

481—390.8(89,252J,272D) Special inspector commissions.

390.8(1) Definition of “reputable insurance company.” As used in this rule, “reputable insurance company” means a company recognized by the Iowa insurance division as a licensed insurer, a risk retention group, an alien surplus lines insurer, or a surplus lines insurer.

390.8(2) Application.

a. A person applying for a new or renewed commission shall complete, sign, and submit to the department with the required fee the form entitled “Application for Boiler and Pressure Vessel Special Inspector Commission” provided by the department. Additionally, the applicant shall submit a copy of the applicant’s current National Board commission/endorsement with each application.

b. An applicant for a new Iowa special inspector commission shall schedule a meeting with the chief boiler inspector to discuss Iowa law and the responsibilities, expectations, and requirements for a special inspector.

390.8(3) Expiration. The commission is for no more than one year and ceases when the special inspector leaves employment with the insurance company, or when the commission is suspended or revoked by the director. Each commission expires no later than December 31 of each year.

390.8(4) Changes. The special inspector shall notify the department at the time any of the information on the form or attachments changes.

390.8(5) Denials. The director may refuse to issue or renew a special inspector’s commission for failure to complete an application package, if the applicant or inspector does not hold a National Board commission, or for any reason listed in subrules 390.8(7) through 390.8(9).

390.8(6) Investigations. Investigations will take place at the time and in the places the department directs. The director may investigate for any reasonable cause. The director may conduct interviews and utilize other reasonable investigatory techniques. Investigations may be conducted without prior notice.

390.8(7) Reasons for probation. The director may issue a notice of commission probation when an investigation reasonably reveals that the special inspector does not represent a reputable insurance company or the special inspector filed inaccurate reports.

390.8(8) Reasons for suspension. The director may issue a notice of commission suspension when an investigation reasonably reveals the following:

- a.* The special inspector failed to submit and report inspections on a timely basis;
- b.* The special inspector abused the special inspector’s authority;
- c.* The special inspector misrepresented self as a state inspector or a state employee;
- d.* The special inspector used commission authority for inappropriate personal gain;
- e.* The special inspector failed to follow the department’s rules for inspection of object repairs, alterations, construction, installation, or in-service inspection;
- f.* The special inspector committed numerous violations as described in subrule 390.8(7);
- g.* The special inspector used fraud or deception to obtain or retain, or to attempt to obtain or retain, a special inspector commission whether for one’s self or another;
- h.* The National Board revoked or suspended the special inspector’s work card;
- i.* The department received a certificate of noncompliance;
- j.* The special inspector failed to take appropriate disciplinary actions against a subordinate special inspector who has committed repeated acts or omissions listed in paragraphs 390.8(8) “a” through “h”; or
- k.* The special inspector does not represent a reputable insurance company.

390.8(9) Reasons for revocation. The director may issue a notice of revocation of a special inspector’s commission when an investigation reveals any of the following:

- a.* The special inspector filed a misleading, false or fraudulent report;
- b.* The special inspector failed to perform a required inspection;
- c.* The special inspector failed to file a report or filed a report that was not in accordance with the provisions of applicable standards;
- d.* The special inspector failed to notify the department in writing of any accident involving an object;
- e.* The special inspector committed repeated violations as described in subrule 390.8(8);

- f.* The special inspector used fraud or deception to obtain or retain, or to attempt to obtain or retain, a special inspector commission whether for one's self or another;
- g.* The special inspector instructed, ordered, or otherwise encouraged a subordinate special inspector to perform the acts or omissions listed in paragraphs 390.8(9) "a" to "f";
- h.* The National Board revoked or suspended the special inspector's commission card;
- i.* The department received a certificate of noncompliance; or
- j.* The special inspector does not represent a reputable insurance company.

390.8(10) Procedures. The following procedures apply except in the event of revocation or suspension due to receipt of a certificate of noncompliance. In instances involving receipt of a certificate of noncompliance, the applicable procedures of Iowa Code chapter 252J or 272D apply.

a. Notice of actions. The director shall serve a notice on the special inspector by certified mail to an address listed on the commission application form or by other service as permitted by Iowa Code chapter 17A. A copy will be sent to the insurance company employing the special inspector.

b. Contested cases. The special inspector has 20 days to file a written notice of contest with the director. If the special inspector does not file a written contest within 20 days of receipt of the notice, the action stated in the notice will automatically be effective.

c. Emergency suspension. Pursuant to Iowa Code section 17A.18A, if the director finds that public health, safety or welfare imperatively requires emergency action because a special inspector failed to comply with applicable laws or rules, the special inspector's commission may be summarily suspended.

d. Probation period. A special inspector may be placed on probation for a period not to exceed one year for each incident causing probation.

e. Suspension period. A special inspector's commission may be suspended up to five years for each incident causing a suspension.

f. Revocation period. A special inspector's commission that has been revoked shall not be reinstated for five years.

g. Concurrent actions. Multiple actions may proceed at the same time against any special inspector.

h. Revoked or suspended commissions. Within five business days of final agency action revoking or suspending a special inspector commission, the special inspector shall forfeit the special inspector's commission card to the director.

[ARC 8887C, IAB 2/19/25, effective 3/26/25; Editorial change: IAC Supplement 7/9/25]