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SENATE FILE 2200

BY COMMITTEE ON COMMERCE
Approved 2/13 (p. 437)
(FORMERLY SENATE STUDY BILL 2157)

Passed Senate, Date 2-25-80 (p. 560) Passed House, Date 3-25-80 (P. 1155)
Vote: Ayes 40 Nays 1 Vote: Ayes 82 Nays 8
Approved 4/1/80

A BILL FOR

1 An Act increasing the maximum interest rate payable under
2 section three hundred twenty-two point nineteen (322.19)
3 of the Code on motor vehicle installment sale contracts
4 involving class one motor vehicles.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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SENATE FILE 2200

S-5201

- 1 Amend Senate File 2200 as follows:
- 2 1. Page 1, by striking lines 9 and 10 and inserting
- 3 in lieu thereof the following:
- 4 "Sec. ____ . This Act, being deemed of immediate
- 5 importance, takes effect from and after its publication
- 6 in the Estherville Daily News, a newspaper published
- 7 in Estherville, Iowa, and in The Times-Republican,
- 8 a newspaper published in Corydon, Iowa."
- 9 2. By renumbering sections.

S-5201 FILED & ADOPTED (p. 560) BY EDGAR H. HOLDEN
FEBRUARY 25, 1980

1 Section 1. Section three hundred twenty-two point nine-
2 teen (322.19), unnumbered paragraph two (2), Code 1979, is
3 amended to read as follows:

4 Class 1. Any new motor vehicle designated by the
5 manufacturer by a year model not earlier than the year in
6 which the sale is made, an amount equivalent to one and ~~one-~~
7 ~~fourth~~ one-half percent per month simple interest on the
8 declining balance of the amount financed.

9 Sec. 2. This Act takes effect January first following
10 enactment.

11 EXPLANATION

12 Section 322.19 of the Code establishes the maximum interest
13 rates which may be charged in contracts for the sale of new
14 and used motor vehicles. Currently, the maximum contract
15 rate on new motor vehicles is 1 1/4 percent per month. This
16 bill increases that to a maximum of 1 1/2 percent per month.
17 This bill does not affect rates applicable to used motor
18 vehicles.

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5 manufacturer by a year model not earlier than the year in
6 which the sale is made, an amount equivalent to one and one-
7 fourth one-half percent per month simple interest on the
8 declining balance of the amount financed.

9 Sec. 2. This Act, being deemed of immediate importance,
10 takes effect from and after its publication in the Estherville
11 Daily News, a newspaper published in Estherville, Iowa, and
12 in The Times-Republican, a newspaper published in Corydon,
13 Iowa. ^{4/8}

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^{out of}
Daily News, a newspaper published in Estherville, Iowa, and
in The Times-Republican, a newspaper published in Corydon,
Iowa. ^{7/4}

SENATE FILE 2200

AN ACT

INCREASING THE MAXIMUM INTEREST RATE PAYABLE UNDER SECTION
THREE HUNDRED TWENTY-TWO POINT NINETEEN (322.19) OF THE
CODE ON MOTOR VEHICLE INSTALLMENT SALE CONTRACTS INVOLVING
CLASS ONE MOTOR VEHICLES.

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

Section 1. Section three hundred twenty-two point nine-
teen (322.19), unnumbered paragraph two (2), Code 1979, is
amended to read as follows:

Class 1. Any new motor vehicle designated by the
manufacturer by a year model not earlier than the year in
which the sale is made, an amount equivalent to one and ~~one-~~
~~fourth~~ one-half percent per month simple interest on the
declining balance of the amount financed.

Sec. 2. This Act, being deemed of immediate importance,
takes effect from and after its publication in the Estherville

TERRY E. BRANSTAD
President of the Senate

WILLIAM H. HARBOR
Speaker of the House

I hereby certify that this bill originated in the Senate and
is known as Senate File 2200, Sixty-eighth General Assembly.

FRANK J. STORK
Secretary of the Senate

Approved 4/1 _____, 1980

ROBERT D. RAY
Governor