

MAR 4 2003  
Place On Calendar

HOUSE FILE 395  
BY COMMITTEE ON COMMERCE,  
REGULATION AND LABOR

(SUCCESSOR TO HSB 134)

Passed House, Date Passed 3/18/03 Passed Senate, Date Passed 4/14/03  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved 4/21/03

**A BILL FOR**

1 An Act relating to the extension of credit without discrimination  
2 under the consumer credit code.

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

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HF 395

1 Section 1. Section 537.3311, Code 2003, is amended to read  
2 as follows:

3 537.3311 DISCRIMINATION PROHIBITED.

4 A creditor shall not refuse to enter into a consumer credit  
5 transaction or impose finance charges or other terms or  
6 conditions more onerous than those regularly extended by that  
7 creditor to consumers of similar economic backgrounds ~~because~~  
8 ~~of-the~~ due to any of the following:

9 1. The age, color, creed, national origin, political  
10 affiliation, race, religion, sex, marital status, or  
11 disability of the consumer, ~~or-because-the~~

12 2. The consumer receives public assistance, social  
13 security benefits, pension benefits, or the like, ~~or-because~~  
14 ~~of-the~~.

15 3. The exercise by the consumer of rights pursuant to this  
16 chapter or ~~other-provisions-of-law~~ the federal Consumer Credit  
17 Protection Act, 15 U.S.C. § 1601 et seq.

18 EXPLANATION

19 This bill amends Code section 537.3311, part of the Iowa  
20 consumer credit code. Current Code language prohibits a  
21 creditor from discriminating against a consumer in a consumer  
22 credit transaction based on age, color, national origin, sex,  
23 marital status, disability, public source of income, or the  
24 exercise of consumer rights under the Iowa consumer credit  
25 code or other provisions of law. The bill replaces the final  
26 phrase with a specific reference to the federal Consumer  
27 Credit Protection Act, which includes federal consumer laws on  
28 such subjects as consumer credit cost disclosures, credit  
29 reporting agencies, and debt collection practices, as well as  
30 equal credit opportunity provisions prohibiting discrimination  
31 in the granting of credit.

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HOUSE FILE 395

S-3206

1 Amend House File 395, as passed by the House, as  
2 follows:

3 1. Page 1, by inserting after line 17 the  
4 following:

5 "Sec. \_\_\_\_ . NEW SECTION. 546A.1 PROVISION OF  
6 CONSUMER REPORTS.

7 1. For purposes of this section, unless the  
8 context otherwise requires:

9 a. "Consumer" means an individual who obtains or  
10 has obtained a financial product or service from a  
11 financial institution that is to be used primarily for  
12 personal, family, or household purposes, or that  
13 individual's legal representative.

14 b. "Consumer report" means any written or other  
15 form of communication of any information by a consumer  
16 reporting agency bearing on a consumer's  
17 creditworthiness, credit standing, or credit capacity  
18 which is used or intended to be used or collected, in  
19 whole or in part, for the purpose of serving as a  
20 factor in establishing the consumer's eligibility for  
21 either of the following:

22 (1) Credit or insurance to be used primarily for  
23 personal, family, or household purposes.

24 (2) Employment, promotion, reassignment, or  
25 retention as an employee.

26 c. "Consumer reporting agency" means any person  
27 that, for monetary fees, dues, or on a cooperative  
28 nonprofit basis, regularly engages, in whole or in  
29 part, in the practice of assembling or evaluating  
30 consumer credit information or other information  
31 pertaining to consumers for the purpose of furnishing  
32 consumer reports to third parties.

33 2. a. A consumer reporting agency that compiles  
34 and maintains files on consumers on a nationwide basis  
35 shall furnish to any consumer who has provided  
36 appropriate verification of the consumer's identity  
37 one complete consumer report per calendar year, upon  
38 the written request of the consumer and without charge  
39 to the consumer.

40 b. The report required under this section must be  
41 furnished by the consumer reporting agency to a  
42 requesting consumer within ten calendar days of the  
43 consumer reporting agency's receipt of the consumer's  
44 request.

45 3. A consumer who requests and is not provided a  
46 consumer report pursuant to this section shall have a  
47 cause of action against the consumer reporting agency  
48 that fails to furnish the requested report within ten  
49 calendar days of the request to obtain both of the  
50 following:

S-3206

**S-3206**

Page 2

1 a. The greater of actual monetary damages or two  
2 hundred fifty dollars.

3 b. Reasonable attorney fees and court costs."

4 2. Title page, line 1, by inserting after the  
5 word "to" the following: "consumer credit, including  
6 the provision of consumer credit reports and".

7 3. By renumbering, redesignating, and correcting  
8 internal references as necessary.

**By** JOE BOLKCOM

STEVEN H. WARNSTADT

THOMAS G. COURTNEY

HERMAN C. QUIRMBACH

**S-3206** FILED APRIL 14, 2003

RULED OUT OF ORDER

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Sands  
Ford

SF 0 395 HSB 134

COMMERCE, REGULATION & LABOR

HOUSE FILE \_\_\_\_\_

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

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

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HOUSE FILE 395

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CHRISTOPHER C. RANTS  
Speaker of the House

AN ACT  
RELATING TO THE EXTENSION OF CREDIT WITHOUT DISCRIMINATION  
UNDER THE CONSUMER CREDIT CODE.

\_\_\_\_\_  
MARY E. KRAMER  
President of the Senate

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

Section 1. Section 537.3311, Code 2003, is amended to read as follows:

537.3311 DISCRIMINATION PROHIBITED.

A creditor shall not refuse to enter into a consumer credit transaction or impose finance charges or other terms or conditions more onerous than those regularly extended by that creditor to consumers of similar economic backgrounds because of-the due to any of the following:

1. The age, color, creed, national origin, political affiliation, race, religion, sex, marital status, or disability of the consumer,~~or because the~~

2. The consumer receives public assistance, social security benefits, pension benefits, or the like,~~or because of-the~~

I hereby certify that this bill originated in the House and is known as House File 395, Eightieth General Assembly.

\_\_\_\_\_  
MARGARET THOMSON  
Chief Clerk of the House

Approved \_\_\_\_\_, 2003

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THOMAS J. VILSACK  
Governor