



KIM REYNOLDS  
GOVERNOR

**OFFICE OF THE GOVERNOR**

ADAM GREGG  
LT GOVERNOR

March 8, 2021

The Honorable Paul Pate  
Secretary of State of Iowa  
State Capitol  
Des Moines, Iowa 50319

Dear Mr. Secretary,

I hereby transmit:

House File 235, an Act relating to service charges on consumer credit transactions.

The above House File is hereby approved on this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Reynolds", written over a faint circular stamp.

Kim Reynolds  
Governor of Iowa

cc: Secretary of the Senate  
Clerk of the House



House File 235

AN ACT

RELATING TO SERVICE CHARGES ON CONSUMER CREDIT TRANSACTIONS.

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

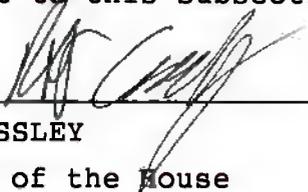
Section 1. Section 537.2501, subsection 1, paragraph 1, Code 2021, is amended to read as follows:

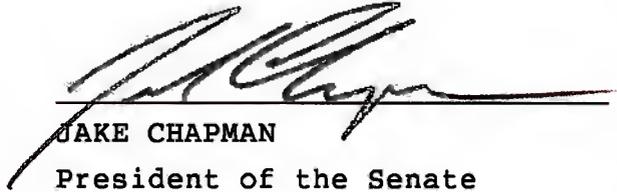
1. For ~~an interest-bearing~~ a consumer credit transaction, a service charge in an amount not to exceed the lesser of ten percent of the amount financed or thirty dollars.

Sec. 2. Section 537.2510, subsection 3, paragraph a, Code 2021, is amended to read as follows:

a. If the prepayment is in full, the creditor may collect or retain a minimum charge not exceeding five dollars in a transaction which had an amount financed of seventy-five dollars or less, or not exceeding seven dollars and fifty cents in a transaction which had an amount financed of more than seventy-five dollars, if the minimum charge was contracted for, and the finance charge earned at the time of prepayment is less than the minimum charge contracted for. If, however, a creditor has collected a service charge in association with ~~an interest-bearing~~ a consumer credit transaction pursuant to section 537.2501, subsection 1, paragraph "1", the creditor

shall not collect or retain a minimum charge upon prepayment pursuant to this subsection.

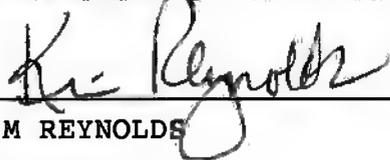
  
\_\_\_\_\_  
PAT GRASSLEY  
Speaker of the House

  
\_\_\_\_\_  
JAKE CHAPMAN  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 235, Eighty-ninth General Assembly.

  
\_\_\_\_\_  
MEGHAN NELSON  
Chief Clerk of the House

Approved March 8<sup>th</sup>, 2021

  
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KIM REYNOLDS  
Governor