



TERRY E. BRANSTAD  
GOVERNOR

**OFFICE OF THE GOVERNOR**

KIM REYNOLDS  
LT. GOVERNOR

May 23, 2014

The Honorable Matt Schultz  
Secretary of State of Iowa  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 398, an Act relating to the duties and responsibilities of insurance producers under insurance policies or contracts.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry E. Branstad".

Terry E. Branstad  
Governor

cc: Secretary of the Senate  
Clerk of the House



House File 398

AN ACT  
RELATING TO THE DUTIES AND RESPONSIBILITIES OF INSURANCE  
PRODUCERS UNDER INSURANCE POLICIES OR CONTRACTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 522B.1, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. "*Policy owner*" means a person who is identified as the legal owner of an insurance policy or contract under the terms of the insurance policy or contract, or who is otherwise vested with legal title to the insurance policy or contract through a valid assignment completed in accordance with the terms of the insurance policy or contract and is properly recorded as the legal owner of the policy or contract in the records of the insurer. "*Policy owner*" does not include a person who has a mere beneficial interest in an insurance policy or contract.

Sec. 2. Section 522B.11, subsection 7, Code 2014, is amended by adding the following new paragraphs:

NEW PARAGRAPH. *c.* Notwithstanding the holding in *Pitts v. Farm Bureau Life Ins. Co.*, 818 N.W.2d 91 (Iowa 2012), an insurance producer, while acting within the scope and course of the license provided for by this chapter, is not in the business of supplying information to others unless the requirements of paragraph "*a*" relating to expanded duties and responsibilities are met.

NEW PARAGRAPH. *d.* Neither an insurance producer nor an insurer has a duty to change the beneficiary of an insurance policy or contract unless clear written evidence of the policy owner's intent to change a beneficiary of the policy or contract is presented to the insurance producer or insurer

in the manner required by the policy or contract prior to the payment of any insurance benefits under the policy or contract. Such evidence shall be provided in the same manner as a claim for benefits under the policy or contract.

NEW PARAGRAPH. e. Notwithstanding the holding in St. Malachy Roman Catholic Congregation v. Ingram, 841 N.W.2d 338 (Iowa 2013), an insurance producer owes any duties and responsibilities referred to in this subsection only to the policy owner, the person in privity of contract with the insurance producer, and the principal in the agency relationship with the insurance producer.



KRAIG PAULSEN

Speaker of the House



PAM JOCHUM

President of the Senate

I hereby certify that this bill originated in the House and is known as House File 398, Eighty-fifth General Assembly.



CARMINE BOAL

Chief Clerk of the House

Approved May 23, 2014



TERRY E. BRANSTAD

Governor