

# Senate Study Bill 3037

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 the recording of a certificate of release by  
2 the Iowa finance authority.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 5293XD 82  
5 md/rj/8

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1 1 Section 1. Section 16.92, subsection 5, paragraph c, Code  
1 2 Supplement 2007, is amended to read as follows:  
1 3 c. In addition to any other remedy provided by law, if the  
1 4 division through an act of negligence wrongfully or  
1 5 erroneously records a certificate of release under this  
1 6 section, the division is liable to the mortgagee and mortgage  
1 7 servicer for actual damages sustained due to the recording of  
1 8 the certificate of release.

### EXPLANATION

1 9  
1 10 Current Code section 16.92, subsection 5, paragraph "c",  
1 11 provides that the Iowa finance authority title guaranty  
1 12 division is liable to a mortgagee and mortgage servicer for  
1 13 actual damages sustained if a certificate of release is  
1 14 wrongfully or erroneously recorded. This bill modifies the  
1 15 standard for imposing liability on the title guaranty  
1 16 division. Liability will be imposed under the bill if the  
1 17 division through an act of negligence wrongfully or  
1 18 erroneously records a certificate of release.  
1 19 LSB 5293XD 82  
1 20 md/rj/8