

ployees of the sanitary district and the amount of bond to be filed by the treasurer of the district and by any employee for whom the board may require bond. The members of the board of trustees shall receive a per diem of ~~forty~~ one hundred dollars for attendance at a meeting of the board or while otherwise engaged in official duties, but the total per diem for each member shall not exceed two thousand four hundred dollars for a fiscal year. However, the board of trustees, by resolution, may establish for its members a lower rate of pay than is fixed by this section. The members of the board shall also be reimbursed for their travel and other necessary expenses incurred in performing their official duties. Travel expenses are reimbursable at the rate specified in section 70A.9.

Approved April 11, 2006

CHAPTER 1039

DEBT CANCELLATION COVERAGE — BANKS AND CREDIT UNIONS

S.F. 2275

AN ACT relating to debt cancellation coverage offered by banks and credit unions.

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

Section 1. Section 524.913, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Notwithstanding subsection 1, a state bank may offer voluntary debt cancellation coverage, whether insurance or debt waiver, to consumers. The amount charged for the coverage shall be included in the amount financed, as defined in section 537.1301. However, the charge for such coverage may be excluded from the finance charge under the federal Truth in Lending Act as defined in section 537.1302.

Sec. 2. Section 533.16, subsection 9, Code 2005, is amended to read as follows:

9. a. The provisions of the Iowa consumer credit code, chapter 537, shall apply to consumer loans made by a credit union, and a provision of that code shall supersede any conflicting provision of this chapter with respect to a consumer loan.

b. Notwithstanding paragraph "a", a credit union may offer voluntary debt cancellation coverage, whether insurance or debt waiver, to members. The amount charged for the coverage shall be included in the amount financed, as defined in section 537.1301. However, the charge for such coverage may be excluded from the finance charge under the federal Truth in Lending Act as defined in section 537.1302.

Approved April 11, 2006