

February 6, 1963.

Motor Vehicles, Commerce *Pass 3/28*
and Trade.

House File 176

By SHAW, FISCHER of Grundy,
NIELSEN of Emmet, VERMEER,
SCHERLE and WRIGHT.

Passed House, Date.....

Passed Senate, Date.....

Vote: Ayes..... Nays.....

Vote: Ayes..... Nays.....

Approved.....

A BILL FOR

An Act relating to the regulation of trading stamps, and
repealing certain statutes relating to gift enterprises.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Sections five hundred fifty-three point
2 fifteen (553.15), five hundred fifty-three point sixteen
3 (553.16), five hundred fifty-three point seventeen
4 (553.17), and five hundred fifty-three point eighteen
5 (553.18), Code 1962, are hereby repealed.

1 Sec. 2. Chapter five hundred fifty-three (553), Code
2 1962, is hereby amended by adding thereto the following
3 new sections:

4 1. The following words and phrases when used in this
5 Act shall have the following meaning ascribed to them:

6 a. "Trading stamps" means a printed stamp, with a
7 certain value, given as a premium by a seller to a
8 customer, and usable by the holder instead of money in
9 procuring articles from the issuer of the stamps.

10 b. "Customer" and "purchaser" are synonymous and
11 include any person, firm, partnership, corporation or
12 governmental agency.

13 c. "Person" includes natural persons as well as
14 partnerships, associations, corporations, or combinations.

15 d. "Issuer" means the person making the stamps available

16 to the seller or making the articles offered as premiums
17 available to the holder of the stamps.

18 2. Persons giving stamps in connection with a purchase
19 must at the time of purchase give the purchaser a
20 choice between acceptance of the stamps, or receipt of
21 the actual cash value. Purchasers accepting stamps at
22 the time of purchase may at a later time, not to exceed
23 the normal expiration of the stamps, redeem the stamps
24 for cash or premiums offered by the issuer of the
25 stamps.

26 3. Issuers must make known the actual cash value of
27 each stamp issued which shall be equal to the cost of the
28 stamp to the person giving it with merchandise, and the
29 cash value shall be printed on the stamp.

30 Persons issuing their own stamps must, as issuers,
31 make known the actual cash value of each stamp issued
32 which shall be equal to the value at which the stamp is
33 accepted for redemption in premium merchandise computed
34 on the retail value of such merchandise, and the cash value
35 shall be printed on the stamp.

36 4. Any person who violates the provisions of subsections
37 two (2) or three (3) of this section shall be guilty of
38 a misdemeanor.

1 Sec. 3. If any part of this Act shall be held
2 unconstitutional, such holding shall not affect the
3 validity of the remainder of this Act.

EXPLANATION OF HOUSE FILE 176

This bill provides that persons giving stamps must give the purchaser a choice of the stamps or receipt of their actual cash value as a cash discount. This relieves families and government agencies not wanting or saving stamps from a financial loss.