

MAR 4 2004
Place On Calendar

HOUSE FILE 2449
BY COMMITTEE ON COMMERCE,
REGULATION AND LABOR

(SUCCESSOR TO HSB 608)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the collection of costs associated with
2 residential real estate loans.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

HF 2449

1 Section 1. Section 535.8, subsection 2, paragraph b,
2 unnumbered paragraph 2, Code 2003, is amended to read as
3 follows:

4 The lender shall not charge the borrower for the cost of
5 revenue stamps or real estate commissions which are paid by
6 the seller.

7 PARAGRAPH DIVIDED. ~~Collection~~ The collection of any cost
8 costs other than as expressly permitted by this lettered
9 paragraph "b" is prohibited. However, this paragraph shall
10 not apply to prevent a lender from collecting costs permitted
11 by federal law or costs required to be incurred by a federally
12 chartered corporation or similar government-sponsored
13 enterprise such as the federal national mortgage association,
14 the federal home loan mortgage association, the government
15 national mortgage association, or another secondary market
16 investor.

17 EXPLANATION

18 This bill amends Code section 535.8, which in part
19 regulates costs associated with residential real estate loans
20 and specifically for real property which is a single-family or
21 a two-family dwelling occupied or to be occupied by the
22 borrower. Such loans include original loans, the refinancing
23 of existing loans, and the assumption of prior loans.

24 The Code section lists a number of costs that a lender may
25 collect in connection with a loan that must be disclosed to
26 the borrower. The collection of other costs is prohibited.
27 The bill creates an exception to that prohibition in instances
28 in which federal law permits the collection of costs, or costs
29 which are required to be incurred by federal instrumentalities
30 such as Fannie Mae, Freddie Mac, or Ginnie Mae, or another
31 secondary market investor.

32
33
34
35

JACOBS, CH
SANDS
FORD

SUB
SF: 02449 HSB 608

COMMERCE, REGULATION & LABOR

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
COMMERCE, REGULATION
AND LABOR BILL BY
CHAIRPERSON JENKINS)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the collection of costs associated with
2 residential real estate loans.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

608

S.F. _____ H.F. _____

1 Section 1. Section 535.8, subsection 2, paragraph b,
2 unnumbered paragraph 2, Code 2003, is amended to read as
3 follows:

4 The lender shall not charge the borrower for the cost of
5 revenue stamps or real estate commissions which are paid by
6 the seller.

7 PARAGRAPH DIVIDED. Collection The collection of any cost
8 costs other than as expressly permitted by this lettered
9 paragraph "b" is prohibited. However, this paragraph shall
10 not apply to prevent a lender from collecting costs permitted
11 by federal law or costs required to be incurred by a federally
12 chartered corporation or similar government-sponsored
13 enterprise such as the federal national mortgage association,
14 the federal home loan mortgage association, the government
15 national mortgage association, or another secondary market
16 investor.

17 EXPLANATION

18 This bill amends Code section 535.8, which in part
19 regulates costs associated with residential real estate loans
20 and specifically for real property which is a single-family or
21 a two-family dwelling occupied or to be occupied by the
22 borrower. Such loans include original loans, the refinancing
23 of existing loans, and the assumption of prior loans.

24 The Code section lists a number of costs that a lender may
25 collect in connection with a loan that must be disclosed to
26 the borrower. The collection of other costs is prohibited.
27 The bill creates an exception to that prohibition in instances
28 in which federal law permits the collection of costs, or costs
29 which are required to be incurred by federal instrumentalities
30 such as Fannie Mae, Freddie Mac, or Ginnie Mae, or another
31 secondary market investor.

32
33
34
35