



KIM REYNOLDS
GOVERNOR

OFFICE OF THE GOVERNOR

ADAM GREGG
LT GOVERNOR

June 16, 2021

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

Dear Mr. Secretary,

I hereby transmit Senate File 567, an Act relating to loans originated by mortgage bankers.

Senate File 567 adds mortgage bankers to the list of lenders that are permitted to impose certain charges, fees, or costs upon a borrower in connection with the purchase or financing of real property used for family dwellings. The bill passed both chambers unanimously and, at that time, no interested parties voiced any opposition to the legislation.

But since passage, legitimate concerns have been raised by stakeholders and legislators alike regarding the potential scope and consequences of Senate File 567. And while I recognize and support the intended purpose of Senate File 567, I believe the State of Iowa will ultimately benefit from a more full and deliberative legislative process in which these concerns can be addressed. I encourage the legislature to continue to work on this important issue.

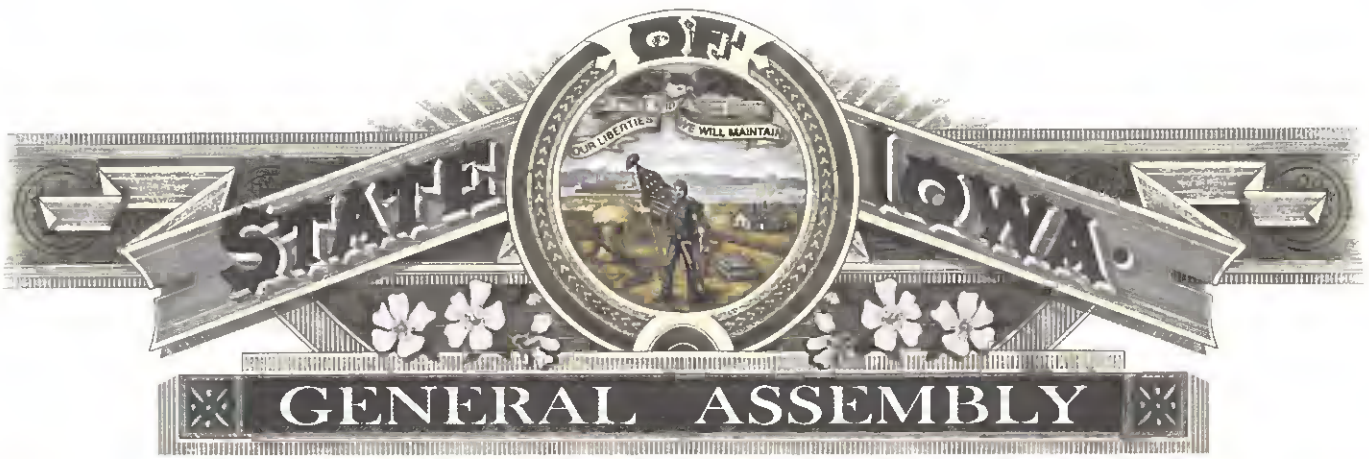
For these reasons, I respectfully disapprove of Senate File 567 in its entirety and it is vetoed in whole.

Sincerely,

A handwritten signature in black ink that reads "Kim Reynolds".

Kim Reynolds
Governor of Iowa

cc: Secretary of the Senate
Clerk of the House



Senate File 567

AN ACT

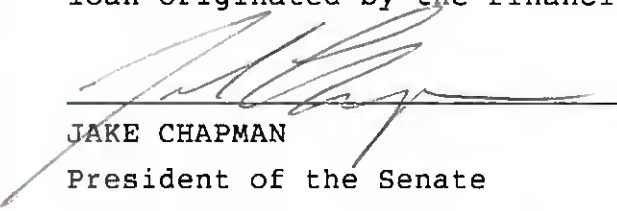
RELATING TO LOANS ORIGINATED BY MORTGAGE BANKERS.

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

Section 1. Section 535.8, subsection 2, Code 2021, is amended to read as follows:

2. If a lender that is a financial institution as defined in section 537.1301 or a mortgage banker licensed or registered pursuant to chapter 535B makes a loan in which the points and fees the borrower is charged by all lenders in connection with the loan do not exceed the amounts specified in 12 C.F.R. §1026.43(e)(3), the loan shall not be subject to the provisions of subsection 4, paragraphs "a", "b", and "d", or subsection 5. This subsection applies to the financial institution lender

that originates the loan and to subsequent purchasers of the loan originated by the financial institution.



JAKE CHAPMAN

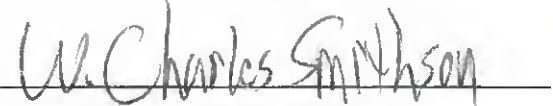
President of the Senate



PAT GRASSLEY

Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 567, Eighty-ninth General Assembly.



W. CHARLES SMITHSON

Secretary of the Senate



KIM REYNOLDS

Governor

KE Disapproved
KE Approved June 16th, 2021