

**INSURANCE DIVISION[191]**

**Notice of Intended Action**

**Proposing rule making related to review of rules  
and providing an opportunity for public comment**

The Insurance Division hereby proposes to amend Chapter 10, “Insurance Producer Licenses and Limited Licenses,” Chapter 35, “Accident and Health Insurance,” and Chapter 76, “External Review,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code sections 505B.1, 514J.117, 522A.7 and 522B.4.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code chapters 505B, 514J, 522A and 522B.

*Purpose and Summary*

The proposed amendments are a result of the Division’s ongoing review of rules. The amendments to Chapter 10 clarify the payment of appointments and the timing of notifications regarding vehicle rental counter employee limited licensee terminations. The amendment to Chapter 35 corrects a cross-reference. The amendments to Chapter 76 update the Division’s main phone number.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Division for a waiver of the discretionary provisions, if any, pursuant to 191—Chapter 4.

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Division no later than 12 noon on May 3, 2022. Comments should be directed to:

Tracy Swalwell  
Iowa Insurance Division  
1963 Bell Ave, Suite 100  
Des Moines, Iowa 50315  
Phone: 515.654.6549  
Email: [tracy.swalwell@iid.iowa.gov](mailto:tracy.swalwell@iid.iowa.gov)

## Public Hearing

If requested, a public hearing at which persons may present their views orally or in writing will be held as follows:

May 5, 2022  
9 a.m.

Via conference call

A conference call number will be available prior to the hearing on the Division's web page at [iid.iowa.gov/hearings](http://iid.iowa.gov/hearings). Persons wishing to attend the hearing may also contact Tracy Swalwell for hearing information. Persons who wish to make oral comments at the public hearing must submit a request to Tracy Swalwell prior to the public hearing to facilitate an orderly hearing. Persons will be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact Tracy Swalwell and advise of specific needs.

The public hearing will be canceled without further notice if no public hearing is requested by 12 noon on April 26, 2022.

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend rule 191—10.15(522B) as follows:

#### **191—10.15(522B) Appointments.**

**10.15(1)** Insurers are required to file and pay for appointments with the division for each producer with which the producer has an agency relationship. The determination of whether an insurer and a producer have an agency relationship will be made by the division based on the totality of the circumstances surrounding the business relationship. Appointments are not issued for business entities.

**10.15(2)** Insurers must file and pay for ~~initial~~ appointments using the NIPR Gateway, ~~except that insurers authorized under Iowa Code chapter 518 or 518A must file appointments directly with the division.~~

**10.15(3)** The notice of appointment must be filed within 30 days of the date the insurer and producer execute an agency contract or the first insurance application is submitted to the insurer.

**10.15(4)** Appointment fees are set forth in rule 191—10.26(522B). ~~The division or its designee will electronically transmit a billing statement to insurers authorized under Iowa Code chapter 518 or 518A, and payment is due within 45 days. The division will assess a late fee of \$100 for the failure to timely pay appointment billing statements and an additional \$500 on or after the forty-sixth day.~~

**10.15(5)** ~~The division may adopt special appointment filing procedures to allow an insurer to file one appointment request that will appoint a producer to some or all of the affiliated insurance companies that comprise a holding company.~~

**10.15(6)** When a company loses its identity in a new company by merger, acquisition, or otherwise, the new company must contact the ~~licensing bureau~~ division to arrange for reappointment of the producers to the remaining company.

**10.15(7)** Insurance companies must file the name, address, and electronic address of a contact person for the company, to whom the billing statements will be sent. Insurance companies must notify the division if there is a change of the person appointed as the contact person or if a change of the address of

such contact occurs. If an insurance company fails to notify the division of such a change, the insurance company must pay a \$100 fee.

ITEM 2. Amend subrule 10.16(4) as follows:

**10.16(4)** Failure to pay renewal appointment fees by March 15 will result in termination of a company's appointments. Appointments that are terminated due to nonpayment of renewal fees may be ~~reinstated upon payment of the renewal fee plus a reinstatement fee of \$500~~ reappointed using the NIPR Gateway.

ITEM 3. Amend subparagraph **10.51(1)“f”(5)** as follows:

(5) The vehicle rental limited licensee must notify the division of the termination of employment of any of its vehicle rental counter employee limited licensees. The vehicle rental limited licensee must file reports of terminations ~~semiannually on January 1 and July 1~~ within 30 days of termination of employment.

ITEM 4. Amend subparagraph **10.51(1)“i”(2)** as follows:

(2) Vehicle rental limited licensees must file written notification with the division of changes in names or addresses of vehicle rental counter employee limited licensees. If the change of name is by a court order, a copy of the order shall be included with the notification. The limited licensee must file reports of name and address changes ~~semiannually on January 1 and July 1~~ within 30 days of the change.

ITEM 5. Amend subrule 35.9(4) as follows:

**35.9(4) *Electronic transmissions.*** Notwithstanding the requirements of subrule 35.9(3), if an insurer, issuer, employer, group policyholder, or carrier receives, pursuant to 191—subrule 4-24(2) 4.21(4), approval from the commissioner of a manner of electronic delivery of a notice of cancellation, nonrenewal or termination of a policy, the approved manner shall satisfy the notice requirements of Iowa Code sections 509B.5, 513B.5, 514D.3, 515.125 and 515.129A and chapter 505B.

ITEM 6. Strike “515-654-6465” wherever it appears in **191—Chapter 76** and insert “515-654-6600” in lieu thereof.