

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

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

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 expense of the applicant.

2.9(3) Decision. The superintendent shall approve or deny the application within 60 days after the application has been accepted for processing. The decision by the superintendent shall be conveyed in writing to the applicant.

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.