

February 11, 1953.
Insurance.

Rec. Passage 7/16

House File 279

By McNEAL, BROWN of Mahaska, BUTLER, FAL-
VEY, FREY, FROMMELT, HARRIS, McFAR-
LANE, OBERMAN, PALMER, PARKER,
PETERS, SCHWENGEL, TATE and VERMEER.

Passed House, Date.....
Vote: Ayes..... Nays.....
Passed Senate, Date.....
Vote: Ayes..... Nays.....
Approved

A BILL FOR

An Act to amend chapter five hundred twenty-two (522), Code
1950, relating to the licensing of insurance agents.

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

- 1 Section 1. Chapter five hundred twenty-two (522), Code
- 2 1950, is hereby amended by adding after section five hundred
- 3 twenty-two point four (522.4) the following:
- 4 "522.5. Before issuing the license provided by section
- 5 522.1, any person not having been issued a license for at
- 6 least three of the preceding five years to engage in the
- 7 insurance business in this state as an agent shall apply to
- 8 the commissioner of insurance on forms prescribed by said
- 9 commissioner for a license authorizing him to engage in such
- 10 business or kinds thereof as may be written in this state.
- 11 The applicant shall make answer to such interrogatories as
- 12 the commissioner may require, bearing on his moral character.
- 13 "522.6. After receipt of such application, it shall be
- 14 the duty of the commissioner to determine by appropriate
- 15 written examination, whether said applicant possesses mental

16 capacity and knowledge of the kind or kinds of insurance business
17 he desires to solicit and write, pursuant to standards prescribed
18 by the insurance commission, and the commissioner's action in
19 such respect may, upon application, be reviewed by the
20 commission.

21 "522.7. The license issued the agent shall state the kind
22 or kinds of insurance the agent is licensed to write, such as
23 life insurance or any of the kinds of insurance authorized in
24 section five hundred fifteen point forty-eight (515.48) which
25 may be described by the commissioner by appropriate descriptive
26 words.

27 "522.8. The form application and determination of quali-
28 fications as provided in sections five hundred twenty-two point
29 five (522.5) and five hundred twenty-two point six (522.6) shall
30 not apply (1) to county mutual agents, representatives or
31 employees writing fire or fire and concurrent windstorm and
32 hail insurance or to fraternal beneficiary association agents,
33 (2) to agents engaged exclusively in writing insurance on grow-
34 ing crops, (3) to any ticket selling agent of a railroad company
35 or other common carrier who acts only in reference to the
36 issuance of accident insurance tickets or insurance on personal
37 effects while being carried as baggage, or (4) to the salaried
38 employees of any insurance company who in the solicitation of
39 insurance acts only in conjunction with a duly licensed agent.

40 "522.9. In the event of the death, military service, or
41 disability of an agent licensed as hereinabove provided, the

42 commissioner of insurance may waive the requirements of
 43 sections five hundred twenty-two point five (522.5) and five
 44 hundred twenty-two point six (522.6), and issue a temporary
 45 license for a period of six months and may extend the duration
 46 of such temporary licenses for periods of six months each
 47 to another person to act in the preservation and servicing of
 48 the coverages and business placed by such deceased or disabled
 49 agent or one in the military service.

50 "522.10. The commissioner of insurance shall make
 51 available to any person requesting same a list of questions
 52 covering examinations required in section five hundred twenty-
 53 two point six (522.6), together with manual or manuals setting
 54 forth the answer to such questions."

1 Sec. 2. Section five hundred twenty-two point five (522.5),
 2 Code 1950, is hereby amended by striking therefrom the figures
 3 "522.5" and insert in lieu thereof the figures "522.11".

EXPLANATION OF H. F. 279

This bill would raise the standards of insurance agents by requiring appropriate written examinations before writing or soliciting the various kinds of insurance. The insurance commission (described in section 521.5 as the governor, attorney general, and insurance commissioner) would prescribe these standards and hear appeals. Questions and answers to examination questions would be published by the department of insurance. This bill which is self-supporting also provides for temporary licenses in the event of death, disability or entrance into the military service of a licensed agent. County mutual agents are excluded from this bill.

1 Amend House File 279, section one (1), by adding
 2 a period after the word "company" in line thirty-eight
 3 (38), and striking the remainder of the sentence.

Filed

March 9, 1953

PALMER of Lee.

1 1. Amend House File 279 by inserting the following as
 2 section three (3):
 3 "Sec. 3. The provisions of subsections 522.5 to 522.10,
 4 inclusive, of section one (1) of this act shall not apply to
 5 attorneys admitted to practice in Iowa when writing bonds in
 6 connection with their own practice of law."

Filed

March 10, 1953.

THOMPSON of Guthrie.

