

Section 1. Section 542.8, Code Supplement 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 22. The board, by rule, shall require as a condition for renewal of a license under this section by any license holder who performs compilation services for the public other than through a licensed public accounting firm or a certified public accounting firm, that such individual undergo, no more frequently than once every three years, a peer review conducted in such manner as the board shall by rule specify, and such review shall include verification that such individual has met the competency requirements set out in professional standards for such services.

Sec. 2. Section 542.13, subsections 6 and 13, Code Supplement 2009, are amended to read as follows:

6. A firm not holding a permit issued under section 542.8 shall not ~~provide compilation services or~~ assume or use the title “licensed public accountants”, the abbreviation “LPAs”, or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such firm is composed of licensed public accountants.

13. An individual licensee shall not issue a report in standard form upon a compilation of financial information through any form of business that does not hold a permit issued under section 542.7 or 542.8 unless the report discloses the name of the business through which the individual is issuing the report and the individual licensee does all of the following:

- a. Signs the compilation report identifying the individual as a certified public accountant or licensed public accountant.
- b. Meets competency requirements provided in applicable standards.
- c. Undergoes, no less frequently than once every three years, a peer review conducted in a manner as specified by the board. The review shall include verification that such individual has met the competency requirements set out in professional standards for such services.

Sec. 3. Section 546.10, Code 2009, is amended by adding the following new subsections:

NEW SUBSECTION. 10. Notwithstanding section 17A.6, subsection 4, the licensing boards included within the bureau pursuant to subsection 1 may adopt standards by reference to another publication without providing a copy of the publication to the administrative rules coordinator if the publication containing the standards is readily accessible on the internet at no cost and the internet site at which the publication may be found is included in the administrative rules that adopt the standard.

NEW SUBSECTION. 11. Renewal periods for all licenses and certificates of the licensing boards included within the bureau pursuant to subsection 1 may be annual or multiyear, as provided by rule.

NEW SUBSECTION. 12. A quorum of a licensing board included within the bureau pursuant to subsection 1 shall be a majority of the members of the board and action may be taken upon a majority vote of board members present at a meeting who are not disqualified.

Approved March 19, 2010

CHAPTER 1056

INSURANCE RATING PRACTICES — EXTRAORDINARY LIFE CIRCUMSTANCES EXCEPTIONS

S.F. 2075

AN ACT requiring reasonable exceptions to insurance rates for consumers whose credit information is influenced by extraordinary life circumstances and providing an applicability date.

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

Section 1. Section 515.103, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 5A. Extraordinary life circumstances.

a. An insurer authorized to do business in Iowa that uses credit information to underwrite or rate risks for a policy of personal insurance shall, on written request from a consumer, provide reasonable exceptions to the insurer's rates, rating classifications, company or tier placement, or underwriting rules or guidelines for a consumer who has experienced and whose credit information has been directly influenced by any of the following events:

- (1) Catastrophic event, as declared by the federal or a state government.
- (2) Serious illness or injury, or serious illness or injury to an immediate family member.
- (3) Death of a spouse, child, or parent.
- (4) Divorce or involuntary interruption of legally owed alimony or support payments.
- (5) Identity theft.
- (6) Temporary loss of employment for a period of three months or more, if such loss results from involuntary termination of employment.
- (7) Military deployment overseas.
- (8) Other events, as determined by the insurer.

b. If a consumer submits a request for an exception as set forth in paragraph "a", an insurer may, in its sole discretion, but is not required to, do any of the following:

- (1) Require the consumer to provide reasonable written and independently verifiable documentation of the event.
- (2) Require the consumer to demonstrate that the event had direct and meaningful impact on the consumer's credit information.
- (3) Require such request to be made no more than sixty days from the date of the application for insurance or the policy renewal.
- (4) Grant an exception despite the fact that the consumer did not provide the initial request for an exception in writing.
- (5) Grant an exception where the consumer asks for consideration of repeated events or the insurer has considered this event previously.

c. An insurer is not out of compliance with any law or rules relating to underwriting, rating, or rate-filing as a result of granting an exception under this subsection. Nothing in this subsection shall be construed to provide a consumer or other insured with a cause of action that does not exist in the absence of this subsection.

d. An insurer shall provide notice to consumers that reasonable exceptions are available pursuant to this subsection and information about how the consumer may inquire further about such exceptions.

e. Within thirty days of the insurer's receipt of sufficient documentation of an event described in paragraph "a" from a consumer, the insurer shall inform the consumer of the outcome of the consumer's request for a reasonable exception. Such communication shall be in writing or provided to a consumer using the same medium as the request.

Sec. 2. **APPLICABILITY DATE.** This Act applies to personal insurance contracts or policies delivered, issued for delivery, continued, or renewed in this state on or after July 1, 2010.

Approved March 19, 2010