



CHESTER J. CULVER
GOVERNOR

OFFICE OF THE GOVERNOR

PATTY JUDGE
LT. GOVERNOR

April 27, 2007

The Honorable Michael Mauro
Secretary of State
State Capitol Building
LOCAL

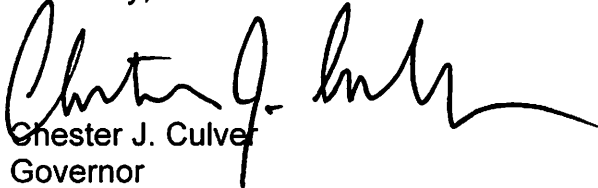
Dear Mr. Secretary:

I hereby transmit:

Senate File 347, an Act relating to the authority of creditors and credit unions in consumer credit or credit union transactions.

The above Senate File is hereby approved this date.

Sincerely,


Chester J. Culver
Governor

CJC:bdj

cc: Secretary of the Senate
Chief Clerk of the House





SENATE FILE 347

AN ACT

RELATING TO THE AUTHORITY OF CREDITORS AND CREDIT UNIONS IN
CONSUMER CREDIT OR CREDIT UNION TRANSACTIONS.

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

Section 1. Section 533.4, Code 2007, is amended by adding the following new subsections:

NEW SUBSECTION. 29. Sell, to persons in the field of membership, negotiable checks, including traveler's checks; money orders; and other similar money transfer instruments including international and domestic electronic fund transfers.

NEW SUBSECTION. 30. Cash checks and money orders, and receive international and domestic electronic fund transfers, for persons in the field of membership.

Sec. 2. Section 537.2501, subsection 1, Code 2007, is amended by adding the following new paragraph:

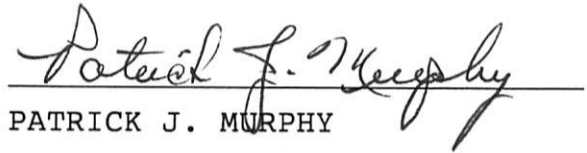
NEW PARAGRAPH. j. For a consumer loan where the amount financed does not exceed three thousand dollars and the term of the loan does not exceed twelve months, a bank, savings bank, savings and loan association, or credit union incorporated pursuant to state or federal law may charge an additional application fee not to exceed the lesser of ten percent of the amount financed or thirty dollars. If the loan is not approved, the application fee shall not exceed the lesser of ten percent of the amount applied for by the applicant or thirty dollars. The fee permitted pursuant to this paragraph shall not be charged in connection with a loan used for the purchase of a motor vehicle, or for a loan where the borrower's dwelling is used as security.

Sec. 3. IMPLEMENTATION OF LAW. The provisions of this Act amending section 533.4 shall be deemed to amend section 533.301, relating to powers of credit unions, if enacted in 2007 Iowa Acts, Senate File 557, or successor legislation, and the Code editor shall harmonize the provisions as necessary.



JOHN P. KIBBIE

President of the Senate



PATRICK J. MURPHY

Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 347, Eighty-second General Assembly.



MICHAEL E. MARSHALL

Secretary of the Senate

Approved April 27th, 2007



CHESTER J. CULVER

Governor