



## HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	Senate File 398	House Committee:	<b>PASSED 2/18/25 (22-0)</b>
Committee:	Commerce	House Floor:	<b>PASSED 4/17/25 (93-0)</b>
Floor Manager:	Rep. Carter Nordman	Senate Floor:	<b>PASSED 3/26/25 (47-0)</b>
Date:	April 15, 2025		<b>PASSED 4/28/25 (49-0)</b>
Staff:	Natalie Ginty (5-2063)	Governor:	<b>SIGNED 5/6/25</b>

### Consumer Loans

- This bill mirrors the law in place in the Money and Interest statute to the Consumer Loan code section that offer federally qualified mortgages with non-bank mortgage lenders limitations on fees charged to borrowers.
- This bill aligns Iowa with over 40 states that do not restrict lenders from charging discount points and points on junior mortgages.

### Section by Section Analysis

#### Section 1 (Iowa Code 537.2501)

Allows creditors of mortgages to receive discount points for a lower interest rate.

#### Section 2 (Iowa Code 537.2501)

Allows lenders to charge discount points and fees on consumer loans.