

**House File 730 - Introduced**

HOUSE FILE 730  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HF 677)

**A BILL FOR**

1 An Act relating to unfair or deceptive acts or practices in the  
2 rental of vehicles and making penalties applicable.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 516D.7, subsection 8, paragraph b, Code  
2 2021, is amended to read as follows:

3 b. Placing a block or charge against a portion or the  
4 entirety of the credit limit of the card or otherwise placing  
5 a block or charge against the card in excess of the estimated  
6 total daily or weekly charges and rental deposits, including  
7 taxes and charges of optional services accepted by the  
8 customer, stated in the rental agreement multiplied by the  
9 number of days of the estimated rental if rented on a daily  
10 basis or, if rented on a weekly basis, multiplied by the number  
11 of weeks of the estimated rental.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with  
14 the explanation's substance by the members of the general assembly.

15 This bill relates to unfair or deceptive acts or practices in  
16 the rental of vehicles.

17 Current law provides that it is an unfair or deceptive act or  
18 practice in the rental of vehicles to place a block or charge  
19 against a customer's credit card in excess of the estimated  
20 total daily or weekly charges stated in the rental agreement  
21 multiplied by the number of days of the estimated rental if  
22 rented on a daily basis or, if rented on a weekly basis,  
23 multiplied by the number of weeks of the estimated rental. The  
24 bill modifies this provision by providing that it is an unfair  
25 or deceptive act or practice for the amount of the block or  
26 charge to exceed the estimated total daily or weekly charges  
27 and rental deposits stated in the rental agreement.

28 A violation of Code section 516D.7 constitutes an unlawful  
29 practice under Code section 714.16 (consumer fraud). Several  
30 types of remedies are available if a court finds that a person  
31 has committed an unlawful practice, including injunctive  
32 relief, disgorgement of moneys or property, and a civil penalty  
33 not to exceed \$40,000 per violation.