

Senate Study Bill 1030 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED ATTORNEY GENERAL
BILL)

A BILL FOR

1 An Act providing that certain activities relating to business
2 opportunity promotions are unlawful practices punishable as
3 consumer fraud and making a penalty applicable.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 551A.10, subsection 2, Code 2013, is
2 amended to read as follows:

3 2. A ~~business opportunity contract is subject violation~~
4 of this chapter is an unlawful practice pursuant to section
5 714.16.

6

EXPLANATION

7 This bill provides that a violation of Code chapter 551A,
8 which regulates certain business opportunity promotions,
9 constitutes an unlawful practice as provided in Code section
10 714.16, which relates to consumer frauds. Pursuant to Code
11 section 714.16, the attorney general may investigate, issue
12 subpoenas, and commence civil proceedings seeking restraining
13 orders or injunctions prohibiting persons from engaging in
14 unlawful practices or seeking termination of the business
15 affairs of a person engaging in unlawful practices. In
16 addition, a civil penalty of up to \$40,000 per violation may be
17 imposed by a court against a person found to have committed an
18 unlawful practice.