

**House File 133 - Enrolled**

House File 133

AN ACT

RELATING TO REFUND PAYMENTS MADE IN CONNECTION WITH MOTOR  
VEHICLE DEBT CANCELLATION COVERAGE.

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

Section 1. Section 537.2510, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 10. Notwithstanding any provision of this chapter to the contrary or an agreement between a motor vehicle dealer licensed pursuant to section 322.4 and the consumer, if the creditor is a financial institution as defined in the Iowa consumer credit code, chapter 537, or the federal Gramm-Leach-Bliley Act of 1999, 15 U.S.C. §6801 et seq., who has purchased a retail installment contract as defined in section 322.2, subsection 22, with voluntary debt cancellation coverage, the only obligation of the creditor upon prepayment in full shall be to notify the motor vehicle dealer within thirty days of the prepayment. The motor vehicle dealer shall promptly determine whether the consumer is eligible for a refund of any voluntary debt cancellation coverage and shall issue any refund required directly to the consumer within sixty

days of the dealer's receipt of notice of the prepayment from the creditor.

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PAT GRASSLEY  
Speaker of the House

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AMY SINCLAIR  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 133, Ninetieth General Assembly.

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MEGHAN NELSON  
Chief Clerk of the House

Approved \_\_\_\_\_, 2023

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KIM REYNOLDS  
Governor