

Senate Study Bill 1099

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY
CO=CHAIRPERSON WARNSTADT)

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

A BILL FOR

1 An Act relating to debt collection disclosure requirements for
2 state bank affiliates.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2144SC 81
5 kk/sh/8

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1 1 Section 1. Section 537.1301, Code 2005, is amended by
1 2 adding the following new subsection:
1 3 NEW SUBSECTION. 2A. "Affiliate" means the same as defined
1 4 in section 524.1101.
1 5 Sec. 2. Section 537.7103, subsection 4, paragraph b,
1 6 subparagraph (2), Code 2005, is amended to read as follows:
1 7 (2) Communications issued directly by a state bank as
1 8 defined in section 524.103 or its affiliate, a state bank
1 9 chartered under the laws of any other state or its affiliate,
1 10 a national banking association, a trust company, a federally
1 11 chartered savings and loan association or savings bank, an
1 12 out-of-state chartered savings and loan association or savings
1 13 bank, a financial institution chartered by the federal home
1 14 loan bank board, an association incorporated or authorized to
1 15 do business under chapter 534, a state or federally chartered
1 16 credit union, or a company or association organized or
1 17 authorized to do business under chapter 515, 518, 518A, or
1 18 520, or an officer, employee, or agent of such company or
1 19 association, provided the communication does not deceptively
1 20 conceal its origin or its purpose.

1 21 EXPLANATION

1 22 This bill relates to debt collection disclosure
1 23 requirements for state banks and state bank affiliates under
1 24 the consumer credit code. Under current law, persons acting
1 25 as debt collectors must disclose in an initial written
1 26 communication with a debtor that the debt collector is
1 27 attempting to collect a debt and any information obtained will
1 28 be used for that purpose. Under current law, communications
1 29 issued directly by a state bank acting as a debt collector are
1 30 not required to include this disclosure. The bill extends
1 31 this exception for state banks to include affiliates of state
1 32 banks.
1 33 LSB 2144SC 81
1 34 kk:nh/sh/8