

House File 632

H-1228

1 Amend House File 632 as follows:

2 1. Page 14, after line 21 by inserting:

3 <Sec. _____. Section 515.125, subsection 2, Code
4 2015, is amended to read as follows:

5 2. An insurer shall not fail to renew a policy
6 except by notice to the insured as provided in this
7 chapter. A notice of intention not to renew is not
8 effective unless mailed or delivered by the insurer
9 to the named insured at least thirty days prior
10 to the expiration date of the policy. A notice of
11 intention not to renew is not required if the insured
12 is transferred from an insurer to an affiliate for
13 future coverage as a result of a merger, acquisition,
14 or company restructuring and if the transfer results
15 in the same or broader coverage insurance company
16 admitted in Iowa which is an affiliate of, as defined
17 in section 521A.1, the transferring insurer and all of
18 the following conditions are met:

19 a. The transfer does not result in an interruption
20 in coverage.

21 b. The rating of the affiliate from the A.M. Best
22 company or a substitute rating service acceptable to
23 the commissioner, is the same or better than the rating
24 of the transferring insurer.

25 c. The transfer results in the same or broader
26 coverage.

27 d. Notice of the transfer is delivered to the
28 insured or sent by first class mail to the insured's
29 last known address not less than thirty days prior to
30 the transfer. The notice required by this paragraph is
31 not required in the event that the insured requests or
32 consents to the transfer.

33 e. The notice of transfer provides the name and
34 telephone number of the insured's insurance producer,
35 agent, or agency, if any.

36 Sec. _____. Section 515.128, subsection 3, Code 2015,
37 is amended to read as follows:

38 3. This section applies to all forms of commercial
39 property and casualty insurance written pursuant
40 to this chapter. It does not apply if the insurer
41 has offered to renew or if the insured fails to pay
42 a premium due or any advance premium required by
43 the insurer for renewal. A notice of nonrenewal is
44 not required if the insured is transferred from an
45 insurer to an affiliate for future coverage as a result
46 of a merger, acquisition, or company restructuring
47 and if the transfer results in the same or broader
48 coverage insurance company admitted in Iowa which
49 is an affiliate of, as defined in section 521A.1,
50 the transferring insurer and all of the following

1 conditions are met:

2 a. The transfer does not result in an interruption
3 in coverage.

4 b. The rating of the affiliate from the A.M. Best
5 company or a substitute rating service acceptable to
6 the commissioner, is the same or better than the rating
7 of the transferring insurer.

8 c. The transfer results in the same or broader
9 coverage.

10 d. Notice of the transfer is delivered to the
11 insured or sent by first class mail to the insured's
12 last known address not less than forty-five days prior
13 to the transfer. The notice required by this paragraph
14 is not required in the event that the insured requests
15 or consents to the transfer.

16 e. The notice of transfer provides the name and
17 telephone number of the insured's insurance producer,
18 agent, or agency, if any.>

19 2. By renumbering as necessary.

PETTENGILL of Benton