

JAN 25 2005

COMMERCE, REGULATION & LABOR

HOUSE FILE 135

BY VAN ENGELENHOVEN

Passed House, Date _____ Passed Senate, Date _____
 Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
 Approved _____

A BILL FOR

1 An Act relating to the disclosure of the annual percentage rate
 2 for a delayed deposit service transaction.

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

HF 135

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1 Section 1. Section 533D.9, Code 2005, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 4. In addition to the requirements of
4 subsection 2, a licensee shall disclose the corresponding
5 annual percentage rate for the delayed deposit service
6 transaction on all documents related to the transaction.

7 EXPLANATION

8 This bill requires a delayed deposit services licensee to
9 provide the corresponding annual percentage rate on all
10 documents related to a delayed deposit service transaction,
11 commonly called a "payday loan". The requirement of the bill
12 is in addition to existing requirements for a licensee to
13 disclose generally in writing to the borrower the annual
14 percentage rate on the first \$100 of the face amount of the
15 check and the annual percentage rate on subsequent \$100
16 increments borrowed, if different.

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