

REPUBLICAN CAUCUS STAFF HOUSE OF REPRESENTATIVES STATE CAPITOL DES MOINES, IOWA 50319

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PASSED on 4/19/23 (24-0)

HOUSE REPUBLICAN STAFF ANALYSIS

Bill:

House File 719

Committee:

Ways and Means

Date:

Floor Manager: Rep. Jones & Rep. Mohr

Staff:

May 1, 2022

Kristi Kious (2-5290)

House Committee:

House Floor:

Senate Floor:

Governor:

Unfair or Deceptive Acts—Rental Vehicles

This bill adds rental deposits as something that a car rental company can put a hold on a credit card for.

Section by Section Analysis

Section 1 - Prohibitions (516D.7)

This section relates to unfair or deceptive acts in the rental of vehicles. Current law provides that it is an unfair or deceptive act in the rental of vehicles to place a block or charge against a customer's credit card in excess of the estimated total daily or weekly charges in the rental agreement.

This section modifies this provision by providing that it is an unfair or deceptive act for the amount of the block or charge to exceed the estimated total daily or weekly charges and rental deposits stated in the rental agreement. A violation of Code section 516D.7 constitutes an unlawful practice under Code section 714.16 (consumer fraud). Several types of remedies are available if a court finds that a person has committed an unlawful practice, including injunctive relief, disgorgement of moneys or property, and a civil penalty not to exceed \$40,000 per violation.