

1 SEC. 4. Section eleven (11) of chapter two hundred thirty-two
 2 (232), Acts of the Sixtieth General Assembly, is hereby amended by
 3 striking from line seven (7) thereof the word "four" and inserting in
 4 lieu thereof the word "one".

Approved May 24, 1965.

CHAPTER 393

GROUP INSURANCE

H. F. 237

AN ACT relating to group insurance on franchise plan.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred nine point fourteen (509.14),
 2 Code 1962, is hereby amended by striking from subsection two (2)
 3 line three (3) after the word "covering" the words "at least fifty (50)
 4 percent of".

Approved May 28, 1965.

CHAPTER 394

GROUP INSURANCE

H. F. 133

AN ACT relating to life, group insurance, hospital or medical services for employees of the state, county, school district, city, town or institutions supported by public funds.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Chapter two hundred thirty-two (232), Acts of the
 2 Sixtieth (60th) General Assembly, section two (2), is hereby amended
 3 by striking the period in line five (5) and adding thereto the follow-
 4 ing: ", or from contributions wholly or in part by the governing
 5 body."

Approved July 1, 1965.

CHAPTER 395

VALUATION OF LIFE INSURANCE INVESTMENTS

S. F. 241

AN ACT relating to rules of valuation for life insurance companies' investments.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred eleven point eight (511.8), Code
 2 1962, is hereby amended by inserting after the word "value" in line

3 six (6) of paragraph "d" of subsection seventeen (17) thereof the
 4 following: ", or at a value as determined under rules adopted by the
 5 National Association of Insurance Commissioners".

Approved April 29, 1965.

CHAPTER 396

LIFE INSURANCE COMPANIES

S. F. 215

AN ACT relating to investment of funds of life insurance companies.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred eleven point eight (511.8), Code
 2 1962, is hereby amended by striking paragraph "a" of subsection five
 3 (5) thereof and inserting in lieu thereof the following:

4 "If fixed interest-bearing obligations, the net earnings of the issu-
 5 ing, assuming or guaranteeing corporation available for its fixed
 6 charges for a period of five fiscal years next preceding the date of
 7 acquisition of the obligations by such insurance company shall have
 8 averaged per year not less than one and one-half times such average
 9 annual fixed charges of the issuing, assuming or guaranteeing corpo-
 10 ration applicable to such period, and, during at least one of the last
 11 two years of such period, its net earnings shall have been not less than
 12 one and one-half times its fixed charges for such year; or if, at the
 13 date of acquisition, the obligations are adequately secured and have
 14 investment qualities and characteristics wherein the speculative ele-
 15 ments are not predominant."

1 SEC. 2. Section five hundred eleven point eight (511.8), Code 1962,
 2 is hereby further amended by striking the first paragraph of para-
 3 graph "b" of subsection five (5) thereof and inserting in lieu thereof
 4 the following:

5 "If adjustment, income or other contingent interest obligations, the
 6 net earnings of the issuing, assuming or guaranteeing corporation
 7 available for its fixed charges for a period of five fiscal years next
 8 preceding the date of acquisition of the obligations by such insurance
 9 company shall have averaged per year not less than one and one-half
 10 times such average annual fixed charges of the issuing, assuming or
 11 guaranteeing corporation and its average annual maximum contingent
 12 interest applicable to such period and, during at least one of the last
 13 two years of such period, its net earnings shall have been not less than
 14 one and one-half times the sum of its fixed charges and maximum con-
 15 tingent interest for such year."

1 SEC. 3. Section five hundred eleven point eight (511.8), Code 1962,
 2 is hereby further amended by striking the last paragraph of para-
 3 graph "b" of subsection five (5) thereof and inserting in lieu thereof
 4 the following:

5 "The term 'fixed charges' as used herein shall include interest on