

**House Study Bill 584 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON COMMERCE BILL BY  
CHAIRPERSON LUNDGREN)

**A BILL FOR**

1 An Act relating to points and fees charged on loans by mortgage  
2 bankers.

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

1 Section 1. Section 535.8, subsection 2, Code 2024, is  
2 amended to read as follows:

3 2. If a lender that is a financial institution as defined  
4 in [section 537.1301](#) makes a loan in which the points and fees  
5 the borrower is charged by all lenders in connection with  
6 the loan do not exceed the amounts specified in 12 C.F.R.  
7 §1026.43(e)(3), the loan shall not be subject to the provisions  
8 of [subsection 4](#), paragraphs "a", "b", and "d", or [subsection 5](#).  
9 If a lender that is a mortgage banker licensed under section  
10 535B.5 or registered under [section 535B.3](#) makes a loan in which  
11 the points and fees the borrower is charged by all lenders in  
12 connection with the loan do not exceed the amounts specified  
13 in [12 C.F.R. §1026.43\(e\)\(3\)](#), the loan shall not be subject to  
14 the provisions of subsection 4, paragraph "a", or subsection  
15 [5](#). [This subsection](#) applies to the financial institution lender  
16 that originates the loan and to subsequent purchasers of the  
17 loan originated by the financial institution.

18

EXPLANATION

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

21 This bill relates to points and fees charged on loans by  
22 mortgage bankers. Under current law, if a lender that is a  
23 mortgage banker makes a loan in which the points and fees  
24 the borrower is charged by all lenders in connection with  
25 the loan do not exceed the amounts specified in 12 C.F.R.  
26 §1026.43(e)(3), the loan shall not be subject to the provisions  
27 of Code section 535.8(5). Under the bill, the loan shall also  
28 not be subject to Code section 535.8(4)(a).