

January 29, 1959.
Passed on File.

Senate File 167

By O'MALLEY and WALKER.

Passed Senate, Date 3-30-59

Passed House, Date 4-22-59

Vote: Ayes 39 Nays 1

Vote: Ayes 69 Nays 28

Approved 4-28-59

A BILL FOR

An Act to repeal section five hundred twelve point two (512.2), Code 1958, and to enact in lieu thereof a new section relating to the benefits that may be provided by a fraternal beneficiary association; and also to repeal section five hundred twelve point nine (512.9), Code of 1958, and to enact in lieu thereof a new section defining the qualification for membership in a fraternal beneficiary association.

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

1 Section 1. Section five hundred twelve point two (512.2),
2 Code 1958, is hereby repealed and the following enacted in
3 lieu thereof: "A society authorized to do business in this
4 state may provide for the payment of: (a) death benefits in
5 any form; (b) endowment benefits; (c) annuity benefits; (d)
6 temporary or permanent disability benefits as a result of
7 disease or accident; (e) hospital, medical or nursing benefits
8 due to sickness or bodily infirmity or accident; (f) monument
9 or tombstone benefits to the memory of deceased members not
10 exceeding in any case the sum of three hundred (300) dollars,
11 and such benefits may be provided on the lives of members or,
12 upon application of a member, on the lives of the member's
13 family, including the member, the member's spouse and minor
14 children, in the same or separate certificates."

1 Sec. 2. Section five hundred twelve point nine (512.9),
2 Code 1958, is hereby repealed and the following enacted in
3 lieu thereof: "A society may admit to benefit membership any
4 person not less than fifteen (15) years of age, nearest birthday,

5 who has furnished evidence of insurability acceptable to the
6 society. Any such member who shall apply for additional benefits
7 more than six (6) months after becoming a benefit member shall
8 furnish additional evidence of insurability acceptable to the
9 society.

10 "Any person admitted prior to attaining the full age of
11 twenty-one (21) years shall be bound by the terms of the
12 application and certificate and by all the laws and rules of
13 the society and shall be entitled to all the rights and
14 privileges of membership therein to the same extent as though
15 the age of majority had been attained at the time of application.
16 A society may also admit general or social members who shall
17 have no voice or vote in the management of its insurance affairs."

SENATE FILE 167

1 Amend Senate File 167 as follows:

2 1. By adding thereto a new section:

3 Section four hundred thirty-two point one (432.1), Code
4 1958, is hereby amended as follows:

5 By striking from line three (3) the word "not".

6 By striking the comma in line four (4) and inserting in
7 lieu thereof the words "but not including".

8 By striking from lines four (4) and five (5), subsection
9 one (1) thereof, the following: "not including fraternal
10 beneficiary associations, or" and inserting in lieu thereof the
11 word "and".

12 By adding thereto the following: "The premium or assessment
13 tax imposed on fraternal beneficiary associations doing business
14 under the provisions of chapter five hundred twelve (512) of the
15 Code shall apply only to policies or certificates written after July
16 4, 1959."

17 2. By amending the title as follows:

18 Insert following the word "association" in the last line
19 thereof, the following: "and to provide for the payment of tax
20 on premiums and assessments of such associations".

Filed
April 20, 1959.

LUCKEN of Plymouth.

*Done
4/22*