

HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 857	House Committee:	PASSED 3/4/25 (23-0)
Committee:	Commerce	House Floor:	PASSED 3/19/25 (96-0)
Floor Manager:	Rep. Carter Nordman	Senate Floor:	PASSED 4/9/25 (47-0)
Date:	April 18, 2025	Governor:	SIGNED 4/18/25
Staff:	Natalie Ginty (5-2063)		

Trigger Leads

- This bill prohibits financial institutions from using an unfair or deceptive practice when using prescreened mortgage trigger lead information from another financial institution.

Section by Section Analysis

Section 1 (Iowa Code 525.1) – New Section

Defines “consumer report”, “financial institution”, and “mortgage trigger lead”.

“Mortgage trigger lead” means a consumer report where the issuance of the consumer report is triggered by an inquiry made with a consumer reporting agency in response to an application for credit secured by real property.

Prohibits a financial institution from using an unfair or deceptive practice when using prescreened mortgage trigger lead information to solicit a consumer who applied for a loan with a different financial institution. It is an unfair or deceptive practice if the financial institution:

- Fails to clearly state it is not affiliated with the financial institution to which the consumer applied
- Does not conform to prescreened solicitations
- Contacts individuals on the do-not-call registry
- Solicits a consumer on certain rates and then changes those rates

A violation of this law is an unlawful practice.

Section 2 (Iowa Code 714.16)

Adds a violation of section 1 to the unlawful practice law.