

IOWA ADMINISTRATIVE CODE

IAC 4/28/93

Banking Division[187]

Analysis, p. 1

Created within the Department of Commerce by 1986 Iowa Acts, chapter 1245. Prior to 4/22/87, for Chs 1 to 15 see Banking Department[140] Chs 1 to 4, 8, 9 and 21; for Ch 16 see Auditor of State[130], Ch 1.

CHAPTER 2 APPLICATION PROCEDURES

187—2.9(17A) Licensing of a debt management company.

2.9(1) Application. Persons desiring to secure a license to operate a debt management company should contact the superintendent for the proper application and related forms for completion and subsequent submission to the superintendent.

2.9(2) Investigation. The superintendent may conduct such investigation as deemed necessary. Matters investigated include:

- a. The character, fitness, financial responsibility and experience of the applicant.
- b. A determination that applicant has not been convicted of a felony or a misdemeanor involving moral turpitude or had a record of defaulting in payment of money collected for others, including discharge of such debts through bankruptcy proceedings.
- c. A review of a current credit report to be submitted directly to the superintendent at the cost of the applicant.

2.9(3) Approval or denial. The superintendent will notify the license applicant of the decision by mail within 60 days from the filing of the completed application and related forms.

2.9(4) Exemptions. A debt management company may be exempted from licensure if it is a nonprofit religious, fraternal, or cooperative organization, including a credit union. The services provided by such a company must be gratuitous, meaning that the service is provided without charge or the imposition of a fee of any kind. The company may request donations, but that request must clearly indicate that the donations are voluntary and are not a requirement or condition for providing the debt management service. A donation shall be outside of the transaction, meaning that a donation shall not be deducted from a payment to a creditor or billed to a creditor.

This rule is intended to implement Iowa Code sections 533A.2(1)"f" and 533A.3.

DISCLAIMER

The preceding copy of administrative rules applicable to Iowa Code Chapter 533A, DEBT MANAGEMENT, is being distributed by the Iowa Division of Banking with the understanding that the information contained herein has not been certified as legally acceptable for citation of any particular statute, law, or regulation listed herein. Accuracy of the enclosed material should be referenced to the Iowa Administrative Code as supplemented and amended.