

CHAPTER 1137
INSOLVENT INSURERS
H.F. 2380

AN ACT relating to insolvent insurers.

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

Section 1. Chapter 515B, Code 1981, is amended by adding the following new section:
NEW SECTION. EARLY ACCESS TO ASSETS.

1. Within one hundred twenty days of the issuance of a final order of liquidation with a finding of insolvency of a company by a court of competent jurisdiction of this state, the receiver shall make application to the court for approval of a proposal to disburse assets out of such company's marshaled assets from time to time as such assets become available to the Iowa insurance guaranty association and to any entity or person performing a similar function in another state. The Iowa insurance guaranty association and any entity or person performing a similar function in other states shall hereinafter be referred to collectively as the associations.

2. Such proposal shall at least include provisions for:

a. Reserving amounts for the payment of expenses of administration and claims falling within priorities higher than that of the associations.

b. Disbursement of the assets marshaled to date and subsequent disbursements of assets as they become available.

c. Equitable allocation of disbursements to each of the associations entitled thereto for the purpose of paying covered claims and claim handling expense.

d. The securing by the receiver from each of the associations entitled to disbursements of an agreement to return to the receiver such assets previously disbursed as may be required to pay claims of secured creditors and claims falling within priorities higher than that of the associations in accordance with such priorities. No bond shall be required of any such association.

3. The receiver's proposal shall provide for disbursements to the association in amounts estimated to be at least equal to the covered claim payments and claim handling expense made or to be made thereby for which such associations could assert a claim against the receiver, and shall further provide that if the assets available for disbursement from time to time do not equal or exceed the amount of such claim payments and claim handling expense made or to be made by the association then disbursements shall be in the amount of available assets.

4. Notice of such application shall be given to the associations in and to the commissioners of insurance of each of the states. Any such notice shall be deemed to have been given when deposited in the United States certified mail, first class postage prepaid, at least thirty days prior to submission of such application to the court. Action on the application may be taken by the court provided the above required notice has been given, and provided further that the receiver's proposal complies with paragraphs a and d of subsection 2 of this section.

Sec. 2. Section 515B.2, subsection 5, Code 1981, is amended to read as follows:

5. "Insolvent insurer" means an insurer against which ~~an~~ a final order of liquidation with a finding of insolvency has been entered on or after July 1, 1980, by a court of competent

jurisdiction of this state or of the state of the insurer's domicile, and the order of liquidation has not been stayed or been the subject of a writ of supersedeas or other comparable order.

Approved April 19, 1882

CHAPTER 1138

CONFIDENTIALITY OF NONTESTIMONIAL IDENTIFICATION

H.F. 2385

AN ACT relating to the confidentiality of the application, affidavits and order for a nontestimonial identification.

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

Section 1. Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 206, section 6, is amended to read as follows:

SEC. 6. Chapter 810, Code 1981, is amended by adding the following new section:

NEW SECTION. ISSUANCE OF ORDER. Upon a showing that the required grounds exist, the court shall issue an order directing the person named or described in the application to appear at a designated time and place for nontestimonial identification procedures. The order shall be maintained by the clerk of the district court along with the application and the affidavits in support of the application in a confidential file until a charge is filed, at which time the order, application, and affidavits in support of the application shall become public records unless the court upon an in camera hearing orders that they be kept confidential.

Approved April 19, 1982

CHAPTER 1139

NOTARY PUBLIC

H.F. 2397

AN ACT relating to the time of expiration of the commission of a notary public and to the notice required to be given by the secretary of state and allowing the secretary of state to appoint as a notary public a resident of a border state working in Iowa.

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

Section 1. Section 77.2, Code 1981, is amended to read as follows: