

MAR 11 1999

COMMERCE AND REGULATION

HOUSE FILE
BY MURPHY

642

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

A BILL FOR

1 An Act prohibiting certain acts associated with telemarketing
2 sales calls and making a penalty applicable.

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

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HF 642

1 Section 1. NEW SECTION. 476.58 RESTRICTIONS ON USE OF
2 EQUIPMENT USED TO DIAL MULTIPLE NUMBERS.

3 1. For purposes of this section, unless the context
4 otherwise requires:

5 a. "ADAD equipment" means ADAD equipment as defined in
6 section 476.57.

7 b. "Telemarketer" means a person who makes telephonic
8 sales calls.

9 c. "Telephonic sales call" means a call made by a
10 telemarketer to a consumer for any of the following purposes:

11 (1) To solicit a sale of a consumer good or service.

12 (2) To solicit an extension of credit for a consumer good
13 or service.

14 (3) To obtain information that will or may be used for the
15 direct solicitation of a sale of a consumer good or service or
16 an extension of credit for such purpose.

17 2. A telemarketer shall not use ADAD equipment or any
18 similar equipment to make telephonic sales calls where the
19 number of live telemarketers is less than the number of
20 telephonic sales calls dialed by such equipment, and where the
21 number of telemarketers would be insufficient to engage in the
22 telephonic sales calls if all calls made by such equipment
23 result in a completed call to the numbers dialed.

24 3. A violation of subsection 2 shall be considered a
25 fraudulent practice in the third degree under section 714.11.
26 The remedies and penalties provided by section 714.16,
27 including but not limited to injunctive relief and civil
28 penalties, also apply to violations of this section.

29 EXPLANATION

30 This bill provides that a telemarketer shall not use ADAD
31 equipment or any similar equipment to make telephonic sales
32 calls where the number of live telemarketers is less than the
33 number of telephonic sales calls dialed by such equipment, and
34 where the number of telemarketers would be insufficient to
35 engage in the telephonic sales calls if all calls made by such

1 equipment result in a completed call to the numbers dialed.
2 The bill provides that a violation of this prohibition is a
3 fraudulent practice in the third degree under Code section
4 714.11, and constitutes an aggravated misdemeanor. The
5 remedies and penalties provided by Code section 714.16,
6 including but not limited to injunctive relief and civil
7 penalties, apply to violations of this section.

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