

Tiedens

FILED MAR 23 1979

Reprinted 2/25

Amended per 5023 & H. Res. 1/31 (247)

SENATE FILE 460

By TIEDEN and HOLDEN

Passed Senate, Date 2-26-80 (3.5/2) Passed House, Date \_\_\_\_\_  
Vote: Ayes 47 Nays 1 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved April 14

### A BILL FOR

1 An Act relating to workers' compensation insurance proceedings  
2 and rates.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section seventeen A point two (17A.2),  
2 subsection two (2), Code 1979, is amended to read as follows:

3 2. "Contested case" means a proceeding including but not  
4 restricted to ratemaking, price fixing, and licensing in which  
5 the legal rights, duties or privileges of a party are required  
6 by Constitution or statute to be determined by an agency after  
7 an opportunity for an evidentiary hearing. A ratemaking  
8 proceeding involving rates for workers' compensation insurance  
9 is deemed to be a contested case if a written demand for a  
10 public hearing in accordance with section two (2) of this  
11 Act is filed.

12 Sec. 2. Section seventeen A point twelve (17A.12), Code  
13 1979, is amended by adding the following new subsection:

14 NEW SUBSECTION. In a proceeding involving workers'  
15 compensation insurance ratemaking under chapter five hundred  
16 fifteen A (515A) of the Code, the insurance commissioner shall  
17 provide notice of the filing of proposed rates at least thirty  
18 days prior to the review of the proposed rates by publishing  
19 a notice in the Iowa administrative bulletin. A hearing shall  
20 be held on the proposed rates if within fifteen days of the  
21 date of such publication, twenty-five interested persons or  
22 an association having not less than twenty-five members files  
23 a written demand with the insurance commissioner for a hearing  
24 on the proposed rates. Such persons or association shall  
25 be treated as a party to the proceeding. At the hearing,  
26 the insurer or rating organization shall bear the burden of  
27 proof to support the proposed rates.

28 Sec. 3. Section five hundred fifteen A point four (515A.4),  
29 subsection four (4), Code 1979, is amended to read as follows:

30 4. Subject to the exception specified in subsection 5  
31 of this section and the exception for workers' compensation  
32 insurance rates under section five hundred fifteen A point  
33 five (515A.5) of the Code, each filing shall be on file for  
34 a waiting period of fifteen days before it becomes effective,  
35 which period may be extended by the commissioner for an

1 additional period not to exceed fifteen days if he or she  
2 gives written notice within such waiting period to the insurer  
3 or rating organization which made the filing that he or she  
4 needs such additional time for the consideration of such  
5 filing. Upon written application by such insurer or rating  
6 organization, the commissioner may authorize a filing which  
7 he or she has reviewed to become effective before the  
8 expiration of the waiting period or any extension thereof.  
9 A filing shall be deemed to meet the requirements of this  
10 chapter unless disapproved by the commissioner within thirty  
11 days of receipt thereof by the commissioner.

12 Sec. 4. Section five hundred fifteen A point five (515A.5),  
13 Code 1979, is amended by adding the following new subsection:

14 NEW SUBSECTION. Workers' compensation insurance rates  
15 shall be on file in all cases for an initial waiting period  
16 of forty-five days, prior to their becoming effective. Such  
17 filings are subject to the applicable provisions of chapter  
18 seventeen A (17A) of the Code.

19 Sec. 5. This Act is effective January first following  
20 its enactment.

21 EXPLANATION

22 This bill makes workers' compensation insurance rate making  
23 proceedings before the department of insurance "contested  
24 cases" subject to the procedures of chapter 17A and provides  
25 additional procedures for such proceedings. The bill also  
26 provides a waiting period before the new insurance rates  
27 become effective.

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LSB 1593S 68

gk/sc/14

SENATE FILE 460

S-5112

1 Amend Senate File 460 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting in lieu thereof the following:

5177 4 "Section five hundred fifteen A point six (515A.6),  
5 Code 1979, is amended by adding the following new  
6 subsection:

7 NEW SUBSECTION. Notwithstanding any other provi-  
8 sions of the Code the commissioner of insurance in a  
9 proceeding involving workers' compensation insurance  
10 ratemaking, by a licensed rating organization, shall  
11 provide notice of the filing of the proposed rates at  
12 least thirty days before the effective date of the  
13 proposed rates by publishing a notice in the Iowa  
14 administrative bulletin. A hearing shall be held on  
15 the proposed rates by the commissioner of insurance,  
16 if within fifteen days of the date of the publication,  
17 a workers' compensation policyholder or an established  
18 association with one or more workers' compensation  
19 policyholders among its members, files a written  
20 demand with the commissioner of insurance for a hearing  
21 on the proposed rates. The person or association shall  
22 be given the opportunity to respond and introduce  
23 evidence and arguments on all the issues involved. At  
24 the hearing, the rating organization shall bear the  
25 burden of proof to support the proposed rates by a  
26 preponderance of the evidence. The commissioner of  
27 insurance will hold the hearing within twenty days  
28 after receipt of the written demand for the hearing  
29 and shall give not less than ten days' written notice  
30 of the time and place of the hearing. Within fifteen  
31 days after such hearing the commissioner of insurance  
32 will approve or modify or disapprove the proposed rates  
33 and specify the reasons therefor. Pending such hearing  
34 and decision thereon the commissioner of insurance may  
35 suspend or postpone the effective date of the proposed  
36 rate."

S-5112 FILED *Adopted as amended* BY EDGAR H. HOLDEN  
FEBRUARY 13, 1980 *by 5179* DALE L. TIEDEN  
*(2/20/80 p. 510)*

SENATE FILE 460

S-5179

1 Amend Senate amendment, S-5112, to Senate File  
2 460, as follows:

3 1. Page 1, line 4, by inserting before the word  
4 "Section" the word and figure "Section 1."

S-5179 FILED & ADOPTED *(p. 510)* BY EDGAR H. HOLDEN  
FEBRUARY 20, 1980 DALE TIEDEN

SENATE FILE 460

S-5023

- 1 Amend Senate File 460 as follows:  
2 1. Page 2, line 1, by striking the words "he or  
3 she" and inserting in lieu thereof the words "he the  
4 commissioner".  
5 2. Page 2, line 3, by striking the words "he or  
6 she" and inserting in lieu thereof the words "he the  
7 commissioner".  
8 3. Page 2, line 7, by striking the words "he or  
9 she" and inserting in lieu thereof the words "he the  
10 commissioner".

S-5023 FILED

BY COMMITTEE ON LABOR AND INDUSTRIAL  
RELATIONS  
MERLIN D. HULSE, CHAIRPERSON

January 31, 1980

*Part of order upon  
adoption of 5112 2/20 (p. 510)*



1 Section 1. Section five hundred fifteen A point six  
2 (515A.6), Code 1979, is amended by adding the following new  
3 subsection:

4 NEW SUBSECTION. Notwithstanding any other provisions of  
5 the Code the commissioner of insurance in a proceeding  
6 involving workers' compensation insurance ratemaking, by a  
7 licensed rating organization, shall provide notice of the  
8 filing of the proposed rates at least thirty days before the  
9 effective date of the proposed rates by publishing a notice  
10 in the Iowa administrative bulletin. A hearing shall be held  
11 on the proposed rates by the commissioner of insurance, if  
12 within fifteen days of the date of the publication, a workers'  
13 compensation policyholder or an established association with  
14 one or more workers' compensation policyholders among its  
15 members, files a written demand with the commissioner of  
16 insurance for a hearing on the proposed rates. The person  
17 or association shall be given the opportunity to respond and  
18 introduce evidence and arguments on all the issues involved.  
19 At the hearing, the rating organization shall bear the burden  
20 of proof to support the proposed rates by a preponderance  
21 of the evidence. The commissioner of insurance will hold  
22 the hearing within twenty days after receipt of the written  
23 demand for the hearing and shall give not less than ten days'  
24 written notice of the time and place of the hearing. Within  
25 fifteen days after such hearing the commissioner of insurance  
26 will approve or modify or disapprove the proposed rates and  
27 specify the reasons therefor. Pending such hearing and  
28 decision thereon the commissioner of insurance may suspend  
29 or postpone the effective date of the proposed rate.

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HOUSE CLIP SHEET  
MONDAY, MARCH 24, 1980

SENATE FILE 460

H-5639

1 Amend Senate File 460 as follows:

2 1. Page 1, by striking lines 4 through 29 and in-  
3serting in lieu thereof the following:

4 "NEW SUBSECTION. Notwithstanding any other provision  
5of the Code, the commissioner of insurance shall provide  
6for a hearing in a proceeding involving a workers'  
7compensation insurance rate filing by a licensed rating  
8organization in accordance with the provisions of this  
9subsection and rules promulgated by the commissioner of  
10insurance pursuant to chapter seventeen A (17A) of the  
11Code. Except as otherwise provided herein, the provisions  
12of this subsection shall not be subject to the requirements  
13of chapter seventeen A (17A) of the Code. The procedures  
14for such hearing shall be as follows:

15 a. The commissioner shall provide notice of the filing  
16of the proposed rates at least thirty days before the  
17effective date of the proposed rates by publishing a notice  
18in the Iowa administrative bulletin.

19 b. A public hearing shall be held on the proposed rates by  
20the commissioner of insurance if within fifteen days of the  
21date of publication a workers' compensation policyholder  
22or an established organization with one or more workers'  
23compensation policyholders among its members files  
24a written demand with the commissioner of insurance for a  
25hearing on the proposed rates.

26 c. The commissioner of insurance shall hold the  
27hearing within twenty days after receipt of the written  
28demand for a hearing and shall give not less than ten days  
29written notice of the time and place of the hearing to the  
30person or association filing the demand, to the rating  
31organization, and to any other person requesting such  
32notice.

33 d. At any such hearing, the rating organization shall  
34bear the burden of proof to support the proposed rates by  
35a preponderance of the evidence. The person or association  
36requesting the hearing, and any other person admitted as a  
37party to the proceeding, shall be given the opportunity  
38to respond and introduce evidence and arguments on all the  
39issues involved.

40 e. Within fifteen days after the start of the hearing,  
41the commissioner of insurance will approve or disapprove the  
42proposed rates and specify the reasons therefor. The  
43commissioner of insurance may suspend or postpone the effect-  
44ive date of the proposed rates pending the hearing and written  
45decision thereon.

46 f. Judicial review of the decision of the commissioner  
47of insurance on such rates may be sought in accordance with  
48the provisions of chapter seventeen A (17A) of the Code."

H-5639 FILED

BY POPE of Polk

MARCH 21, 1980

BYERLY of Polk

Adopted 2/26 (p. 1191)

H-5697

1 Amend amendment H-5639 to Senate File 460 as  
2 follows:  
3 1. Page 1, by striking lines 4 through 48 and  
4 inserting in lieu thereof the following:  
5 "Section 1. Section seventeen A point two  
6 (17A.2), subsection two (2), Code 1979, is amended  
7 to read as follows:  
8 2. "Contested case" means a proceeding including  
9 but not restricted to ratemaking, price fixing, and  
10 licensing in which the legal rights, duties or  
11 privileges of a party are required by Constitution  
12 or statute to be determined by an agency after an  
13 opportunity for an evidentiary hearing. A ratemaking  
14 proceeding involving rates for workers' compensation  
15 insurance is deemed to be a contested case if a  
16 written demand for a public hearing in accordance  
17 with section two (2) of this Act is filed.  
18 Sec. 2. Section seventeen A point twelve  
19 (17A.12), Code 1979, is amended by adding the  
20 following new subsection:  
21 NEW SUBSECTION. In a proceeding involving  
22 workers' compensation insurance ratemaking under  
23 chapter five hundred fifteen A (515A) of the Code,  
24 the insurance commissioner shall provide notice of  
25 the filing of proposed rates by publishing a notice  
26 in the Iowa administrative bulletin. A hearing shall  
27 be held on the proposed rates if within fifteen days  
28 of the date of such publication, a workers' compen-  
29 sation policyholder or an established association  
30 with one or more workers' compensation policyholders  
31 among its members, files a written demand with the  
32 insurance commissioner for a hearing on the proposed  
33 rates. Such person or association shall be treated  
34 as a party to the proceeding. At the hearing, the  
35 insurer or rating organization shall bear the burden  
36 of proof to support the proposed rates.  
37 Sec. 3. Section five hundred fifteen A point four (515A.4),  
38 subsection four (4), Code 1979, is amended to read as follows:  
39 4. Subject to the exception specified in subsection  
40 5 of this section and the exception for workers'  
41 compensation insurance rates under section five  
42 hundred fifteen A point five (515A.5) of the Code,  
43 each filing shall be on file for a waiting period of  
44 fifteen days before it becomes effective, which period  
45 may be extended by the commissioner for an additional  
46 period not to exceed fifteen days if he or she gives  
47 written notice within such waiting period to the  
48 insurer or rating organization which made the filing  
49 that he or she needs such additional time for the  
50 consideration of such filing. Upon written application

H-5697  
Page Two

1 by such insurer or rating organization, the  
2 commissioner may authorize a filing which he or  
3 she has reviewed to become effective before the  
4 expiration of the waiting period or any extension  
5 thereof. A filing shall be deemed to meet the  
6 requirements of this chapter unless disapproved  
7 by the commissioner within thirty days of receipt  
8 thereof by the commissioner.  
9 Sec. 4. Section five hundred fifteen A point  
10 five (515A.5), Code 1979, is amended by adding the  
11 following new subsection:  
12 NEW SUBSECTION. Workers' compensation insurance  
13 rates shall be on file in all cases for an initial  
14 waiting period of forty-five days, prior to their  
15 becoming effective. Such filings are subject to  
16 the applicable provisions of chapter seventeen A  
17 (17A) of the Code."

H-5697 FILED BY CONNOLLY of Dubuque  
MARCH 26, 1980  
LOST (p. 1131)

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SENATE FILE 460

H-5357

1 Amend Senate File 460, as amended, passed and  
2 reprinted by the Senate, as follows:  
3 1: Page 1, line 4, by inserting after the word  
4 "Notwithstanding" the words "chapter seventeen A (17A)  
5 of the Code and".  
6 2. Page 1, line 16, by inserting after the word  
7 "rates." the words "The hearing is not subject to  
8 the provisions of chapter seventeen A (17A) of the  
9 Code."  
10 3. Page 1, line 24, by inserting after the word  
11 "hearing" the words "to the person or association  
12 and the rating organization".

H-5357 FILED BY COMMITTEE ON LABOR AND INDUSTRIAL RELATIONS  
MARCH 5, 1980 CRABB, Chair  
*Placed out of order  
3/26 (p. 1131)*

HOUSE AMENDMENT TO SENATE FILE 460

S-5542

1 Amend Senate File 460 as follows:

2 1. Page 1, by striking lines 4 through 29 and  
3 inserting in lieu thereof the following:

4 "NEW SUBSECTION. Notwithstanding any other  
5 provision of the Code, the commissioner of insurance  
6 shall provide for a hearing in a proceeding involving  
7 a workers' compensation insurance rate filing by a  
8 licensed rating organization in accordance with the  
9 provisions of this subsection and rules promulgated  
10 by the commissioner of insurance pursuant to chapter  
11 seventeen A (17A) of the Code. Except as otherwise  
12 provided herein, the provisions of this subsection  
13 shall not be subject to the requirements of chapter  
14 seventeen A (17A) of the Code. The procedures for  
15 such hearing shall be as follows:

16 a. The commissioner shall provide notice of the  
17 filing of the proposed rates at least thirty days  
18 before the effective date of the proposed rates by  
19 publishing a notice in the Iowa administrative  
20 bulletin.

21 b. A public hearing shall be held on the proposed  
22 rates by the commissioner of insurance if within  
23 fifteen days of the date of publication a workers'  
24 compensation policyholder or an established  
25 organization with one or more workers' compensation  
26 policyholders among its members files a written demand  
27 with the commissioner of insurance for a hearing on  
28 the proposed rates.

29 c. The commissioner of insurance shall hold the  
30 hearing within twenty days after receipt of the written  
31 demand for a hearing and shall give not less than  
32 ten days written notice of the time and place of the  
33 hearing to the person or association filing the demand,  
34 to the rating organization, and to any other person  
35 requesting such notice.

36 d. At any such hearing, the rating organization  
37 shall bear the burden of proof to support the proposed  
38 rates by a preponderance of the evidence. The person  
39 or association requesting the hearing, and any other  
40 person admitted as a party to the proceeding, shall  
41 be given the opportunity to respond and introduce  
42 evidence and arguments on all the issues involved.

43 e. Within fifteen days after the start of the  
44 hearing, the commissioner of insurance will approve  
45 or disapprove the proposed rates and specify the  
46 reasons therefor. The commissioner of insurance may  
47 suspend or postpone the effective date of the proposed  
48 rates pending the hearing and written decision thereon.

49 f. Judicial review of the decision of the  
50 commissioner of insurance on such rates may be sought

S-5542, Page 2

1 in accordance with the provisions of chapter seventeen  
2 A (17A) of the Code."

provided herein, the provisions of this subsection shall not be subject to the requirements of chapter seventeen A (17A) of the Code. The procedures for such hearing shall be as follows:

a. The commissioner shall provide notice of the filing of the proposed rates at least thirty days before the effective date of the proposed rates by publishing a notice in the Iowa administrative bulletin.

b. A public hearing shall be held on the proposed rates by the commissioner of insurance if within fifteen days of the date of publication a workers' compensation policyholder or an established organization with one or more workers' compensation policyholders among its members files a written demand with the commissioner of insurance for a hearing on the proposed rates.

c. The commissioner of insurance shall hold the hearing within twenty days after receipt of the written demand for a hearing and shall give not less than ten days written notice of the time and place of the hearing to the person or association filing the demand, to the rating organization, and to any other person requesting such notice.

d. At any such hearing, the rating organization shall bear the burden of proof to support the proposed rates by a preponderance of the evidence. The person or association requesting the hearing, and any other person admitted as a party to the proceeding, shall be given the opportunity to respond and introduce evidence and arguments on all the issues involved.

e. Within fifteen days after the start of the hearing, the commissioner of insurance will approve or disapprove the proposed rates and specify the reasons therefor. The commissioner of insurance may suspend or postpone the effective date of the proposed rates pending the hearing and written decision thereon.

SENATE FILE 460

AN ACT

RELATING TO WORKERS' COMPENSATION INSURANCE PROCEEDINGS  
AND RATES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section five hundred fifteen A point six (515A.6), Code 1979, is amended by adding the following new subsection:

NEW SUBSECTION. Notwithstanding any other provision of the Code, the commissioner of insurance shall provide for a hearing in a proceeding involving a workers' compensation insurance rate filing by a licensed rating organization in accordance with the provisions of this subsection and rules promulgated by the commissioner of insurance pursuant to chapter seventeen A (17A) of the Code. Except as otherwise

f. Judicial review of the decision of the commissioner of insurance on such rates may be sought in accordance with the provisions of chapter seventeen A (17A) of the Code.

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TERRY E. BRANSTAD  
President of the Senate

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WILLIAM H. HARBOR  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 460, Sixty-eighth General Assembly.

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FRANK J. STORK  
Secretary of the Senate

Approved April 14, 1980

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ROBERT D. RAY  
Governor