

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
IOWA DIVISION OF BANKING AMENDMENTS
TO IOWA CODE CHAPTER 533C AND HF 675
11/20/23**

1. Summary of Proposal

This proposal summarizes the issues the Iowa Division of Banking (IDOB) has identified as necessary to correct certain provisions of chapter 533C that were adopted in the Model Money Transmission Act, HF 675. Item 1 adds a new licensing exemption to section 533C.103 to cover persons providing payroll processing services under certain specified conditions when acting as the agent of an employer.

The proposed amendments in items 2, 3, and 4 serve to reinstate provisions of chapter 533C that were inadvertently repealed by HF 675 rather than renumbered to remain in the chapter. These provisions were codified in the 2023 Iowa Code as Articles 7-9 of chapter 533C covering enforcement, administrative procedures, and miscellaneous provisions. The draft language is intended to reinstate those provisions using language that is identical to what was previously codified because the IDOB never intended to change, let alone repeal, any of these provisions as part of adopting the Model Money Transmission Act.

Section 5 gives the bill retroactive effect to July 1, 2023, to ensure that there are no gaps in enforcement authority or applicability of any of the other provisions that were inadvertently repealed.