

February 9, 1965.
Place on Calendar.

House File 209
By COMMITTEE ON COMMERCE.

Passed House, Date 2-16-65 Passed Senate, Date 2-19-65

Vote: Ayes 116 Nays 0 Vote: Ayes 54 Nays 0

Approved 2-26-65

*Passed on file 7/16
Substituted for 5.7.216
2119*

A BILL FOR

An Act relating to the solicitation of proxies from policyholders and stockholders of insurance companies.

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

1 Section 1. Sections five hundred twenty-three point two
2 (523.2), five hundred twenty-three point three (523.3), and five
3 hundred twenty-three point four (523.4), Code 1962, are hereby
4 repealed and the following section substituted therefor: "The
5 commissioner of insurance shall promulgate such rules with
6 respect to the solicitation and voting of proxies as will in his
7 opinion best protect the interests of all stockholders or
8 policyholders from whom they are solicited. Any violation of any
9 rule promulgated hereunder shall be deemed a misdemeanor and
10 punishable accordingly."

EXPLANATION OF HOUSE FILE 209

This bill and a companion bill on insider trading of insurance company securities are made necessary by a bill passed by the last session of the United States Congress. Congress modified the powers of the Securities and Exchange Commission and authorized them to regulate the solicitation of proxies and the sale of stock in insurance companies to the extent that the state insurance department does not regulate. This bill and the companion bill on insider trading are absolutely necessary to stop further encroachment by the federal government into the regulation of one of Iowa's most important industries.