

**House File 2464 - Reprinted**

HOUSE FILE 2464  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 671)

(As Amended and Passed by the House February 20, 2024)

**A BILL FOR**

1 An Act relating to government records of firearms, and payment  
2 card transactions involving firearms and ammunition, and  
3 providing civil penalties.

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

1 Section 1. NEW SECTION. 554H.1 Definitions.

2 1. "*Ammunition*" means the same as defined in section 683.1.

3 2. "*Assign*" or "*assignment*" means a financial institution's  
4 policy, process, or practice that labels, links, or otherwise  
5 associates a firearms code with a merchant or a payment card  
6 transaction in a manner that allows the financial institution,  
7 or other entity facilitating or processing the payment card  
8 transaction, to identify whether a merchant is a firearms  
9 retailer or whether a transaction involves the sale of firearms  
10 or ammunition.

11 3. "*Customer*" means a person engaged in a payment  
12 card transaction facilitated or processed by a financial  
13 institution.

14 4. "*Financial institution*" means a person other than a  
15 merchant involved in facilitating or processing a payment card  
16 transaction, including but not limited to any bank incorporated  
17 under the provisions of any state or federal law, an acquirer,  
18 a payment card issuer, a payment card network, a payment  
19 gateway, or a payment card processor.

20 5. "*Firearm*" means any weapon that is capable of expelling,  
21 designed to expel, or that may readily be converted to expel  
22 ammunition, and includes a firearm component or accessory.

23 6. "*Firearms code*" means a merchant category code approved  
24 by the international organization for standardization  
25 specifically for firearms retailers.

26 7. "*Firearms retailer*" means a person physically located  
27 within the state who engages in the lawful selling or trading  
28 of firearms or ammunition.

29 8. "*Government entity*" means the state, any political  
30 subdivision of the state, or any court, agency, or  
31 instrumentality of the state. "*Government entity*" includes a  
32 government official or an agent or employee of a government  
33 entity.

34 9. a. "*Payment card*" means any card that is issued pursuant  
35 to an agreement or arrangement that provides for all of the

1 following:

2 (1) One or more issuers of the payment card.

3 (2) A network of persons unrelated to each other and to the  
4 issuer who agree to accept a payment card as payment.

5 (3) Standards and mechanisms for settling the transactions  
6 between the merchandise-acquiring person and the merchant that  
7 agrees to accept the payment card as payment.

8 *b. "Payment card"* includes credit cards, debit cards,  
9 stored-value cards including gift cards, and payment through  
10 any distinctive marks of a payment card including a credit card  
11 number. The acceptance as payment of any account number or  
12 other indicia associated with a payment card shall be treated  
13 in the same manner as accepting the payment card as payment.

14 10. *"Payment card transaction"* means any transaction in  
15 which a payment card is accepted as payment.

16 Sec. 2. NEW SECTION. 554H.2 **Government entities — firearm**  
17 **registry or record.**

18 Except for records kept during the regular course of a  
19 criminal investigation, a criminal prosecution, any court case,  
20 or as otherwise required by law, a government entity shall not  
21 knowingly keep or cause to be kept a record or registry of  
22 privately owned firearms or of the owners of privately owned  
23 firearms.

24 Sec. 3. NEW SECTION. 554H.3 **Financial institutions.**

25 1. A financial institution or agent of a financial  
26 institution shall not do any of the following:

27 *a.* Require the assignment of a firearms code in a manner  
28 that distinguishes a firearms retailer from other retailers.

29 *b.* Subject to subsection 2, decline a payment card  
30 transaction involving a firearms retailer based solely on  
31 the acquirer's assignment of a firearms code to the firearms  
32 retailer.

33 2. This section shall not be construed to prohibit a  
34 financial institution from declining or otherwise refusing to  
35 process a payment card transaction for any of the following

1 reasons:

2     *a.* If necessary to comply with applicable state or federal  
3 laws.

4     *b.* If requested by a customer.

5     *c.* If necessary due to fraud controls.

6     *d.* For purposes of merchant category exclusions offered by  
7 a financial institution for expenditure control or corporate  
8 card control.

9     3. This section shall not be construed to limit the  
10 authority of a financial institution to negotiate with  
11 responsible parties, or to otherwise impair a financial  
12 institution's actions related to dispute processing, fraud or  
13 compliance management, protection from illegal or suspicious  
14 activities, breach, cyber risks, or from taking any action that  
15 restricts the use or availability of the firearms code in the  
16 state.

17     Sec. 4. NEW SECTION. 554H.4 Enforcement — penalties.

18     1. The attorney general shall investigate reasonable  
19 alleged violations of this chapter. If the attorney general  
20 has reasonable belief that a person is in violation of this  
21 chapter, the attorney general shall provide written notice to  
22 the person determined to have committed the violation.

23     2. Upon receipt of notice of a violation under subsection  
24 1, the person shall have ninety calendar days to cease the  
25 violation.

26     3. If the violation persists after the expiration of the  
27 ninety-day period under subsection 2, the attorney general has  
28 the sole authority to bring civil action in district court to  
29 enjoin further violations by a person found to be in violation  
30 of this chapter, in addition to other remedies permitted by  
31 law.

32     4. If a person knowingly or willfully fails to comply  
33 with an injunction issued under subsection 3, after thirty  
34 calendar days of the date the person is served with the  
35 injunction, the attorney general may petition the district

1 court to impose civil penalties in an amount not to exceed one  
2 thousand dollars per violation, taking into consideration the  
3 financial resources of the violator and the harm or risk of  
4 harm to the violator's rights under the second amendment to the  
5 Constitution of the United States and Article I, section 1A,  
6 of the Constitution of the State of Iowa resulting from the  
7 violation.

8 5. It shall be a defense to a proceeding initiated pursuant  
9 to this section that a firearms code was required to be  
10 disclosed or assigned by law.