

A BILL FOR

An act relating to insurance; amending section sixteen hundred and eighty-nine (1689) of the code of Iowa, 1897, as amended by section one (1), chapter four hundred twenty-nine (429), laws of the thirty-seventh general assembly (37th G. A.) (C. C. 5603), and amending section sixteen hundred ninety-one (1691) of the code of Iowa, 1897, (C. C. 5605) and amending section sixteen hundred ninety-four (1694), of the code of Iowa, 1897, as amended by section twelve (12), chapter four hundred and twenty-nine (429), laws of the thirty-seventh general assembly (37th G. A.) (C. C. 5617), and by amending section sixteen hundred ninety-five (1695), of the code of Iowa, 1897, (C. C. 5618), and amending section sixteen hundred ninety-six (1696) of the code of Iowa, 1897, (C. C. 5619), and amending section seventeen hundred (1700) as amended by section fourteen (14), chapter four hundred twenty-nine (429) laws of the thirty-seventh general assembly (37th G. A.) (C. C. 5623), and amending section seventeen hundred and nine (1709), supplement to the code, 1913, (C. C. 5627), and amending section seventeen hundred and ten (1710), supplement to the code, 1913, as amended by section five (5), chapter four hundred twenty-eight (428) laws of the thirty-seventh general assembly (37th G. A.) and section three (3), chapter three hundred forty-eight (348), laws of the thirty-eighth general assembly (38th G. A.) (C. C. 5628), and amending section seventeen hundred eleven (1711) supplement to the code, 1913, (C. C. 5629), and amending section seventeen hundred fifteen (1715) of the code, 1897, (C. C. 5633), and amending section seventeen hundred sixteen (1716) of the code, 1897, (C. C. 5634), and amending section seventeen hundred eighteen (1718) of the code, 1897, (C. C. 5635), and amending section seventeen hundred nineteen (1719) of the code, 1897, (C. C. 5636), and amending section seventeen hundred twenty-one (1721) supplemental supplement to the code, 1915, as amended by section eighteen (18) chapter four hundred twenty-nine (429), laws of the thirty-seventh

general assembly (37th G. A.), and as amended by section one (1), chapter three hundred forty-six (346), laws of the thirty-eighth general assembly (38th G. A.) (C. C. 5637), and amending section seventeen hundred twenty-two (1722) of the code, 1897, (C. C. 5638), and amending section seventeen hundred twenty-seven (1727) of the code, 1897, (C. C. 5642), and amending section seventeen hundred twenty-nine (1729) of the code, 1897, (C. C. 5644), and amending section seventeen hundred thirty-one (1731) of the code, 1897, (C. C. 5646), and amending section seventeen hundred thirty-two (1732) of the code, 1897, (C. C. 5647), and amending section seventeen hundred thirty-eight (1738) of the code, 1897, (C. C. 5653), and amending section seventeen hundred thirty-nine (1739) of the code, 1897, (C. C. 5654), and amending section seventeen hundred forty-four (1744) supplement to the code, 1913, as amended by section five (5), chapter three hundred forty-eight (348), laws of the thirty-eighth general assembly (38th G. A.) (C. C. 5660), and amending section seventeen hundred forty-five (1745), supplement to the code, 1913, as amended by section six (6) chapter three hundred forty-eight (348), laws of the thirty-eighth general assembly (38th G. A.) (C. C. 5661), and amending section seventeen hundred forty-eight (1748) of the code, 1897, (C. C. 5664), and amending section seventeen hundred fifty (1750) of the code, 1897, (C. C. 5735), and amending section seventeen hundred fifty-three (1753) of the code, 1897, (C. C. 5668), and amending section seventeen hundred fifty-eight-a (1758-a) supplement to the code, 1913, (C. C. 5674).

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

- 1 Section 1. That section sixteen hundred and eighty-nine
- 2 (1689) of the code, 1897, as amended by section one (1), chapter
- 3 four hundred twenty-nine (429), laws of the thirty-seventh
- 4 general assembly (37th G. A.) (C. C. 5603), be and the same is hereby
- 5 repealed and the following enacted in lieu thereof:
- 6 “Every Domestic and Foreign insurance company organized and

7 doing business under this chapter, shall indicate upon the first
8 page of every policy, application and renewal receipt that the
9 policy is issued by a Mutual company in case of a Mutual company,
10 and by a stock company in case of a Stock company.”

1 Sec. 2. That section sixteen hundred ninety-one (1691)
2 of the code, 1897, (C. C. 5605), be, and the same is hereby repealed
3 and the following enacted in lieu thereof:

4 “Shares of stock of all companies organized under the provisions
5 of this chapter shall have a par value of One Hundred Dollars
6 (\$100) each, and all such stock issued by a Domestic insurance
7 company shall be of the same class and shall be common stock.”

1 Sec. 3. That section sixteen hundred ninety-four (1694),
2 of the code, 1897, as amended by section twelve (12), chapter
3 four hundred and twenty-nine (429), laws of the thirty-seventh
4 general assembly (37th G. A.) (C. C. 5617), be amended by adding
5 the word “stock” and before the word “company” in line thirteen^{after}
6 (13) of said section the following: “, if a stock”.

1 Sec. 4. That section sixteen hundred ninety-five (1695), of
2 the code, 1897, as amended by section thirteen (13) chapter four
3 hundred twenty-nine (429) laws of the thirty-seventh general
4 assembly (37th G. A.) (C. C. 5618), be, and the same is hereby
5 amended by inserting after the comma following the word “directors”
6 and before the words “all of whom” in line five (5) the words
7 “and the Articles of Incorporation shall specify a definite
8 number of directors,”.

1 Sec. 5. That section sixteen hundred ninety-six (1696)

2 of the code, 1897, (C. C. 5619), be, and the same is hereby amended
3 by adding thereto the following: "However, the Articles of
4 Incorporation of any Company may provide for a three year term
5 for the members of the Board of Directors with the term of one-
6 third ($\frac{1}{3}$) of the total membership expiring annually. Companies
7 making such provision in their Articles of Incorporation shall so
8 arrange a membership of the Board of Directors that an equal
9 number of the Board of Directors will retire annually."

1 Sec. 6. That section seventeen hundred (1700) as amended
2 by section fourteen (14), chapter four hundred twenty-nine (429),
3 laws of the thirty-seventh general assembly (37th G. A.) (C. C. 5623),
4 be, and the same is hereby amended by adding thereto the following
5 sentence:

6 "The list of stockholders hereinbefore referred to shall
7 be for the information of the commissioner of insurance, the
8 attorney general or any public officer who may be interested in
9 an official way in receiving said information and shall not be
10 open to public inspection, nor shall it be published or used for
11 private purposes, but may be used in an official way if need be."

1 Sec. 7. (a) That subdivision one (1), section seventeen
2 hundred and nine (1709), supplement to the code, 1913, as
3 repealed and reenacted by section one (1), chapter three hundred
4 forty-eight (348), laws of the thirty-eighth general assembly
5 (38th G. A.) (C. C. 5627), be, and the same is hereby repealed and the
6 following enacted in lieu thereof:

7 "Insure dwelling houses, stores and all kinds of buildings

8 and household furniture, and other property against loss or damage,
9 including loss of use or occupancy, by fire, rain, windstorm,
10 tornado, cyclone, earthquake, hail, frost or snow, weather or
11 climatic conditions including excess or deficiency of moisture,
12 flood, rain or drought, rising of the waters of the ocean or its
13 tributaries, bombardment, invasion, insurrection, riot, civil war
14 or commotion, military or usurped power, and by explosion whether
15 fire ensues or not, except explosion on risks specified in
16 subdivision six (6), Section seventeen hundred and nine (1709)
17 supplement to the code, 1913, and also against loss or damage by
18 insects or disease to farm crops or products, and loss of rental
19 value of land used in producing such crops or products, and also
20 against loss or damage by water or other fluid to any goods or
21 premises arising from sprinkler leakage or from the breakage of
22 sprinkler, pumps or other apparatus erected for extinguishing
23 fires, or all other conduits or containers, or by water entering
24 through leaks or openings in buildings and of water pipes, and
25 against accidental injury to such sprinklers, pumps, apparatus,
26 conduits, containers or water pipes.”

27 (b) That subdivision six (6) of section seventeen
28 hundred and nine (1709), supplement to the code, 1913, is hereby
29 repealed and the following enacted in lieu thereof: “Insure
30 against loss or injury to person or property, or both, and against
31 loss of rents or use of buildings and other property, growing
32 out of explosion or rupture of boilers, pipes, flywheels, engines,
33 and machinery.”

34 (c) That subdivision seven (7) of section seventeen
35 hundred and nine (1709), supplement to the code, 1913, as amended
36 by section three (3), chapter four hundred twenty-eight (428),
37 laws of the thirty-seventh general assembly (37th G. A.) be, and
38 the same is hereby amended by striking out the period at the end
39 of the first sentence in said subdivision and adding the following:
40 “or larceny”.

41 (d) That subdivision nine (9) of Section seventeen hundred
42 and nine (1709) supplement to the code, 1913, as amended by
43 section four (4), chapter four hundred twenty-eight (428), laws
44 of the thirty-seventh general assembly (37th G. A.) as amended by
45 section two (2), chapter three hundred forty-eight (348), laws
46 of the thirty-eighth general assembly (38th G. A.), be, and the
47 same is hereby repealed and the following enacted in lieu thereof:

48 “Insure vessels, boats, cargoes, goods, merchandise, freights,
49 specie, bullion, jewels, profits, commissions, bank notes, bills
50 of exchange and other evidences of debt, bottomry and respondentia
51 interest and every insurance appertaining to or connected with
52 marine risks of transportation and navigation, and insure
53 automobiles, airplanes, seaplanes, dirigibles, or other aircraft,
54 whether stationary or being operated under their own power,
55 which include all or any of the hazards of fire, explosion,
56 transportation, collision, loss by legal liability for damage to
57 property resulting from the maintenance and use of automobiles,
58 airplanes, seaplanes, dirigibles, or other aircraft, and loss
59 by burglary or theft, vandalism, malicious mischief, or the

60 wrongful conversion, disposal or concealment of automobiles
61 whether held under conditional sale, contract or subject to
62 chattel mortgages, or any one or more of such hazards, but not
63 including insurance against loss by reason of bodily injury to
64 the person.”

1 Sec. 8. That section seventeen hundred and ten (1710),
2 supplement to the code, 1913, as amended by section five (5),
3 chapter four hundred twenty-eight (428), laws of the thirty-
4 seventh general assembly (37th G. A.), and section three (3),
5 chapter three hundred forty-eight (348), laws of the thirty-
6 eighth general assembly (38th G. A.) (C. C. 5628), be, and the same
7 is hereby amended by striking out the period at the end of the
8 first sentence of the next to the last paragraph of said
9 section and by adding the following: “except that Fidelity
10 and Surety companies may be exposed on any one risk or hazard
11 to an amount not exceeding ten (10) per cent of their paid-up
12 capital and surplus.”

1 Sec. 9. That section seventeen hundred eleven (1711),
2 supplement to the code, 1913, (C. C. 5629), be, and the same is
3 hereby amended by adding thereto the following sentence:
4 “No contract of reinsurance or indemnity, whether excess
5 or not, purporting to reinsure or indemnify risks or any part
6 thereof written in this state, regardless of whether or not
7 such contract of reinsurance or indemnity was entered into or
8 effected in this state, shall be effected except with companies
9 duly authorized to do business in this state.”

1 Sec. 10. That section seventeen hundred fifteen (1715)
2 of the code, 1897, (C. C. 5633), be, and the same is hereby amended
3 by inserting the words: “any of” between the words “with” and
4 “the” in the third (3rd) line of said section.

1 Sec. 11. That section seventeen hundred sixteen (1716) of
2 the code, 1897, (C. C. 5634), be, and the same is hereby amended by
3 striking out the period at the end of the first sentence and
4 substituting a comma and adding thereto the following: “and such
5 other information as may from time to time be required by the
6 commissioner of insurance. In the case of Foreign companies
7 withdrawing from the state prior to the end of the year, the
8 commissioner of insurance may require the filing of a statement
9 by such company showing in detail its business for the period
10 up to the date of withdrawal.”

1 Sec. 12. That section seventeen hundred eighteen (1718)
2 of the code, 1897, (C. C. 5635), be, and the same is hereby amended
3 by adding at the end of said section the following: “The
4 commissioner of insurance may, at such time as he deems necessary,
5 cause an appraisal to be made of any real estate, property and
6 buildings owned by any insurance company organized under the laws
7 of this state, or upon any land or property upon which any domestic
8 insurance company may have loaned or may request permission to
9 loan its funds. For the purpose of such appraisal the commissioner
10 of insurance may appoint in writing some disinterested person or
11 persons who shall receive as their compensation an amount to be
12 fixed by the commissioner of insurance and also their actual

13 traveling, hotel, and other expenses while engaged in making
14 such appraisal away from their actual place of residence. Such
15 bills shall be filed under oath of the party incurring the expense
16 and shall be approved by the commissioner of insurance and shall
17 be paid in the same manner as is provided by section eighteen
18 hundred twenty-one-c (1821-c) supplement to the code, 1913,
19 for the payment of expenses of assistant examiners.” (C. C. 5470)

1 Sec. 13. That section seventeen hundred nineteen (1719) of
2 the code, 1897, (C. C. 5636), be, and the same is hereby amended
3 by striking from line four (4) of said section, the words “who”
4 may apply therefor,” and by adding at the end of said section as
5 amended, the following: “All foreign companies transacting the
6 business of insurance in this state shall make an annual report
7 to the commissioner of insurance upon the blank form furnished
8 by said commissioner of insurance.”

1 Sec. 14. That section seventeen hundred twenty-one (1721)
2 supplemental supplement to the code, 1915, as amended by section
3 eighteen (18), chapter four hundred twenty-nine (429), laws of
4 the thirty-seventh general assembly (37th G. A.), and as amended
5 by section one (1), chapter three hundred forty-six (346), laws
6 of the thirty-eighth general assembly (38th G. A.) (C. C. 5637), be,
7 and the same is hereby amended by striking from line twelve (12)
8 of said section the words “plate glass, or”.

1 Sec. 15. That section seventeen hundred twenty-two (1722)
2 of the code, 1897, (C. C. 5638), be, and the same is hereby amended
3 by adding thereto the following: “Said power of attorney so

4 filed shall be made irrevocable until it shall have been shown
5 to the satisfaction of the commissioner of insurance that all
6 risks assumed in the state have expired and that all claims in
7 said state have been settled.”

1 Sec. 16. That section seventeen hundred twenty-seven (1727)
2 of the code, 1897, (C. C. 5642), be, and the same is hereby amended
3 by striking therefrom the first two lines of said section
4 substituting therefor the following: “No policy or contract of
5 insurance, other than life insurance, shall be forfeited or
6 suspended for non payment * * *.”

1 Sec. 17. That section seventeen hundred twenty-nine (1729)
2 of the code, 1897, (C. C. 5644), be, and the same is hereby amended
3 by adding thereto the following: “The commissioner of insurance
4 may, whenever he shall deem it advisable, revise the table of
5 short rates now in force and may also promulgate a new table, or
6 tables. The short rate table for one year shall be applicable
7 to all policies for terms of less than one year.”

1 Sec. 18. That section seventeen hundred thirty-one (1731)
2 of the code, 1897, (C. C. 5646), be, and the same is hereby amended
3 by striking the word “required” from the sixteenth (16th) line
4 of said section, and by adding at the end of the section the
5 following: “The commissioner of insurance may when he deems it
6 necessary or expedient, cause to have published a report of
7 examination of any insurance company or association, which
8 publication shall be at the expense of the company or association
9 examined.

10 The commissioner of insurance shall have the power in the
11 discharge of his duties to examine any of the books, papers or
12 records of any insurance company or association, whether life or
13 other than life, assessment associations, fraternal beneficiary
14 societies, reciprocal or inter-insurance exchanges, and to
15 examine under oath or otherwise, any of their officers or agents,
16 or other persons; to issue subpoenas upon the certificate of the
17 commissioner of insurance and to enforce obedience thereto in
18 the performance of his duties as courts of law may. Any person
19 who shall obstruct the commissioner of insurance or any employee
20 of the Department of Insurance, acting under the authority and
21 by direction of the commissioner of insurance in the performance
22 of his duties or in the exercise of other powers vested in him
23 by law; or who shall refuse to give any information within his
24 or her possession, that may be required of them pertaining to the
25 business of insurance, shall be guilty of misdemeanor, and upon
26 conviction thereof shall be fined not exceeding One Thousand
27 Dollars (\$1000).”

1 Sec. 19. That section seventeen hundred thirty-two (1732)
2 of the code, 1897, (C. C. 5647), be, and the same is hereby
3 amended by striking from lines three (3) and four (4) of said
4 section, the words: “fixed by this chapter or the Articles of
5 Incorporation of said company”, and inserting in lieu thereof
6 the words: “actually issued and outstanding.”

1 Sec. 20. That section seventeen hundred thirty-eight (1738)
2 of the code, 1897, (C. C. 5653), be, and the same is hereby amended

3 by striking the word “fire” from the second (2nd) line thereof.

1 Sec. 21. That section seventeen hundred thirty-nine (1739)
2 of the code, 1897, (C. C. 5654), be, and the same is hereby amended
3 by striking the word “fire” from the fourth (4th), ninth (9th)
4 and thirteenth (13th) lines thereof.

1 Sec. 22. That section seventeen hundred forty-four (1744)
2 supplement to the code, 1913, as amended by section five (5),
3 chapter three hundred forty-eight (348), laws of the thirty-
4 eighth general assembly (38th G. A.) (C. C. 5660), be, and the same
5 is hereby amended by inserting an additional sentence preceding
6 the last sentence in this section as follows: “Notice of loss
7 in policies of liability, burglary or live stock insurance may
8 be required as soon as practicable after the discovery of loss
9 or accident.”

1 Sec. 23. That section seventeen hundred forty-five (1745)
2 supplement to the code, 1913, as amended by section six (6),
3 chapter three hundred forty-eight (348), laws of the thirty-
4 eighth general assembly (38th G. A.) (C. C. 5661), be, and the same
5 is hereby amended by inserting between the word “policies” and
6 the word “or” in the first (1st) line of said section, the
7 following “riders or endorsements”.

1 Sec. 24. That section seventeen hundred forty-eight (1748)
2 of the code, 1897, (C. C. 5664), be, and the same is hereby amended
3 by adding in line two (2) thereof, between the word “company”
4 and the word “organized”. the following: “whether life or other
5 than life,”, and by striking out in line five (5) of said section

6 the words “this chapter”, and inserting in lieu thereof the
7 following: “any of the provisions of the chapter or chapters of
8 this title applicable to such company.”

1 Sec. 25. That section seventeen hundred fifty (1750) of the
2 code, 1897, (C. C. 5735), be, and the same is hereby amended by
3 striking out the words “The foregoing sections of this chapter”
4 in lines one (1) and two (2) of said section, and inserting in
5 lieu thereof the following: “any of the provisions of this
6 title.”

1 Sec. 26. That section seventeen hundred fifty-three (1753)
2 of the code, 1897, (C. C. 5668), be, and the same is hereby amended
3 by striking out the period at the end of the last sentence of
4 said section, and inserting a comma in lieu thereof and adding
5 thereto the following: “except where the Iowa Insurance
6 Department has been requested to participate in a joint examination
7 by the Department of Insurance of the state in which such foreign
8 company is domiciled or where such examination is made at the
9 request and under the direction of the Committee on Examinations
10 of the National Convention of Insurance Commissioners.”

1 Sec. 27. That section seventeen hundred fifty-eight-a
2 (1758-a) supplement to the code, 1913, (C. C. 5674), be, and the
3 same is hereby amended by inserting after the comma following
4 the word “agent” in line nine (9) of said section and before the
5 word “the” in the same line, the words: “shall print”.