the wood material consists of seconds, culls,
19 shop grade, or ungraded material.

20 Use of any contrived or unrecognized grading standard is
21 prohibited, and any factors affecting the final delivered
22 price of the materials shall be disclosed and displayed in a
23 conspicuous place.

24 This section applies only to persons who commercially offer
25 wood building materials for sale.

26 EXPLANATION

27 This bill provides that a person who commercially offers
28 wood building materials for sale must disclose information
29 regarding the material which would affect the price of the
30 material including the grade of the material and the grading
31 standard used, the genus and species of the material, the
32 condition of the material, and whether the material consists
33 of seconds, culls, shop grade, or ungraded material. An act
34 defined under this bill would be a consumer fraud and subject
35 to the penalties provided in section 714.16.

HOUSE FILE 571

AN ACT

RELATING TO THE ADVERTISEMENT AND SALE OF WOOD PRODUCTS
AND MAKING CERTAIN CONSUMER FRAUD PENALTIES APPLICABLE.

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

Section 1. Section 714.16, subsection 2, Code 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. m. It is an unlawful practice for a person to advertise the sale of wood products without disclosing information which may affect the price of the product.

An advertisement for all plywood and dimension lumber products shall include the grade and species, in accordance with federal products standards 1 and 20, and the measure. The products advertised shall also be labeled according to the federal products standards.

An advertisement for any other wood product shall include the grade and species, according to the applicable federal product standards, and the measure. These products need not be labeled.

An advertisement for any wood products must also include the following:

(1) The condition of the wood product, including but not limited to the following designations:

- (a) Green.
- (b) Kiln-dried.
- (c) Air-dried or partially air-dried.

(2) Whether the wood product consists of seconds, culls, shop grade, or ungraded material.

Use of any contrived or unrecognized grading standard is prohibited, and any factors affecting the final delivered price of the products shall be disclosed and displayed in a conspicuous place.

This paragraph applies only to persons who offer wood products for sale in the ordinary course of business, except

that this paragraph does not apply to any person who produces rough-sawn lumber, commonly referred to as native lumber, in this state. For purposes of this paragraph:

"Dimension lumber" means softwood lumber nominally referred to as "two inch by four inch" or greater.

"Labeling" means all labels and other written, printed, branded, or graphic matter upon any building material.

"Plywood" means a structural material consisting of sheets or chips of wood glued or cemented together.

"Wood products" means any wood products derived from trees as a result of any work or manufacturing process upon the wood, and intended primarily for use as a building material.

ROBERT C. ARNOULD
Speaker of the House

JOE J. WELSH
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 571, Seventy-fourth General Assembly.

JOSEPH O'BERN
Chief Clerk of the House

Approved *May 28*, 1991

TERRY E. BRANSTAD
Governor

HF 571