

House Study Bill 548

SENATE/HOUSE FILE _____
BY (PROPOSED IOWA FINANCE
AUTHORITY BILL)

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

A BILL FOR

1 An Act relating to real estate broker trust accounts.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
3 TLSB 5363XD 82
4 jr/rj/5

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1 1 Section 1. Section 543B.46, subsection 1, Code Supplement
1 2 2007, is amended to read as follows:
1 3 1. Each real estate broker shall maintain a common trust
1 4 account in a bank, a savings and loan association, savings
1 5 bank, or credit union for the deposit of all down payments,
1 6 earnest money deposits, or other trust funds received by the
1 7 broker or the broker's salespersons on behalf of the broker's
1 8 principal, except that a broker acting as a salesperson shall
1 9 deposit these funds in the common trust account of the broker
1 10 for whom the broker acts as salesperson. The account shall be
1 11 an interest-bearing account. The interest on the account
1 12 shall be transferred quarterly to the treasurer of state and
1 13 transferred to the ~~department of economic development Iowa~~
1 14 ~~finance authority~~ for deposit in the local housing assistance
1 15 ~~program trust~~ fund established in section ~~15.354 16.181~~ unless
1 16 there is a written agreement between the buyer and seller to
1 17 the contrary. The broker shall not benefit from interest
1 18 received on funds of others in the broker's possession.

EXPLANATION

1 19
1 20 Each real estate broker is required to maintain an
1 21 interest-bearing trust account. Under current law, the
1 22 interest on the account is transferred to the department of
1 23 economic development for deposit in the local housing
1 24 assistance program fund. This bill transfers the interest to
1 25 the Iowa finance authority for deposit in the housing trust
1 26 fund established in Code section 16.181.
1 27 LSB 5363XD 82
1 28 jr/rj/5