

CHAPTER 1070**INVESTMENT OF FUNDS PAID TO DISTRICT COURT CLERKS***H.F. 2197*

AN ACT relating to the investment of funds paid to the clerk of the district court.

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

Section 1. Section 602.8103, subsection 5, Code 1993, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. In addition, the money may be invested in an open-end management investment company organized in trust form registered with the federal securities and exchange commission under the federal Investment Company Act of 1940, 15 U.S.C. § 80(a), and operated in accordance with 17 C.F.R. § 270.2a-7, the portfolio of which is limited to obligations of the United States of America or agencies or instrumentalities of the United States of America and to repurchase agreements fully collateralized by obligations of the United States of America or an agency or instrumentality of the United States of America if the investment company takes delivery of the collateral either directly or through an authorized custodian.

Approved April 13, 1994

CHAPTER 1071**CITY CIVIL SERVICE***H.F. 2218*

AN ACT relating to civil service employment, to the probationary employment period for police dispatchers and to certain fire fighters, to civil service lists for certain cities, and providing retroactive applicability and effective dates.

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

Section 1. Section 400.8, subsection 3, Code Supplement 1993, is amended to read as follows:

3. All appointments to such positions shall be conditional upon a probation period of not to exceed six months, and in the case of police patrol officers, police dispatchers, and fire fighters a probation period not to exceed twelve months, during which time. However, in cities with a population over one hundred seventy-five thousand, appointments to the position of fire fighter shall be conditional upon a probation period of not to exceed twenty-four months. During the probation period, the appointee may be removed or discharged from such position by the appointing person or body without the right of appeal to the commission. A person removed or discharged during a probationary period shall, at the time of discharge, be given a notice in writing stating the reason or reasons for the dismissal. A copy of such notice shall be promptly filed with the commission. Continuance in the position after the expiration of such probationary period shall constitute a permanent appointment.

Sec. 2. Section 400.11, Code Supplement 1993, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 2:

NEW UNNUMBERED PARAGRAPH. However, for a city with a population over one hundred seventy-five thousand, the commission may hold in reserve, for original appointments to the position of fire fighter and for promotions in the fire department, additional lists of ten persons each next highest in standing, in order of their grade, or such number as may qualify if less than ten. If the list of ten persons provided in the first paragraph is exhausted within one year, the commission may certify such additional lists of ten persons each, in order of their standing, to the council as eligible for appointment to fill such vacancies as may exist. However,

for original appointments to the position of fire fighter only, no more than four lists, with each list containing two groups of ten persons each, shall be certified for each one-year period of eligibility.

Sec. 3. **APPLICABILITY.** That portion of section 1 of this Act which amends Code section 400.8 by setting a probationary period not to exceed twenty-four months for persons appointed to the position of fire fighter in a city with a population over one hundred seventy-five thousand applies retroactively to January 1, 1994, for appointments made on or after that date. Section 2 of this Act, amending Code section 400.11, applies retroactively to January 1, 1994, to lists for original appointments certified on or after that date.

Sec. 4. **EFFECTIVE DATE.** This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 13, 1994

CHAPTER 1072
INSURANCE FRAUD
H.F. 2314

AN ACT relating to insurance fraud and establishing an insurance fraud bureau within the insurance division of the department of commerce.

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

Section 1. **NEW SECTION. 507E.1 TITLE.**

This chapter may be cited as the "Iowa Insurance Fraud Act".

Sec. 2. **NEW SECTION. 507E.2 PURPOSE.**

An insurance fraud bureau is created within the insurance division. Upon a reasonable determination by the division, by its own inquiries or as a result of complaints filed with the division, that a person has engaged in, is engaging in, or may be engaging in an act or practice that violates this chapter or any other provision of the insurance code, the division may administer oaths and affirmations, serve subpoenas ordering the attendance of witnesses, and collect evidence related to such act or practice.

Sec. 3. **NEW SECTION. 507E.3 FRAUDULENT SUBMISSIONS — PENALTY.**

1. For purposes of this chapter, "statement" includes, but is not limited to, any notice, statement, proof of loss, bill of lading, receipt for payment, invoice, account, estimate of property damage, bill for services, diagnosis, prescription, hospital or physician record, X ray, test result, or other evidence of loss, injury, or expense.

2. A person commits a class "D" felony, if the person, with the intent to defraud an insurer, does either of the following:

a. Presents or causes to be presented to an insurer, any written document or oral statement, including a computer-generated document, as part of, or in support of, a claim for payment or other benefit pursuant to an insurance policy, knowing that such document or statement contains any false information concerning a material fact.

b. Assists, abets, solicits, or conspires with another to present or cause to be presented to an insurer, any written document or oral statement, including a computer-generated document, that is intended to be presented to any insurer in connection with, or in support of, any claim for payment or other benefit pursuant to an insurance policy, knowing that such document or statement contains any false information concerning a material fact.