

**House File 627 - Introduced**

HOUSE FILE 627

BY LOHSE

**A BILL FOR**

1 An Act relating to interchange fees charged by card issuers.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 537.2701 Interchange fees.

2 A card issuer may charge an interchange fee in conjunction  
3 with a transaction pursuant to a credit card that is a  
4 percentage of the total value of the goods or services  
5 purchased by a cardholder, excluding taxes, plus all amounts  
6 paid by the cardholder pursuant to chapter 455C. For purposes  
7 of this section, "interchange fee" means any fee established,  
8 charged, or received by a card issuer for the purpose of  
9 compensating the card issuer for its involvement in the  
10 transaction pursuant to a credit card.

11 EXPLANATION

12 The inclusion of this explanation does not constitute agreement with  
13 the explanation's substance by the members of the general assembly.

14 This bill relates to interchange fees charged by card  
15 issuers. The bill authorizes a card issuer to charge an  
16 interchange fee in conjunction with a transaction pursuant  
17 to a credit card that is a percentage of the total value of  
18 the goods or services purchased by a cardholder, excluding  
19 taxes, plus all amounts paid by the cardholder pursuant to  
20 Code chapter 455C (beverage containers control). The bill  
21 defines "interchange fee" as any fee established, charged, or  
22 received by a card issuer for the purpose of compensating the  
23 card issuer for its involvement in the transaction pursuant to  
24 a credit card.