

MAR 5 2003
COMMERCE, REGULATION & LABOR

HOUSE FILE 464
BY JOCHUM

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

A BILL FOR

1 An Act relating to consumer recovery for certain violations of
2 the Iowa consumer credit code.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF-464

1 Section 1. Section 537.5201, subsection 1, unnumbered
2 paragraph 1, Code 2003, is amended to read as follows:

3 The consumer, other than a lessee in a consumer rental
4 purchase agreement, has a cause of action to recover actual
5 damages and in addition a right in an action other than a
6 class action to recover from the person violating this chapter
7 a penalty in an amount determined by the court, but not less
8 than one five hundred dollars nor more than one five thousand
9 dollars, if a person has violated the provisions of this
10 chapter relating to:

11 Sec. 2. Section 537.5201, subsection 3, Code 2003, is
12 amended to read as follows:

13 3. If a creditor has contracted for or received a charge
14 in excess of that allowed by this chapter, or if a consumer is
15 entitled to a refund and a person liable to the consumer
16 refuses to make a refund within a reasonable time after
17 demand, the consumer may recover from the creditor or the
18 person liable, in an action other than a class action, the
19 excess charge or refund and a penalty in an amount determined
20 by the court not less than one five hundred dollars or more
21 than one five thousand dollars. With respect to excess
22 charges arising from sales or loans made pursuant to open end
23 credit, no action pursuant to this subsection may be brought
24 more than two years after the time the excess charge was made.
25 With respect to excess charges arising from other consumer
26 credit transactions no action pursuant to this subsection may
27 be brought more than one year after the due date of the last
28 scheduled payment of the agreement pursuant to which the
29 charge was made. For purposes of this subsection, a
30 reasonable time is presumed to be thirty days.

31 EXPLANATION

32 This bill raises the amount a consumer may recover, in an
33 action other than a class action, for violations of certain
34 provisions of the Iowa consumer credit code. Current Code
35 language provides that the range of recovery may be from \$100

1 to \$1,000. The bill modifies that range from \$500 to \$5,000.
2 The court determines the final amount within the range, after
3 presentation of the evidence.

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