

INSURANCE DIVISION[191]

Adopted and Filed

Rule making related to review of rules

The Insurance Division hereby amends 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 adopted 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

These 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.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on April 6, 2022, as **ARC 6285C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by Douglas Ommen, Iowa Insurance Commissioner, on May 11, 2022.

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.

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).

Effective Date

This rule making will become effective on July 6, 2022.

The following rule-making actions are adopted:

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~~ insurer 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.

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 6/1/22.