

Senate Amendment 5255

PAG LIN

1 1 Amend House File 2556, as passed by the House, as
1 2 follows:
1 3 #1. Page 8, by inserting after line 24 the
1 4 following:
1 5 <Sec. _____. Section 533D.9, subsection 2, Code
1 6 2007, is amended by adding the following new
1 7 paragraph:
1 8 NEW PARAGRAPH. e. That the licensee cannot
1 9 initiate either civil court proceedings or arbitration
1 10 to collect an unpaid check unless the licensee has
1 11 provided the maker of the check the opportunity to
1 12 repay the obligation, without any additional charges
1 13 other than the fee and penalty as provided in this
1 14 section, in biweekly payments of not more than ten
1 15 percent of the face of the check until the debt is
1 16 paid in full. Additionally, that during this
1 17 repayment period the licensee may not transfer or sell
1 18 the debt owing on the unpaid check and may not report
1 19 on the account or borrower to any credit reporting
1 20 agency, and that the maker's failure to make any
1 21 biweekly payment shall place the loan in default and
1 22 that the licensee may, after proper notice, exercise
1 23 rights against the borrower for collection of the
1 24 unpaid balance.
1 25 Sec. _____. Section 533D.10, subsection 1, Code
1 26 2007, is amended by adding the following new
1 27 paragraph:
1 28 NEW PARAGRAPH. g. Initiate either civil court
1 29 proceedings or civil or private arbitration
1 30 proceedings to collect an unpaid check unless the
1 31 licensee has provided the maker of the check the
1 32 opportunity to repay the obligation without any
1 33 additional charges, other than the fee and penalty
1 34 provided for in section 533D.9, in biweekly payments
1 35 of not more than ten percent of the face of the check
1 36 until the debt is paid in full. During this repayment
1 37 period, the licensee may not transfer or sell the debt
1 38 owing on the unpaid check and may not report on the
1 39 account or borrower to any credit reporting agency. A
1 40 borrower's failure to make payments as required shall
1 41 place the loan in default and the licensee may, after
1 42 proper notice, exercise rights against the borrower
1 43 for collection of the unpaid balance.>
1 44 #2. By renumbering as necessary.
1 45
1 46
1 47
1 48 _____
1 48 JOE BOLKCOM
1 49 HF 2556.301 82
1 50 rn/nh/21032