

FILED FEB 15 2000

SENATE FILE
BY SHEARER

2174

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

A BILL FOR

1 An Act removing the exemption for the sale or purchase of goods
2 ordered through a contractual plan or arrangement from
3 regulations relating to prize promotions.

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

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SF 2174 JUDICIARY

1 Section 1. Section 714B.10, subsection 3, Code 1999, is
2 amended by striking the subsection.

3 EXPLANATION

4 This bill strikes an exemption for the sale or purchase of
5 goods ordered through a contractual plan or arrangement, such
6 as a subscription arrangement, from the Code chapter
7 regulating prize promotions.

8 Violations of the Code chapter are subject to both criminal
9 and civil penalties. Intentional violations are punishable as
10 an aggravated misdemeanor. An aggravated misdemeanor is
11 punishable by confinement for no more than two years and a
12 fine of at least \$500 but not more than \$5,000. A violation
13 of the Code chapter is also deemed an unfair practice under
14 Code section 714.16, subsection 2, paragraph "a". A person
15 may also bring a civil action for damages and attorney fees
16 under Code section 714B.8.

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