

Sec. 27. Chapter 185A, Code 2005, is repealed.

Sec. 28. Sections 185.10 and 185.25A, Code 2005, are repealed.

Sec. 29. TRANSITIONAL PROVISIONS.

1. a. The secretary of agriculture shall establish a transitional Iowa soybean association board of directors by appointing initial directors to the board. The directors shall take office as soon as possible after the effective date of this Act. The initial directors shall serve until the first directors are elected pursuant to this section. The board shall administer the provisions of this chapter in the same manner as a board constituted pursuant to section 185.3. The initial directors are not required to post a bond as provided in section 185.30.

b. On or before July 15 following the enactment of this Act, the Iowa soybean association shall appoint a nominating committee. On or before July 30 following the enactment of this Act, the nominating committee shall nominate two producers as candidates for each position as director on the board. Additional candidates may be nominated by written petition. The petition must include the signatures of at least one hundred producers. The petition must be delivered to the initial board on or before August 15 following the enactment of this Act. The procedure governing the place and filing of contents of the petition shall be widely publicized by the Iowa soybean association.

c. The election shall be conducted in conformance with section 185.3, as amended by this Act. Producers shall vote by ballot for the directors of the board on or before August 31 following the enactment of this Act. The secretary of agriculture shall canvass the ballots and announce the elected directors on or before September 15 following the enactment of this Act. The elected directors shall as soon as possible conduct an organizational meeting at which meeting the terms of the initial directors shall cease.

2. a. Any agreement made by the Iowa soybean promotion board prior to the effective date of this Act shall continue in full force and effect until it expires by its terms or is amended, terminated, or supplemented by the affirmative action of the Iowa soybean association board.

b. Any rule, regulation, form, order, or directive adopted or promulgated by the Iowa soybean promotion board or the department of agriculture and land stewardship on behalf of the board which is in effect on the effective date of this Act shall continue in full force and effect until amended, repealed, or supplemented by the affirmative action of the Iowa soybean association board or the department of agriculture and land stewardship.

Approved April 29, 2005

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## CHAPTER 83

### REGISTRATION AND LICENSING OF MORTGAGE BANKERS AND BROKERS

*H.F. 737*

**AN ACT** relating to the registration and licensing of mortgage bankers and brokers, providing for fees, and providing an effective date.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 535B.1, Code 2005, is amended by adding the following new subsection:  
**NEW SUBSECTION.** 2A. "Individual registrant" means a natural person who is registered or who is required to be registered under section 535B.4A.

Sec. 2. Section 535B.1, subsection 4, Code 2005, is amended to read as follows:

4. "Mortgage banker" means a person who does one or more of the following:
  - a. Makes at least four first mortgage loans on residential real property located in this state in a calendar year.
  - b. Originates at least four first mortgage loans on residential real property located in this state in a calendar year and sells four or more such loans in the secondary market.
  - c. Services at least four first mortgage loans on residential real property located in this state. However, a natural person, who services less than fifteen first mortgage loans on residential real estate within the state and who does not sell or transfer first mortgage loans, is exempt from this paragraph if that person is otherwise exempt from the provisions of this chapter.

"Mortgage banker" does not include a person whose job responsibilities on behalf of a licensee or individual registrant are to process mortgage loans, are solely clerical in nature, or otherwise do not involve direct contact with loan applicants.

Sec. 3. Section 535B.1, subsection 5, Code 2005, is amended to read as follows:

5. "Mortgage broker" means a person who arranges or negotiates, or attempts to arrange or negotiate, at least four first mortgage loans or commitments for four or more such loans on residential real property located in this state in a calendar year. "Mortgage broker" does not include a person whose job responsibilities on behalf of a licensee or individual registrant are to process mortgage loans, are solely clerical in nature, or otherwise do not involve direct contact with loan applicants.

Sec. 4. Section 535B.2, Code 2005, is amended to read as follows:

535B.2 EXEMPTIONS.

This chapter, except for sections 535B.3, 535B.11, 535B.12, and 535B.13, does not apply to any of the following:

1. A national bank, bank holding company, savings bank, savings and loan association, or credit union organized under the laws of this state, another state, or the United States, or a subsidiary or affiliate of such a bank, bank holding company, savings bank, savings and loan association, or credit union.
2. A federally chartered savings and loan association.
3. A federally chartered savings bank.
4. A federally chartered credit union.
5. 2. A loan company licensed under chapter 536 or 536A.
6. A bank organized under chapter 524.
7. A savings and loan association or savings bank organized under chapter 534.
8. A credit union organized under chapter 533.
9. 3. An insurance company or a subsidiary or affiliate of an insurance company organized under the laws of this state, another state, or the United States, and subject to regulation by the commissioner of insurance.
10. A wholly owned subsidiary of an organization listed in subsections 1 through 9 if the listed organization has its principal place of business in Iowa.
11. A bank, savings and loan association, credit union, or insurance company organized or chartered under the laws of any other state, provided the financial institution or insurance company has a place of business in Iowa or in a county of another state if that county is contiguous to an Iowa border.
12. 4. Mortgage lenders or mortgage bankers maintaining an office in this state whose principal business in this state is conducted with or through mortgage lenders or mortgage bankers otherwise exempt under this section and which maintain a place of business in this state.
5. An insurance producer licensed under chapter 522B.
6. An individual who is employed by a person otherwise exempt under this section, or who is under an exclusive contract with a person otherwise exempt under this section to the extent that the individual is acting within the scope of the individual's employment or exclusive contract with the exempt person and is acting within the scope of the exempt person's charter, license, authority, approval, or certificate.

7. A real estate broker licensed under chapter 543B.

~~13. 8.~~ A nonprofit organization qualifying for tax-exempt status under the Internal Revenue Code as defined in section 422.3 which offers housing services to low and moderate income families.

Sec. 5. Section 535B.3, subsections 1 and 3, Code 2005, are amended to read as follows:

1. A person exempt under section 535B.2, subsection ~~10, 11, 12, or 13~~ 4 or 8, shall register with the administrator.
3. The registrant, except a nonprofit organization exempt under section 535B.2, subsection ~~13~~ 8, shall pay an annual registration fee of one hundred dollars.

Sec. 6. NEW SECTION. 535B.4A INDIVIDUAL REGISTRATION REQUIREMENTS — FEES.

1. A natural person who is a mortgage banker or mortgage broker and who is employed by, under contract with, or is an agent of a licensee under section 535B.4 shall register annually with the administrator. The administrator shall collect registration fees necessary to cover the costs associated with the annual registrations made pursuant to this section.

2. An individual registrant who registers pursuant to this section for the first time shall submit to a criminal background check prior to being registered. The administrator shall collect fees necessary to cover the costs associated with criminal background checks conducted pursuant to this section.

3. A person shall not be eligible for licensing pursuant to section 535B.4 unless all individual registrants employed by, under contract with, or who are agents of the person have successfully completed the registration and criminal background check required by this section.

4. The registration of an individual registrant pursuant to this section is not assignable.

5. The registration of an individual registrant pursuant to this section expires on June 30 following the date of registration.

6. An individual registrant who fails to comply with the requirements of section 535B.9A shall not be registered or the registration of the individual registrant may be suspended or revoked by the administrator.

Sec. 7. Section 535B.9, subsection 1, Code 2005, is amended to read as follows:

1. An applicant for a license shall file with the administrator a bond furnished by a surety company authorized to do business in this state. The bond shall be in the amount of ~~fifteen~~ twenty-five thousand dollars for an applicant seeking to transact business solely as a mortgage broker, or ~~thirty~~ fifty thousand dollars for an applicant seeking to transact business as a mortgage banker. The bond shall be continuous in nature until canceled by the surety with not less than thirty days' notice in writing to the mortgage broker or mortgage banker and to the administrator indicating the surety's intention to cancel the bond on a specific date. The bond shall be for the use of the state and any persons who may have causes of action against the applicant. The bond shall be conditioned upon the applicant's faithfully conforming to and abiding by this chapter and any rules adopted under this chapter and shall require that the surety pay to the state and to any persons all moneys that become due or owing to the state and to the persons from the applicant by virtue of this chapter.

Sec. 8. NEW SECTION. 535B.9A CONTINUING EDUCATION REQUIREMENTS.

1. All individual registrants shall complete twelve hours of continuing education or training each year. The administrator shall establish an annual deadline for the completion of such continuing education or training.

2. Continuing education or training shall not be offered to individual registrants until the curriculum of the continuing education or training has been approved by the administrator.

3. Each individual registrant shall annually provide the administrator with proof of the individual registrant's compliance with the requirements of this section.

Sec. 9. Section 558.70, subsection 4, Code 2005, is amended to read as follows:

4. This section applies to a contract seller who entered into four or more residential real estate contracts in the three hundred sixty-five days previous to the contract seller signing the contract disclosure statement. For purposes of this subsection, two or more entities sharing a common owner or manager are considered a single contract seller. This section does not apply to an organization listed in section 535B.2, subsections 1 through 7.

Sec. 10. EFFECTIVE DATE. The provisions of this Act take effect July 1, 2006.

Approved April 29, 2005

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## CHAPTER 84

### THEFT — LEASED OR RENTED PERSONAL PROPERTY

H.F. 745

**AN ACT** relating to the criminal offense of theft of leased or rented personal property and making penalties applicable.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 714.1, subsection 2, Code 2005, is amended to read as follows:

2. Misappropriates property which the person has in trust, or property of another which the person has in the person's possession or control, whether such possession or control is lawful or unlawful, by using or disposing of it in a manner which is inconsistent with or a denial of the trust or of the owner's rights in such property, or conceals found property, or appropriates such property to the person's own use, when the owner of such property is known to the person.

a. Failure by a bailee or lessee of personal property to return the property within seventy-two hours after a time specified in a written agreement of lease or bailment shall be evidence of misappropriation.

b. If a time is not specified in the written agreement of lease or bailment for the expiration or termination of the lease or bailment or for the return of the personal property, failure by a lessee or bailee to return the property within five days after proper notice to the lessee or bailee shall be evidence of misappropriation. For the purposes of this paragraph, "proper notice" means a written notice of the expiration or termination of the lease or bailment agreement sent to the lessee or bailee by certified or restricted certified mail at the address of the lessee or bailee specified in the agreement. The notice shall be considered effective on the date of the mailing of the notice regardless of whether or not the lessee or bailee signs a receipt for the notice.

Approved April 29, 2005