

U.S. Commerce 3/15 Amend per 5562 & Pass 3/25
(p. 1017)

Senate File 2195

Commerce: Johnson of Linn, Chair; Schroeder and Chiodo.

FILED FEB 18 1982

SENATE FILE 2195
BY COMMITTEE ON COMMERCE

(FORMERLY SSB 2042A)
Approved 2/18 (p. 431)

Passed Senate, Date 3-9-82 (p. 642) Passed House, Date 4-2-82 (p. 1200)

Vote: Ayes 40 Nays 5 Vote: Ayes 94 Nays 0

Approved April 30, 1982

*Repassed Senate per House amendment
4-12-82 (p. 1143)
48-0*

A BILL FOR

1 An Act relating to financial transactions involving the
2 payment of interest.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HOUSE AMENDMENT TO SENATE FILE 2195

S-5478

1 Amend Senate File 2195 as passed by the Senate
2 as follows:

3 1. Page 2, line 30, by striking the word "This"
4 and inserting in lieu thereof the words "With respect
5 to any transaction referred to in paragraph a of this
6 subsection, this".

7 2. Renumber as necessary.

S-5478 FILED
APRIL 6, 1982

RECEIVED FROM THE HOUSE

Senate concurred 4/12 (p. 1143)

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1 Section 1. Section 322.19, Code 1981, is reenacted and
2 is the law of this state on and after the effective date of
3 this Act, notwithstanding any contrary provision of Acts of
4 the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

5 Sec. 2. Section 322B.9, Code 1981, is reenacted and is
6 the law of this state on and after the effective date of this
7 Act, notwithstanding any contrary provision of Acts of the
8 Sixty-eighth General Assembly, 1980 Session, chapter 1156.

9 Sec. 3. Section 322C.12, Code 1981, is reenacted and is
10 the law of this state on and after the effective date of this
11 Act, notwithstanding any contrary provision of Acts of the
12 Sixty-eighth General Assembly, 1980 Session, chapter 1156.

13 Sec. 4. Section 535.2, subsection 2, Code 1981, is amended
14 by striking the subsection and inserting in lieu thereof the
15 following:

16 2. a. The following persons may agree in writing to pay
17 any rate of interest, and a person so agreeing in writing
18 shall not plead or interpose the claim or defense of usury
19 in any action or proceeding, and the person agreeing to receive
20 the interest is not subject to any penalty or forfeiture for
21 agreeing to receive or for receiving the interest:

22 (1) A person borrowing money for the purpose of acquiring
23 real property or refinancing a contract for deed.

24 (2) A person borrowing money or obtaining credit in an
25 amount which exceeds twenty-five thousand dollars, exclusive
26 of interest, for the purpose of constructing improvements
27 on real property, whether or not the real property is owned
28 by the person.

29 (3) A vendee under a contract for deed to real property.

30 (4) A domestic or foreign corporation, and a real estate
31 investment trust as defined in section 856 of the Internal
32 Revenue Code, and a person purchasing securities as defined
33 in chapter 502 on credit from a broker or dealer registered
34 or licensed under chapter 502 or under the Securities Exchange
35 Act of 1934, 15 U.S.C., chapter 78A, as amended.

1 (5) A person borrowing money or obtaining credit for busi-
2 ness or agricultural purposes, or a person borrowing money
3 or obtaining credit in an amount which exceeds twenty-five
4 thousand dollars for personal, family, or household purposes.
5 As used in this paragraph, "agricultural purpose" means as
6 defined in section 535.13, and "business purpose" includes
7 but is not limited to a commercial, service, or industrial
8 enterprise carried on for profit and an investment activity.

9 b. In determining exemptions under this subsection, the
10 rules of construction stated in this paragraph apply:

11 (1) The purpose for which money is borrowed is the pur-
12 pose to which a majority of the loan proceeds are applied
13 or are designated in the agreement to be applied.

14 (2) Loan proceeds used to refinance or pay a prior loan
15 owed by the same borrower are applied for the same purposes
16 and in the same proportion as the original principal of the
17 loan that is refinanced or paid.

18 (3) If the lender releases the original borrower from
19 all personal liability with respect to the loan, loan pro-
20 ceeds used to pay a prior loan by a different borrower are
21 applied for the new borrower's purposes in agreeing to pay
22 the prior loan.

23 (4) If the lender releases the original borrower from
24 all personal liability with respect to the loan, the assumption
25 of a loan by a new borrower is treated as if the new borrower
26 had obtained a new loan and had used all of the proceeds to
27 pay the loan assumed.

28 (5) This paragraph does not modify or limit section 535.8,
29 subsection 2, paragraph c or e.

30 (6) This subsection supersedes any interest-rate or
31 finance-charge limitations contained in the Code, including
32 but not limited to this chapter and chapters 321, 322, 524,
33 533, 534, 536A, and 537.

34 Sec. 5. Section 535.2, subsection 4, Code 1981, is amended
35 by adding the following new paragraph:

1 NEW PARAGRAPH. Notwithstanding paragraph a, when a written
2 agreement providing for the repayment of money loaned, and
3 requiring the payment of over fifty percent of the initial
4 principal amount of the loan as a single payment due at the
5 end of the term of the agreement is extended, renewed, or
6 otherwise amended by the parties on or after August 3, 1978,
7 the parties may agree to the payment of interest from the
8 effective date of the extension, renewal, or amendment, at
9 a rate and in a manner that is lawful for a new agreement
10 made on that date.

11 Sec. 6. Section 535.11, Code 1981, is reenacted and is
12 the law of this state on and after the effective date of this
13 Act, notwithstanding any contrary provision of Acts of the
14 Sixty-eighth General Assembly, 1980 Session, chapter 1156.

15 Sec. 7. Section 535.13, Code 1981, is reenacted and is
16 the law of this state on and after the effective date of this
17 Act, notwithstanding any contrary provision of Acts of the
18 Sixty-eighth General Assembly, 1980 Session, chapter 1156.

19 Sec. 8. Section 536A.23, subsection 1, unnumbered paragraph
20 1, Code 1981, is reenacted and is the law of this state on
21 and after the effective date of this Act, notwithstanding
22 any contrary provision of Acts of the Sixty-eighth General
23 Assembly, 1980 Session, chapter 1156.

24 Sec. 9. Section 537.1301, subsection 12, paragraph a,
25 subparagraph (5), Code 1981, is amended to read as follows:

26 (5) With respect to a sale of goods or services, the
27 amount financed does not exceed ~~thirty-five~~ twenty-five
28 thousand dollars.

29 Sec. 10. Section 537.1301, subsection 13, paragraph d,
30 Code 1981, is amended to read as follows:

31 d. The amount payable under the lease does not exceed
32 ~~thirty-five~~ twenty-five thousand dollars.

33 Sec. 11. Section 537.1301, subsection 14, paragraph a,
34 subparagraph (5), Code 1981, as amended by Acts of the Sixty-
35 ninth General Assembly, 1981 Session, chapter 177, section

1 3, is amended to read as follows:

2 (5) Either the amount financed does not exceed ~~thirty-~~
3 ~~five~~ twenty-five thousand dollars, or the debt is secured
4 by an interest in land.

5 Sec. 12. Section 537.1301, subsection 14, paragraph b,
6 subparagraph (2), Code 1981, as amended by Acts of the Sixty-
7 ninth General Assembly, 1981 Session, chapter 177, section
8 3, is reenacted and is the law of this state on and after
9 the effective date of this Act, notwithstanding any contrary
10 provision of Acts of the Sixty-eighth General Assembly, 1980
11 Session, chapter 1156.

12 Sec. 13. Section 537.1301, subsection 19, paragraph a,
13 subparagraph (1), Code 1981, is amended to read as follows:

14 (1) Interest or any amount payable under a point, discount
15 or other system of charges, however denominated, except that
16 with respect to a consumer credit sale of goods or services
17 a cash discount of five percent or less of the stated price
18 of goods or services which is offered to the consumer for
19 payment by cash, check or the like either immediately or
20 within a period of time, ~~shall~~ is not be part of the finance
21 charge for the purpose of determining maximum charges pursuant
22 to section 537.2401. A cash discount permitted by this
23 subparagraph ~~shall~~ is not be-considered part of the finance
24 charge for the purpose of determining compliance with ~~Truth~~
25 ~~in-lending-pursuant-to~~ section 537.3201 if it is properly
26 disclosed as required by the Truth in Lending Act as amended
27 to and including ~~October-28,-1975~~ the effective date of this
28 Act and regulations issued pursuant to that Act ~~as-amended~~
29 ~~prior to October-28,-1975~~ the effective date of this Act.

30 Sec. 14. Section 537.1302, Code 1981, is amended to read
31 as follows:

32 537.1302 DEFINITION--TRUTH IN LENDING ACT. As used in
33 this chapter, "Truth in Lending Act" means title 1 of the
34 Consumer Credit Protection Act, in subchapter 1 of chapter
35 41 of title 15 of the United States Code, as amended to and

1 including ~~July-17-1974~~ the effective date of this Act, and
2 includes regulations issued pursuant to that Act prior to
3 ~~that-date~~ the effective date of this Act.

4 Sec. 15. Section 537.2201, subsection 2, Code 1981, is
5 reenacted and is the law of this state on and after the
6 effective date of this Act, notwithstanding any contrary
7 provision of Acts of the Sixty-eighth General Assembly, 1980
8 Session, chapter 1156.

9 Sec. 16. Section 537.2401, subsection 1, Code 1981, is
10 reenacted and is the law of this state on and after the
11 effective date of this Act, notwithstanding any contrary
12 provision of Acts of the Sixty-eighth General Assembly, 1980
13 Session, chapter 1156.

14 Sec. 17. Section 537.3308, subsection 2, Code 1981, is
15 amended by adding the following new paragraph as paragraph
16 e:

17 NEW PARAGRAPH. e. A consumer loan in which the amount
18 financed exceeds five thousand dollars and is secured by an
19 interest in land.

20 Sec. 18.

21 1. Acts of the Sixty-eighth General Assembly, 1980 Session,
22 chapter 1156, section 33, is repealed.

23 2. Section 535.6, Code 1981, is repealed.

24 3. Section 535.10, Code 1981, as amended by Acts of the
25 Sixty-ninth General Assembly, 1981 Session, chapter 177,
26 sections 1 and 2, is repealed.

27 EXPLANATION

28 This bill contains various provisions which relate to the
29 businesses of lending or extending credit.

30 Sections 1 through 4, 6, 7 and 8, 12, 15 and 16, reenact
31 as permanent law the usury exemptions and maximum interest
32 rate and finance charge provisions adopted on a temporary
33 basis (until July 1, 1983) in House File 2492 during the 1980
34 Session. Section 19(1) repeals the sunset provision contained
35 in House File 2492.

1 Section 5 provides that persons renewing, extending, or
2 amending a balloon payment loan may provide for interest at
3 any rate and in any manner lawful at the time of the renewal,
4 extension, or amendment, regardless of the terms of the
5 agreement as it existed prior to August 3, 1978. This section
6 is retroactive to August 3, 1978, the effective date of section
7 535.2(4).

8 Sections 9, 10, and 11 modify the definitions of consumer
9 credit transactions by reducing from \$35,000 to \$25,000 the
10 maximum transaction amount which would qualify as a consumer
11 credit transaction. As amended, the definitions would conform
12 to the definitions in the federal Truth in Lending Act.

13 Section 4 of the bill conforms the permanent usury law to
14 the amended definitions. Sections 13 and 14 revise the
15 definition of "Truth in Lending Act" as used in the Iowa
16 Consumer Credit Code to reflect the federal Simplification
17 Act amendments of 1980 and the revised federal regulations
18 adopted under that Act.

19 Section 17 permits a lender to make changes in consumer
20 loan terms upon the refinancing of a balloon payment that
21 becomes due if the debt originally exceeded \$5,000 and the
22 loan is secured by an interest in land.

23 Section 18 repeals a usury chapter section that is
24 inconsistent with the permanent usury exemptions, strikes
25 section 535.10 which is recodified by section 4 of the bill,
26 and repeals the sunset provision contained in H.F. 2492.

27 The bill would be effective upon publication.

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SENATE FILE 2195

H-5562

1 Amend Senate File 2195 as passed by the Senate
2 as follows:

3 1. Page 1, by inserting after line 12 the
4 following:

5 "Sec. _____. Section 453.4, Code 1981, is amended
6 to read as follows:

7 453.4 LOCATION OF DEPOSITORIES. Deposits by the
8 treasurer of state shall be in banks located in this
9 state; by a county officer or county public hospital
10 officer or merged area hospital officer, in banks
11 located in his county or in an adjoining county within
12 this state; by a memorial hospital treasurer, in a
13 bank located within this state which shall be selected
14 by such memorial hospital treasurer and approved by
15 the memorial hospital commission; by a city treasurer
16 or other city financial officer, in banks or bank
17 offices located in the city, but in the event there
18 is no bank or bank office in such city then in any
19 other bank or bank office located in this state which
20 shall be selected as such depository by the city
21 council; by a school treasurer or by a school secretary
22 in a bank within this state which shall be selected
23 by the board of directors or the trustees of such
24 school district; by a township clerk in a bank located
25 within this state which shall be selected by such
26 township clerk and approved by the trustees of such
27 township. Provided, that deposits may be made in
28 banks outside of Iowa for the purpose of paying
29 principal and interest on bonded indebtedness of any
30 municipality when such deposit is made not more than
31 ten days before the date such principal or interest
32 becomes due."

33 2. Page 2, line 30, by striking the word "This"
34 and inserting in lieu thereof the words "With respect
35 to any transaction referred to in paragraph a of this
36 subsection, this".

37 3. Renumber as necessary.

H-5562 FILED
MARCH 25, 1982

BY COMMITTEE ON COMMERCE
SCHROEDER, Chair

A. Referred out general assembly 4/2 (y 1198)
B. Adopted 4/2 (y 1200)

SENATE FILE 2195

-5658

1 Amend Senate File 2195 as passed by the Senate
2 as follows:

3 1. Page 1, by inserting after line 12 the
4 following:

5 "Sec. _____. Section 453.1, Code 1981, as amended
6 by Acts of the Sixty-ninth General Assembly, 1981
7 Session, chapter 148, section 1, is amended to read
8 as follows:

9 453.1 DEPOSITS IN GENERAL. All funds held in
10 the hands of the following officers or institutions
11 shall be deposited in banks first approved by the
12 appropriate governing body as indicated: For the
13 treasurer of state, by the executive council; for
14 the county treasurer, recorder, auditor, sheriff,
15 clerk of the district court, and judicial magistrate,
16 by the board of supervisors; for the city treasurer,
17 by the city council; for the county public hospital
18 or merged area hospital, by the board of hospital
19 trustees; for a memorial hospital, by the memorial
20 hospital commission; for a school corporation, by
21 the board of school directors. However, the treasurer
22 of state and the treasurer of each political
23 subdivision shall invest all funds not needed for
24 current operating expenses in time certificates of
25 deposit in banks listed as approved depositories
26 pursuant to this chapter or in investments permitted
27 by section 452.10. The list of public depositories
28 and the amounts severally deposited in the depositories
29 shall be a matter of public record. The term "bank"
30 means a ~~bank-ex-a-private-bank,-as-defined-in-section~~
31 524-103 person who accepts deposits which are insured
32 by the federal deposit insurance corporation, federal
33 savings and loan insurance corporation or national
34 credit union administrator."

35 2. Page 1, by inserting after line 12 the
36 following:

37 "Sec. _____. Chapter 454, Code 1981, is amended
38 by adding the following new section:
39 NEW SECTION. DEFINITION OF BANKS. For purposes
40 of this chapter the term "bank" means a person who
41 accepts deposits which are insured by the federal
42 deposit insurance corporation, federal savings and
43 loan insurance corporation or national credit union
44 administrator."

SENATE FILE 2195

H-5661

1 Amend Senate File 2195 as follows:

2 1. Page 1, by inserting after line 12 the
3 following:

4 "Sec. _____. Section 524.706, subsection 1, paragraph
5 a, Code 1981, is amended to read as follows:

6 a. An executive officer of a state bank may receive
7 loans or extensions of credit from a state bank of
8 which he the person is an executive officer, resulting
9 in obligations as defined in section 524.904,
10 subsection 1, not exceeding, in the aggregate:

11 (1) ~~Such amount as the bank is permitted to lend~~
12 ~~pursuant to section 524.905, subsection 2, if, at~~
13 ~~the time such obligation is incurred, it is~~ An amount
14 secured by a first lien on a dwelling which is
15 expected, after the obligation is incurred, to be
16 owned by the executive officer and used by him as
17 his the officer's residence, provided that at the
18 time after the loan is made there is no other loan
19 by the bank to the executive officer, under authority
20 of this subparagraph, outstanding, and.

21 (2) An amount not exceeding an aggregate of twenty
22 thousand dollars outstanding at any one time, to
23 finance the education of a child or children of the
24 executive officer, and.

25 (3) Any other loans or extensions of credit which
26 in the aggregate do not at any one time exceed ten
27 thousand dollars.

28 (4) Other amounts which do not, in the aggregate,
29 exceed the principal amounts of time certificates
30 of deposit in the bank which are held in the name
31 of the executive officer, if repayment of the loan
32 or credit amounts is at all times secured by pledge
33 of the certificates. An interest in or portion of
34 a time certificate of deposit does not satisfy the
35 requirements of this subparagraph if that interest
36 or portion is also pledged to secure the payment of
37 a debt or obligation of any person other than the
38 executive officer."

39 2. Renumber sections as necessary.

H-5661 FILED MARCH 31, 1982

W/D 4/2 (p 1200)

BY SCHROEDER of Pottawattamie
VAN MAANEN of Mahaska

SENATE FILE 2195

AN ACT

RELATING TO FINANCIAL TRANSACTIONS INVOLVING THE PAYMENT OF INTEREST.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 322.19, Code 1981, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 2. Section 322B.9, Code 1981, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 3. Section 322C.12, Code 1981, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 4. Section 535.2, subsection 2, Code 1981, is amended by striking the subsection and inserting in lieu thereof the following:

2. a. The following persons may agree in writing to pay any rate of interest, and a person so agreeing in writing shall not plead or interpose the claim or defense of usury in any action or proceeding, and the person agreeing to receive the interest is not subject to any penalty or forfeiture for agreeing to receive or for receiving the interest:

(1) A person borrowing money for the purpose of acquiring real property or refinancing a contract for deed.

(2) A person borrowing money or obtaining credit in an amount which exceeds twenty-five thousand dollars, exclusive of interest, for the purpose of constructing improvements

on real property, whether or not the real property is owned by the person.

(3) A vendee under a contract for deed to real property.

(4) A domestic or foreign corporation, and a real estate investment trust as defined in section 856 of the Internal Revenue Code, and a person purchasing securities as defined in chapter 502 on credit from a broker or dealer registered or licensed under chapter 502 or under the Securities Exchange Act of 1934, 15 U.S.C., chapter 78A, as amended.

(5) A person borrowing money or obtaining credit for business or agricultural purposes, or a person borrowing money or obtaining credit in an amount which exceeds twenty-five thousand dollars for personal, family, or household purposes. As used in this paragraph, "agricultural purpose" means as defined in section 535.13, and "business purpose" includes but is not limited to a commercial, service, or industrial enterprise carried on for profit and an investment activity.

b. In determining exemptions under this subsection, the rules of construction stated in this paragraph apply:

(1) The purpose for which money is borrowed is the purpose to which a majority of the loan proceeds are applied or are designated in the agreement to be applied.

(2) Loan proceeds used to refinance or pay a prior loan owed by the same borrower are applied for the same purposes and in the same proportion as the original principal of the loan that is refinanced or paid.

(3) If the lender releases the original borrower from all personal liability with respect to the loan, loan proceeds used to pay a prior loan by a different borrower are applied for the new borrower's purposes in agreeing to pay the prior loan.

(4) If the lender releases the original borrower from all personal liability with respect to the loan, the assumption of a loan by a new borrower is treated as if the new borrower

had obtained a new loan and had used all of the proceeds to pay the loan assumed.

(5) This paragraph does not modify or limit section 535.8, subsection 2, paragraph c or e.

(6) With respect to any transaction referred to in paragraph a of this subsection, this subsection supersedes any interest-rate or finance-charge limitations contained in the Code, including but not limited to this chapter and chapters 321, 322, 524, 533, 534, 536A, and 537.

Sec. 5. Section 535.2, subsection 4, Code 1981, is amended by adding the following new paragraph:

NEW PARAGRAPH. Notwithstanding paragraph a, when a written agreement providing for the repayment of money loaned, and requiring the payment of over fifty percent of the initial principal amount of the loan as a single payment due at the end of the term of the agreement is extended, renewed, or otherwise amended by the parties on or after August 3, 1978, the parties may agree to the payment of interest from the effective date of the extension, renewal, or amendment, at a rate and in a manner that is lawful for a new agreement made on that date.

Sec. 6. Section 535.11, Code 1981, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 7. Section 535.13, Code 1981, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 8. Section 536A.23, subsection 1, unnumbered paragraph 1, Code 1981, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 9. Section 537.1301, subsection 12, paragraph a, subparagraph (5), Code 1981, is amended to read as follows:

(5) With respect to a sale of goods or services, the amount financed does not exceed ~~thirty-five~~ twenty-five thousand dollars.

Sec. 10. Section 537.1301, subsection 13, paragraph d, Code 1981, is amended to read as follows:

d. The amount payable under the lease does not exceed ~~thirty-five~~ twenty-five thousand dollars.

Sec. 11. Section 537.1301, subsection 14, paragraph a, subparagraph (5), Code 1981, as amended by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 177, section 3, is amended to read as follows:

(5) Either the amount financed does not exceed ~~thirty-five~~ twenty-five thousand dollars, or the debt is secured by an interest in land.

Sec. 12. Section 537.1301, subsection 14, paragraph b, subparagraph (2), Code 1981, as amended by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 177, section 3, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 13. Section 537.1301, subsection 19, paragraph a, subparagraph (1), Code 1981, is amended to read as follows:

(1) Interest or any amount payable under a point, discount or other system of charges, however denominated, except that with respect to a consumer credit sale of goods or services a cash discount of five percent or less of the stated price of goods or services which is offered to the consumer for payment by cash, check or the like either immediately or within a period of time, ~~shall~~ is not be part of the finance charge for the purpose of determining maximum charges pursuant to section 537.2401. A cash discount permitted by this

subparagraph shall ~~is not be considered~~ part of the finance charge for the purpose of determining compliance with ~~Truth in Lending Pursuant to~~ section 537.3201 if it is properly disclosed as required by the Truth in Lending Act as amended to and including ~~October 29, 1975~~ the effective date of this Act and regulations issued pursuant to that Act ~~as so amended~~ prior to ~~October 29, 1975~~ the effective date of this Act.

Sec. 14. Section 537.1302, Code 1981, is amended to read as follows:

537.1302 DEFINITION--TRUTH IN LENDING ACT. As used in this chapter, "Truth in Lending Act" means title 1 of the Consumer Credit Protection Act, in subchapter 1 of chapter 41 of title 15 of the United States Code, as amended to and including ~~July 17, 1974~~ the effective date of this Act, and includes regulations issued pursuant to that Act prior to ~~that date~~ the effective date of this Act.

Sec. 15. Section 537.2201, subsection 2, Code 1981, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 16. Section 537.2401, subsection 1, Code 1981, is reenacted and is the law of this state on and after the effective date of this Act, notwithstanding any contrary provision of Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156.

Sec. 17. Section 537.3308, subsection 2, Code 1981, is amended by adding the following new paragraph as paragraph e:

NEW PARAGRAPH. e. A consumer loan in which the amount financed exceeds five thousand dollars and is secured by an interest in land.

Sec. 18.

1. Acts of the Sixty-eighth General Assembly, 1980 Session, chapter 1156, section 33, is repealed.
2. Section 535.6, Code 1981, is repealed.
3. Section 535.10, Code 1981, as amended by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 177, sections 1 and 2, is repealed.

TERRY E. BRANSTAD
President of the Senate

DELWYN STROMER
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2195, Sixty-ninth General Assembly.

K. MARIE THAYER
Secretary of the Senate

Approved April 30, 1982

ROBERT D. RAY
Governor