



CHESTER J. CULVER
GOVERNOR

OFFICE OF THE GOVERNOR

PATTY JUDGE
LT. GOVERNOR

May 26, 2009

The Honorable Michael Mauro
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 706, an Act relating to and publicizing mortgage foreclosure and real estate obligation protections for members of the national guard, and the reserve or regular component of the armed forces of the United States in active duty service, and providing a penalty.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Chester J. Culver", with a long horizontal flourish extending to the right.

Chester J. Culver
Governor

CJC:bdj

cc: Secretary of the Senate
Chief Clerk of the House





HOUSE FILE 706

AN ACT

RELATING TO AND PUBLICIZING MORTGAGE FORECLOSURE AND REAL ESTATE OBLIGATION PROTECTIONS FOR MEMBERS OF THE NATIONAL GUARD, AND THE RESERVE OR REGULAR COMPONENT OF THE ARMED FORCES OF THE UNITED STATES IN ACTIVE DUTY SERVICE, AND PROVIDING A PENALTY.

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

Section 1. Section 29A.102, subsection 3, Code 2009, is amended to read as follows:

3. A person who knowingly repossesses property which is the subject of this section, other than as provided in subsection 1, commits a ~~simple~~ serious misdemeanor.

Sec. 2. Section 29A.103, subsection 4, Code 2009, is amended to read as follows:

4. A person who knowingly forecloses on property that is the subject of this section, other than as provided in subsection 1, commits a ~~simple~~ serious misdemeanor.

Sec. 3. NEW SECTION. 654.17B MILITARY FORECLOSURE PROTECTION -- NOTICE.

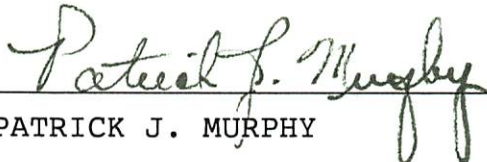
1. Except as provided under chapter 29A, or the federal Servicemembers Civil Relief Act of 2003, 50 U.S.C. app. 532 and 533, a creditor shall not initiate a proceeding to enforce an obligation payable under its terms in installments under a contract for the purchase of real estate, or secured by a mortgage or other instrument in the nature of a mortgage upon real estate, against a borrower, or a borrower's dependents, who is a member of the national guard or a member of the reserve or regular component of the armed forces of the United States in active duty service. Enforcement of an obligation shall not be permitted under the following circumstances:


a. The borrower is a member of the national guard and has been afforded protection under the Iowa national guard civil relief provisions contained in chapter 29A, subchapter VI. A

creditor who enforces an obligation in violation of chapter 29A, subchapter VI, is subject to applicable penalty provisions contained in sections 29A.102 and 29A.103.

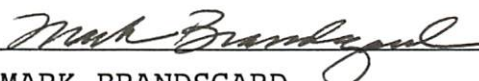
b. The borrower is a member of the reserve or regular component of the armed forces of the United States in active duty service and has been afforded protection under the federal Servicemembers Civil Relief Act of 2003, 50 U.S.C. app 532 and 533. A creditor who enforces an obligation in violation of the federal Act is subject to applicable penalty provisions contained in the federal Act.

2. The department of veterans affairs and the department of commerce shall coordinate to develop a procedure to inform or notify members of the national guard, reserve, or regular component of the armed forces of the United States, and financial institutions as defined in section 12C.1, of the protections referenced in subsection 1. The notification procedure shall include, at a minimum, posting the information on an official internet site maintained by each department.

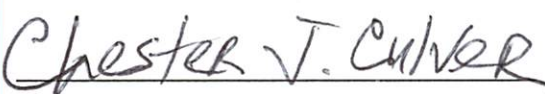

PATRICK J. MURPHY
Speaker of the House


JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 706, Eighty-third General Assembly.


MARK BRANDSGARD
Chief Clerk of the House

Approved May 26th, 2009


CHESTER J. CULVER
Governor