

Senate Study Bill 1139 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON McCOY)

A BILL FOR

1 An Act relating to matters under the purview of the banking
2 division of the department of commerce.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 12C.7, subsection 1, Code 2013, is
2 amended to read as follows:

3 1. A depository ~~shall not directly or indirectly~~ may pay
4 interest to a public officer on a ~~demand deposit~~ deposits
5 of public funds, and a public officer ~~shall not~~ may take or
6 receive interest on ~~demand~~ deposits of public funds. ~~This~~
7 ~~provision does not apply to interest on time certificates of~~
8 ~~deposit or savings accounts for public funds.~~

9 Sec. 2. Section 524.904, subsection 5, paragraph b,
10 subparagraph (1), Code 2013, is amended by striking the
11 subparagraph.

12 Sec. 3. Section 533A.2, Code 2013, is amended by adding the
13 following new subsections:

14 NEW SUBSECTION. 7. The superintendent may authorize
15 applicants and licensees to be licensed through a nationwide
16 licensing system and to pay the corresponding system processing
17 fees. The superintendent may establish by rule or order
18 new requirements as necessary, including but not limited to
19 requirements that applicants, including officers and directors
20 and those who have control of the applicant, submit to
21 fingerprinting and criminal history checks.

22 NEW SUBSECTION. 8. For the purposes of this section and in
23 order to reduce the points of contact which the federal bureau
24 of investigation may be required to maintain for purposes
25 of subsection 7, the superintendent may use the nationwide
26 licensing system as a channeling agent for requesting
27 information from and distributing information to the United
28 States department of justice or other governmental agency, or
29 to or from any other source so directed by the superintendent.

30 Sec. 4. Section 533A.4, Code 2013, is amended to read as
31 follows:

32 **533A.4 Expiration date.**

33 The license issued under this chapter shall expire on
34 ~~July 1 next~~ December 31 following its issuance unless sooner
35 surrendered, revoked, or suspended, but may be renewed as

1 provided in this chapter.

2 Sec. 5. Section 533A.5, subsection 1, Code 2013, is amended
3 to read as follows:

4 1. To continue in the business of debt management, each
5 licensee shall annually apply on or before ~~June~~ December
6 1 to the superintendent for renewal of its license. The
7 superintendent may assess a late fee of ten dollars per day for
8 applications submitted and accepted for processing after ~~June~~
9 December 1.

10 Sec. 6. Section 533A.10, Code 2013, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 4. The superintendent may receive
13 documents, materials, or other information, including otherwise
14 confidential and privileged documents, materials, or other
15 information, through a nationwide licensing system and from
16 other local, state, federal, or international regulatory
17 agencies, the conference of state bank supervisors and
18 its affiliates and subsidiaries, the national association
19 of consumer credit administrators and its affiliates and
20 subsidiaries, and any other regulator association, and shall
21 maintain as confidential and privileged any such document,
22 material, or other information received with notice or the
23 understanding that it is confidential or privileged under the
24 laws of the jurisdiction that is the source of the document,
25 material, or other information.

26 Sec. 7. Section 533C.202, subsection 4, Code 2013, is
27 amended to read as follows:

28 4. A nonrefundable application fee of one thousand dollars
29 and a license fee must accompany an application for a license
30 under this article. The license fee must be refunded if the
31 application is denied. The license fee shall be the sum of
32 five hundred dollars plus an additional ten dollars for each
33 location in this state at which business is conducted through
34 authorized delegates or employees of the licensee, but shall
35 not exceed five thousand dollars. Fees for locations added

1 after the initial application shall be submitted with the
2 quarterly reports pursuant to section 533C.503, subsection
3 2. If the licensee has no locations in this state at which
4 business is conducted through authorized delegates or
5 employees of the licensee, the license fee shall be set by the
6 superintendent, but shall not exceed five thousand dollars. A
7 license under this article expires on the next ~~September 30~~
8 December 31 after its issuance. The initial license fee is
9 considered an annual fee and the superintendent shall prorate
10 the license fee, refunding any amount due to a partial license
11 year. However, no refund of a license fee shall be made when a
12 license is suspended, revoked, or surrendered.

13 Sec. 8. Section 533C.202, Code 2013, is amended by adding
14 the following new subsections:

15 NEW SUBSECTION. 6. The superintendent may authorize
16 applicants and licensees to be licensed through a nationwide
17 licensing system and to pay the corresponding system processing
18 fees. The superintendent may establish by rule or order
19 new licensing requirements as necessary, including but not
20 limited to requirements that applicants, including officers and
21 directors and those who have control of the applicant, submit
22 to fingerprinting and criminal history checks.

23 NEW SUBSECTION. 7. For the purposes of this section and in
24 order to reduce the points of contact which the federal bureau
25 of investigation may be required to maintain for purposes
26 of subsection 6, the superintendent may use the nationwide
27 licensing system as a channeling agent for requesting
28 information from and distributing information to the United
29 States department of justice or other governmental agency, or
30 to or from any other source so directed by the superintendent.

31 Sec. 9. Section 533C.205, subsections 1 and 3, Code 2013,
32 are amended to read as follows:

33 1. A licensee under this article shall pay an annual
34 renewal fee as determined below by no later than ~~September~~
35 December 1 of the year of expiration. The renewal fee shall be

1 five hundred dollars plus an additional ten dollars for each
2 location in this state at which business is conducted through
3 authorized delegates or employees of the licensee, but shall
4 not exceed five thousand dollars. Fees for locations added
5 after submission of the renewal application shall be submitted
6 with the quarterly reports pursuant to section 533C.503,
7 subsection 2. If the licensee has no locations in this state
8 at which business is conducted through authorized delegates
9 or employees of the licensee, the license fee shall be set
10 by the superintendent, but shall not exceed five thousand
11 dollars. ~~Licenses issued under chapter 533B, Code 2003, will~~
12 ~~be initially renewed as provided in section 533C.904.~~

13 3. If a licensee does not file a renewal report or pay its
14 renewal fee by ~~September~~ December 1, or any extension of time
15 granted by the superintendent, the superintendent may assess a
16 late fee of one hundred dollars per day.

17 Sec. 10. Section 533C.302, subsection 2, Code 2013, is
18 amended to read as follows:

19 2. A nonrefundable application fee of one thousand dollars
20 and the license fee must accompany an application for a license
21 under this article. The license fee shall be the sum of five
22 hundred dollars plus an additional one hundred dollars for each
23 location at which business is conducted, but not to exceed two
24 thousand dollars. Fees for locations added after the initial
25 application shall be submitted with the quarterly reports
26 pursuant to section 533C.503, subsection 2. The license fee
27 must be refunded if the application is denied. A license under
28 this article expires on the next ~~September 30~~ December 31 of an
29 odd-ending year after its issuance. The initial license fee is
30 considered a biennial fee and the superintendent shall prorate
31 the license fee, refunding any amount due to a partial license
32 period. However, no refund of a license fee shall be made when
33 a license is suspended, revoked, or surrendered.

34 Sec. 11. Section 533C.302, Code 2013, is amended by adding
35 the following new subsections:

1 NEW SUBSECTION. 3. The superintendent may authorize
2 applicants and licensees to be licensed through a nationwide
3 licensing system and to pay the corresponding system processing
4 fees. The superintendent may establish by rule or order
5 new requirements as necessary, including but not limited to
6 requirements that applicants, including officers and directors
7 and those who have control of the applicant, submit to
8 fingerprinting and criminal history checks.

9 NEW SUBSECTION. 4. For the purposes of this section and in
10 order to reduce the points of contact which the federal bureau
11 of investigation may be required to maintain for purposes
12 of subsection 3, the superintendent may use the nationwide
13 licensing system as a channeling agent for requesting
14 information from and distributing information to the United
15 States department of justice or other governmental agency, or
16 to or from any other source so directed by the superintendent.

17 Sec. 12. Section 533C.304, subsections 1 and 3, Code 2013,
18 are amended to read as follows:

19 1. A licensee under this article shall pay a biennial
20 renewal fee no later than ~~September~~ December 1 of an odd-ending
21 year. The biennial renewal fee shall be the sum of five
22 hundred dollars plus an additional one hundred dollars for
23 each location at which business is conducted, but shall not
24 exceed two thousand dollars. Fees for locations added after
25 the initial application shall be submitted with the quarterly
26 reports pursuant to section 533C.503, subsection 2.

27 3. If a licensee does not file a renewal report and pay
28 its renewal fee by ~~September~~ December 1 of an odd-ending year,
29 or any extension of time granted by the superintendent, the
30 superintendent may assess a late fee of one hundred dollars per
31 day.

32 Sec. 13. Section 533C.507, Code 2013, is amended by adding
33 the following new subsection:

34 NEW SUBSECTION. 7. The superintendent may receive
35 documents, materials, or other information, including otherwise

1 confidential and privileged documents, materials, or other
2 information, through a nationwide licensing system and from
3 other local, state, federal, or international regulatory
4 agencies, the conference of state bank supervisors and
5 its affiliates and subsidiaries, the national association
6 of consumer credit administrators and its affiliates and
7 subsidiaries, the money transmitter regulators association,
8 and any other regulator associations, and shall maintain as
9 confidential and privileged any such document, material, or
10 other information received with notice or the understanding
11 that it is confidential or privileged under the laws of the
12 jurisdiction that is the source of the document, material, or
13 other information.

14 Sec. 14. Section 533C.904, Code 2013, is amended by striking
15 the section and inserting in lieu thereof the following:

16 **533C.904 Applicability.**

17 This chapter applies to the provision of money services on or
18 after October 1, 2003.

19 Sec. 15. Section 533D.3, subsection 3, unnumbered paragraph
20 1, Code 2013, is amended to read as follows:

21 The application required by this section shall be submitted
22 with ~~both~~ of the following:

23 Sec. 16. Section 533D.3, subsection 6, Code 2013, is amended
24 to read as follows:

25 6. a. A license issued pursuant to this chapter shall
26 be conspicuously posted at the licensee's place of business.
27 A license shall remain in effect until the next succeeding
28 ~~May~~ January 1, unless earlier suspended or revoked by the
29 superintendent.

30 b. A license shall be renewed annually by filing with the
31 superintendent on or before ~~April~~ December 1 an application
32 for renewal containing such information as the superintendent
33 may require to indicate any material change in the information
34 contained in the original application or succeeding renewal
35 applications and a renewal fee of two hundred fifty dollars.

1 c. The superintendent may assess a late fee of ten dollars
2 per day for applications submitted and accepted for processing
3 after ~~April~~ December 1.

4 Sec. 17. Section 533D.3, Code 2013, is amended by adding the
5 following new subsections:

6 NEW SUBSECTION. 7. The superintendent may authorize
7 applicants and licensees to be licensed through a nationwide
8 licensing system and to pay the corresponding system processing
9 fees. The superintendent may establish by rule or order
10 new requirements as necessary, including but not limited to
11 requirements that applicants, including officers and directors
12 and those who have control of the applicant, submit to
13 fingerprinting and criminal history checks.

14 NEW SUBSECTION. 8. For the purposes of this section and in
15 order to reduce the points of contact which the federal bureau
16 of investigation may be required to maintain for purposes
17 of subsection 7, the superintendent may use the nationwide
18 licensing system as a channeling agent for requesting
19 information from and distributing information to the United
20 States department of justice or other governmental agency, or
21 to or from any other source so directed by the superintendent.

22 Sec. 18. Section 533D.11, Code 2013, is amended by adding
23 the following new subsection:

24 NEW SUBSECTION. 6. The superintendent may receive
25 documents, materials, or other information, including otherwise
26 confidential and privileged documents, materials, or other
27 information, through a nationwide licensing system and from
28 other local, state, federal, or international regulatory
29 agencies, the conference of state bank supervisors and
30 its affiliates and subsidiaries, the national association
31 of consumer credit administrators and its affiliates and
32 subsidiaries, and any other regulator association, and shall
33 maintain as confidential and privileged any such document,
34 material, or other information received with notice or the
35 understanding that it is confidential or privileged under the

1 laws of the jurisdiction that is the source of the document,
2 material, or other information.

3 Sec. 19. Section 535D.15, subsection 1, Code 2013, is
4 amended to read as follows:

5 1. Except as otherwise provided by this chapter, all papers,
6 documents, examination reports, and other writings relating to
7 the supervision of licensees are not public records and are not
8 subject to disclosure under chapter 22. Except as otherwise
9 provided in section 1512 of the federal Housing and Economic
10 Recovery Act of 2008, Pub. L. No. 110-289, the requirements
11 under any federal law or chapter 22 or 692 regarding the
12 privacy or confidentiality of any information or material
13 provided to the nationwide mortgage licensing system and
14 registry, and any privilege arising under federal or state law,
15 including the rules of any federal or state court, with respect
16 to such information or material, shall continue to apply to
17 such information or material after the information or material
18 has been disclosed to the nationwide mortgage licensing system
19 and registry. Such information and material may be shared
20 with any state or federal regulatory official with mortgage
21 industry oversight authority without the loss of privilege or
22 the loss of confidentiality protections provided by federal law
23 or chapter 22 or 692.

24 Sec. 20. Section 542B.14, subsection 1, paragraph a,
25 subparagraphs (2) and (4), Code 2013, are amended to read as
26 follows:

27 (2) Successfully passing a ~~written, oral, or written and~~
28 ~~oral~~ an examination in fundamental engineering subjects which
29 is designed to show the knowledge of general engineering
30 principles. A person passing the examination in fundamental
31 engineering subjects is entitled to a certificate as an
32 engineer intern.

33 (4) Successfully passing a ~~written, oral, or written and~~
34 ~~oral~~ an examination designed to determine the proficiency and
35 qualifications to engage in the practice of engineering. No

1 applicant shall be entitled to take this examination until
2 the applicant shows the necessary practical experience in
3 engineering work.

4 Sec. 21. Section 542B.14, subsection 1, paragraph b,
5 subparagraphs (2) and (4), Code 2013, are amended to read as
6 follows:

7 (2) Successfully passing ~~a written, oral, or written and~~
8 ~~oral~~ an examination in fundamental land surveying subjects
9 which is designed to show the knowledge of general land
10 surveying principles.

11 (4) Successfully passing ~~a written, oral, or written and~~
12 ~~oral~~ an examination designed to determine the proficiency and
13 qualifications to engage in the practice of land surveying.

14 No applicant shall be entitled to take this examination until
15 the applicant shows the necessary practical experience in land
16 surveying work.

17 Sec. 22. Section 542B.15, Code 2013, is amended to read as
18 follows:

19 **542B.15 Examinations — report required.**

20 Examinations for licensure shall be given as often as deemed
21 necessary by the board, but no less than one time per year. The
22 scope of the examinations and the methods of procedure shall be
23 prescribed by the board. Any ~~written~~ examination may be given
24 by representatives of the board. ~~All examinations in theory~~
25 ~~shall be in writing and the~~ The identity of the person taking
26 the examination shall be concealed until after the examination
27 ~~papers have~~ has been graded. ~~For examinations in practice,~~
28 ~~the identity of the person taking the examination shall also~~
29 ~~be concealed as far as possible.~~ As soon as practicable after
30 the close of each examination, a report shall be filed in the
31 office of the secretary of the board by the board. The report
32 shall show the action of the board upon each application and
33 the secretary of the board shall notify each applicant of the
34 result of the applicant's examination. Applicants who fail the
35 examination once shall be allowed to take the examination at

1 the next scheduled time. Thereafter, the applicant shall be
2 allowed to take the examination at the discretion of the board.
3 An applicant who has failed the examination may request in
4 writing information from the board concerning the applicant's
5 examination grade and subject areas or questions which the
6 applicant failed to answer correctly, except that if the board
7 administers a uniform, standardized examination, the board
8 shall only be required to provide the examination grade and
9 such other information concerning the applicant's examination
10 results which are available to the board.

11 Sec. 23. Section 543B.20, Code 2013, is amended to read as
12 follows:

13 **543B.20 ~~Written examination~~ Examination.**

14 Examinations for registration shall be given as often as
15 deemed necessary by the real estate commission, but no less
16 than one time per year. Each applicant for a license must
17 pass ~~a written~~ an examination authorized by the commission and
18 administered by the commission or persons designated by the
19 commission. The examination shall be of scope and wording
20 sufficient in the judgment of the commission to establish the
21 competency of the applicant to act as a real estate broker
22 or salesperson in a manner to protect the interests of the
23 public. An examination for a real estate broker shall be of a
24 more exacting nature than that for a real estate salesperson
25 and require higher standards of knowledge of real estate. All
26 ~~examinations in real estate theory shall be in writing and the~~
27 The identity of the persons taking the examinations shall be
28 concealed until after the examination ~~papers have~~ has been
29 graded. ~~For examinations in practice, the identity of the~~
30 ~~persons taking the examinations shall also be concealed as~~
31 ~~far as possible.~~ A person who fails to pass either written
32 examination once may immediately apply to take the next
33 available examination. Thereafter, the applicant may take the
34 examination at the discretion of the commission. An applicant
35 who has failed either examination may request in writing

1 information from the commission concerning the applicant's
2 examination grade and subject areas or questions which the
3 applicant failed to answer correctly, except that if the
4 commission administers a uniform, standardized examination, the
5 commission is only required to provide the examination grade
6 and other information concerning the applicant's examination
7 results which is available to the commission.

8 Sec. 24. Section 543D.4, Code 2013, is amended to read as
9 follows:

10 **543D.4 Iowa real estate appraiser board.**

11 A real estate appraiser examining board is established
12 within the professional licensing and regulation bureau of the
13 banking division of the department of commerce. The board
14 consists of seven members, two of whom shall be public members
15 and five of whom shall be certified real estate appraisers.

16 1. The governor shall appoint the members of the board who
17 are subject to confirmation by the senate. The governor may
18 remove a member for cause.

19 ~~2. Appointees shall possess or maintain at least those~~
20 ~~standards of ethics, education, and experience required by~~
21 ~~federal regulations.~~

22 ~~3. 2. Each real estate appraiser member of the board~~
23 ~~appointed after January 1, 1992, must be a certified real~~
24 ~~estate appraiser. A certified real estate appraiser member of~~
25 ~~the board shall be actively engaged in practice as a certified~~
26 ~~real estate appraiser and shall have been so engaged for five~~
27 ~~years preceding appointment, the last two of which shall have~~
28 ~~been in this state.~~ The governor shall attempt to represent
29 each class of certified appraisers in making the appointments.

30 ~~4. 3. The term of each member is three years; except that,~~
31 ~~of the members first appointed, two shall be appointed for~~
32 ~~two years and two shall be appointed for one year. Vacancies~~
33 ~~occurring during a term shall be filled by appointment by the~~
34 ~~governor for the unexpired term.~~

35 ~~5. 4. Upon expiration of their terms, members of the~~

1 board shall continue to hold office until the appointment and
2 qualification of their successors. A person shall not serve
3 as a member of the board for more than ~~two consecutive~~ three
4 terms, but appointment to fill an unexpired term shall not be
5 considered a complete term for this purpose.

6 ~~6.~~ 5. The public members of the board shall not engage in
7 the practice of real estate appraising.

8 ~~7.~~ 6. The board shall meet at least once each calendar
9 quarter to conduct its business.

10 ~~8.~~ 7. The members of the board shall elect a chairperson
11 from among the members to preside at board meetings.

12 ~~9.~~ 8. A quorum of the board is four members. ~~At least~~
13 ~~three of the four members shall be appraiser members.~~

14 9. Members of the board are entitled to receive a per diem
15 as specified in section 7E.6 for each day spent in performance
16 of duties as members and shall be reimbursed for all actual
17 and necessary expenses incurred in the performance of duties
18 as members.

19 Sec. 25. Section 543D.5, Code 2013, is amended to read as
20 follows:

21 **543D.5 Powers of the board.**

22 1. The board shall adopt rules establishing uniform
23 appraisal standards and appraiser certification requirements
24 and other rules necessary to administer and enforce this
25 chapter and its responsibilities under chapter 272C. The
26 board shall consider and may incorporate any standards
27 required or recommended by the appraisal foundation, or by a
28 ~~professional appraisal organization, or by a public authority~~
29 ~~or organization responsible to review appraisals or for~~
30 ~~the oversight of appraisers~~ federal agency with regulatory
31 authority over appraisal standards or the certification of
32 appraisers for federally related transactions.

33 2. The uniform appraisal standards shall meet all of the
34 following requirements:

35 a. Require compliance with federal law and appraisal

1 standards adopted by federal authorities as they apply to
2 federally ~~covered~~ related transactions. This paragraph does
3 not require that an appraiser invoke a jurisdictional exception
4 to the uniform standards of professional appraisal practice
5 in order to comply with federal law and appraisal standards
6 adopted by federal authorities as they apply to federally
7 ~~covered~~ related transactions, unless federal law requires that
8 the exception be invoked.

9 *b.* Develop standards for the scope of practice for certified
10 real estate appraisers.

11 *c.* Required compliance with the uniform standards of
12 professional appraisal practice in all appraisal assignments.

13 3. Appraiser certification requirements shall require a
14 demonstration that the applicant has a working knowledge of
15 current appraisal theories, practices, and techniques which
16 will provide a high degree of service and protection to members
17 of the public dealt with in a professional relationship under
18 authority of the certification. The board shall establish the
19 examination specifications for each category of certified real
20 estate appraiser, provide or procure appropriate examinations,
21 establish procedures for grading examinations, receive and
22 approve or disapprove applications for certification, and issue
23 certificates.

24 4. The board shall maintain a registry of the names and
25 ~~addresses~~ certificate numbers of appraisers certified under
26 this chapter ~~and retain records and application materials~~
27 ~~submitted to the board~~ and the names and registration numbers
28 of associate appraisers registered under this chapter.

29 Sec. 26. Section 543D.8, unnumbered paragraph 1, Code 2013,
30 is amended to read as follows:

31 An original certification as a certified real estate
32 appraiser shall not be issued to a person who has not
33 demonstrated through a ~~written~~ an examination that the person
34 possesses the following knowledge and understanding:

35 Sec. 27. Section 543D.16, subsection 2, Code 2013, is

1 amended to read as follows:

2 2. The basic continuing education requirement for renewal
3 of certification shall be the completion, before June 30 of
4 the year in which the appraiser's certificate expires, of the
5 number of hours of instruction required by the board in courses
6 or seminars which have received the preapproval of the board.
7 ~~Instructional hours by correspondence and home study courses~~
8 ~~claimed by an appraiser shall not exceed fifty percent of the~~
9 ~~required hours of instruction necessary for renewal.~~

10 Sec. 28. NEW SECTION. 543D.22 **Criminal background checks.**

11 1. The board may require a national criminal history check
12 through the federal bureau of investigation for applicants
13 for certification or registration, or for persons certified
14 or registered, under this chapter if needed to comply with
15 federal law or regulation, or the policies of the appraisal
16 qualification board of the appraisal foundation.

17 2. The board may require applicants, certificate holders,
18 or registrants to provide a full set of fingerprints, in a
19 form and manner prescribed by the board. Such fingerprints,
20 if required, shall be submitted to the federal bureau of
21 investigation through the state criminal history repository for
22 purposes of the national criminal history check.

23 3. The board may also request and obtain, notwithstanding
24 section 692.2, subsection 5, criminal history data for
25 applicants, certificate holders, and registrants. A request
26 for criminal history data shall be submitted to the department
27 of public safety, division of criminal investigation, pursuant
28 to section 692.2, subsection 1.

29 4. The board shall inform the applicant, certificate
30 holder, or registrant of the requirement of a national criminal
31 history check or request for criminal history data and obtain
32 a signed waiver from the applicant, certificate holder, or
33 registrant prior to requesting the check or data.

34 5. The board may, in addition to any other fees, charge
35 and collect such amounts as may be incurred by the board, the

1 department of public safety, or federal bureau of investigation
2 in obtaining criminal history information. Amounts collected
3 shall be considered repayment receipts as defined in section
4 8.2, subsection 8.

5 6. Criminal history data and other criminal history
6 information relating to an applicant, certificate holder, or
7 registrant obtained by the board pursuant to this section is
8 confidential. Such information may, however, be used by the
9 board in a certificate or registration denial or disciplinary
10 proceeding.

11 Sec. 29. Section 544A.21, Code 2013, is amended by striking
12 the section and inserting in lieu thereof the following:

13 **544A.21 Practice by business entities.**

14 The board shall adopt rules to govern the practice of
15 architecture through business entities to protect the public
16 from misleading and deceptive advertising and to guard against
17 the unlicensed practice of architecture.

18 Sec. 30. LICENSE EXPIRATION DATES — TRANSITION
19 PROVISIONS. A license which would otherwise expire on or
20 before the effective date of this Act pursuant to Code sections
21 533A.4 and 533D.3 shall remain in full force and effect until
22 December 31, 2013, or January 1, 2014, as applicable.

23 EXPLANATION

24 This bill relates to matters under the purview of the banking
25 division of the department of commerce.

26 The bill amends provisions which currently prohibit a
27 depository, defined as a bank or credit union in which public
28 funds are deposited, from directly or indirectly paying
29 interest to a public officer on a demand deposit of public
30 funds, and prohibit a public officer from taking or receiving
31 interest. The bill provides that a depository may pay interest
32 to a public officer on deposits of public funds, and a public
33 officer may take or receive it. The bill deletes a provision
34 that the previous prohibition did not apply to interest on time
35 certificates of deposit or savings accounts for public funds.

1 The bill deletes a provision characterizing a borrowing
2 group, for purposes of loans and extensions of credit by a
3 state bank, as including a person and any legal entity where
4 the interests of a group of more than one borrower, or any
5 combination of the members of the group, are so interrelated
6 that they should be considered a unit for the purpose of
7 applying lending limit limitations.

8 The bill makes several similar modifications throughout
9 Code chapters 533A (relating to engaging in the business of
10 debt management), 533C (relating to engaging in the business
11 of money transmission and engaging in the business of currency
12 exchange), and 533D (relating to engaging in a delayed deposit
13 service business). The bill provides that the superintendent
14 of banking may authorize applicants and licensees to be
15 licensed through a nationwide licensing system and to pay
16 the corresponding system processing fees, and that the
17 superintendent may establish by rule or order new requirements
18 including but not limited to requirements that applicants,
19 including officers and directors and those who have control of
20 the applicant, submit to fingerprinting and criminal history
21 checks. The bill states that in order to reduce the points of
22 contact which the federal bureau of investigation may have to
23 maintain the superintendent may use the nationwide licensing
24 system as a channeling agent for requesting information from
25 and distributing information to the United States department of
26 justice or other governmental agency, or to or from any other
27 source so directed by the superintendent.

28 Also, with reference to Code chapters 533A, 533C, and
29 533D, the bill provides that the superintendent may receive
30 documents, materials, or other information, including otherwise
31 confidential and privileged documents, materials, or other
32 information, through a nationwide licensing system and from
33 other local, state, federal, or international regulatory
34 agencies, the conference of state bank supervisors and
35 its affiliates and subsidiaries, the national association

1 of consumer credit administrators and its affiliates and
2 subsidiaries, and any other regulator associations, and shall
3 maintain as confidential and privileged any such document,
4 material, or other information received with notice or the
5 understanding that it is confidential or privileged under the
6 laws of the jurisdiction that is the source of the document,
7 material, or other information.

8 Additionally, with reference to Code chapters 533A, 533C,
9 and 533D, the bill makes licensure expiration and renewal dates
10 consistent as December 1 for renewal and either December 31 or
11 January 1 (in the case of a delayed deposit services business)
12 for expiration.

13 The bill provides transition provisions specifying that
14 licenses which would otherwise have expired on or before the
15 bill's effective date of July 1, 2013, shall remain in full
16 force and effect until the expiration date as modified by the
17 bill.

18 The bill deletes outdated references to licensure under Code
19 chapter 533B, Code 2003, and related transition provisions,
20 contained in Code section 533C.904.

21 The bill adds to confidentiality provisions relating to the
22 mortgage licensing Act contained in Code section 535D.15. The
23 bill states that, except as otherwise provided by the Code
24 chapter, all papers, documents, examination reports, and other
25 writings relating to the supervision of licensees are not
26 public records and are not subject to disclosure under Code
27 chapter 22.

28 The bill changes the requirements for the five real estate
29 appraiser members of the Iowa real estate appraiser board
30 to require that they be actively engaged in practice as a
31 certified real estate appraiser and shall have been so engaged
32 for five years preceding their appointment, with at least
33 the last two years in this state. The bill makes conforming
34 changes consistent with this modification, and provides
35 that vacancies occurring during a term shall be filled by

1 appointment by the governor for the unexpired term. The
2 bill permits a member to serve for three consecutive terms,
3 an increase from the current limit of two such terms, and
4 states that appointment to fill an unexpired term shall not
5 be considered a complete term for this purpose. The bill
6 authorizes members to be eligible for per diem and actual and
7 necessary expenses. Further, the bill modifies provisions
8 which had previously stated that the board shall consider and
9 may incorporate any standards recommended by the appraisal
10 foundation, or by a professional appraisal organization, or
11 by a public authority or organization responsible to review
12 appraisals or for the oversight of appraisers. This provision
13 is modified to refer to consideration and incorporation of any
14 standards required or recommended by the appraisal foundation
15 or by a federal agency with regulatory authority over appraisal
16 standards or the certification of appraisers for federally
17 related transactions.

18 The bill provides that uniform appraisal standards shall,
19 in addition to the current requirements, require compliance
20 with the uniform standards of professional appraisal practice
21 in all appraisal assignments. The bill also provides that the
22 board shall maintain a registry of the names and certificate
23 numbers, instead of addresses, of certified appraisers and
24 the names and registration numbers of registered associate
25 appraisers. The bill deletes a provision, with reference
26 to continuing education requirements, that instructional
27 hours by correspondence and home study courses claimed by an
28 appraiser shall not exceed 50 percent of the required hours of
29 instruction necessary for renewal.

30 Again with reference to real estate appraisers, the bill
31 adds provisions relating to criminal background checks.
32 The bill states that the board is authorized to require a
33 national criminal history check through the federal bureau
34 of investigation for applicants, certificate holders, or
35 registrants if needed to comply with federal law or regulation,

1 or the policies of the appraisal qualification board of the
2 appraisal foundation. The bill states that the board is also
3 authorized to request and obtain state criminal history data
4 for applicants, certificate holders, and registrants. The
5 bill specifies that a request for criminal history data shall
6 be submitted to the department of public safety, division
7 of criminal investigation, pursuant to Code section 692.2,
8 subsection 1. The bill authorizes the board, in addition to
9 any other fees, to charge and collect such amounts as may
10 be incurred by the board, the department of public safety,
11 or federal bureau of investigation, in obtaining criminal
12 history information. The board shall inform the applicant,
13 certificate holder, or registrant of the requirement of a
14 national criminal history check or request for criminal history
15 data and obtain a signed waiver from the applicant, certificate
16 holder, or registrant prior to requesting the check or data.
17 Additionally, the bill specifies that criminal history data and
18 other criminal history information relating to an applicant,
19 certificate holder, or registrant obtained by the board is
20 confidential but may be used by the board in a certificate or
21 registration denial or disciplinary proceeding.

22 The bill deletes references to a "written" or "oral"
23 examination in relation to engineering, land surveying, real
24 estate broker and salesperson, and real estate appraiser
25 licensing examinations in favor of the nonspecific reference
26 to "examinations".

27 Finally, the bill deletes current detailed provisions
28 contained in Code section 544A.21 imposing requirements
29 relating to the practice of architecture through business
30 entities to protect the public from misleading and deceptive
31 advertising and to guard against the unlicensed practice of
32 architecture. The provisions are replaced with the statement
33 that the board shall adopt rules regarding the practice of
34 architecture through business entities.