

February 10, 1969

HOUSE FILE 231

Commerce

By ANDERSEN (Palmer)

Rec - do pass 3-19
Commerce 1-13, 1969 2-19-70

Passed House, Date *4-19-69* Passed Senate, Date *3-6-70*

Vote: Ayes *86* Nays *0* Vote: Ayes *42* Nays *0*

Approved *3/20/70*

Passed per Senate amendment
3/13 91-0

A BILL FOR

- 1 An Act relating to the licensing of insurance agents in Iowa.
- 2 *Be It Enacted by the General Assembly of the State of Iowa:*
- 3 Section 1. Section five hundred twenty-two point one
- 4 (522.1), Code 1966, is hereby amended by striking from lines
- 5 six (6) and seven (7) the words "other than fraternal bene-
- 6 ficiary associations".

EXPLANATION OF HOUSE FILE 231

This bill would make it necessary for all insurance agents selling insurance in Iowa to be licensed in Iowa, including representatives of fraternal insurance organizations.

HOUSE CLIP SHEET

Friday, March 28, 1969

HOUSE FILE 231

1 Amend House File 231 as follows:
2 1. Page 1, by striking line six (6) and inserting in lieu
3 thereof the following:
4 "ficiary associations," and inserting in lieu thereof the
5 following: ", except that the licensing of persons so acting
6 for fraternal beneficiary associations shall be in accordance
7 with the provisions of section five hundred twelve point
8 thirty-three (512.33) of the Code, and".
9 2. By adding thereto the following new section:
10 Sec. 2. Section five hundred twelve point thirty-three
11 (512.33), Code 1966, is hereby amended by adding the follow-
12 ing:
13 The term "agent" as used in this section means any authorized
14 or acknowledged agent of a society who acts as such in the
15 solicitation, negotiation or procurement or making of a
16 life insurance, accident and health insurance or annuity
17 contract, except the term "agent" shall not include any
18 agent or representative of a society who devotes, or intends
19 to devote, less than twenty-five per cent of his time to the
20 solicitation and procurement of insurance contracts for such
21 society. Any person who in the preceding calendar year
22 has solicited and procured life insurance contracts on behalf
23 of any society in an amount of insurance in excess of twenty-
24 five thousand dollars, or, in the case of any other kind or
25 kinds of insurance which the society is authorized to write,
26 on the persons of more than twenty-five individuals and who
27 has received or will receive a commission or other compensation
28 therefor, shall be presumed to be devoting, or intending to
29 devote, twenty-five per cent of his time to the solicitation
30 or procurement of insurance contracts for such society. On
31 and after July 1, 1969, any agent who is authorized by a
32 fraternal beneficiary society to act in a solicitation,
33 negotiation, or procurement of a life insurance, disability
34 insurance, health, or annuity contract shall be licensed
35 in accordance with the applicable provisions of chapter
36 five hundred twenty two (522), of the Code; provided,
37 however, that any examination which may be required under
38 the provisions of said chapter five hundred twenty two (522)
39 shall not be applicable to any agent of a society who is in
40 the service of a society on July 1, 1969, and who on said
41 date is authorized to represent a fraternal beneficiary
42 society.

Filed - *Adopted 4-19*
March 27, 1969

KOCH of Woodbury

SENATE AMENDMENT TO HOUSE FILE 231

1 Amend House File 231, as amended and passed by the House, as
2 follows:

3 1. Page 1, by striking all after the colon on page 7 and by
4 striking lines 8, 9 and 10 and inserting in lieu thereof the
5 following: "unless exempt from the provisions of this chapter
6 by reason of section five hundred twelve point thirty-three
7 (512.33) of the Code, and".

8 2. By striking all of section 2 on page 1 and 2 and inserting
9 in lieu thereof the following:

10 Section five hundred twelve point thirty-three (512.33),
11 Code 1966, is hereby amended by striking all of said section
12 and inserting in lieu thereof the following:

13 "Such association may employ agents in the soliciting or
14 procuring of new members and such agents shall be subject to the
15 provisions of chapter five hundred twenty-two (522) of the Code.
16 The term 'agent' as used in this section means any authorized or
17 acknowledged agent of a society who acts as such in the solicitation,
18 negotiation or procurement or making of a life insurance, accident
19 and health insurance or annuity contract. Notwithstanding the
20 above definition of the term 'agent', a society may appoint one
21 individual to act as an agent for each lodge, or other subordinate
22 unit by whatever name known, of the society and licensing under
23 chapter five hundred twenty-two (522) shall not be required of
24 such individual so long as the life insurance contracts solicited
25 and procured by such individual do not exceed twenty-five thousand
26 dollars in any calendar year, or, in the case of any other kind
27 or kinds of insurance which the society is authorized to write,
28 on the persons of more than twenty-five individuals in any
29 calendar year. Licensing in accordance with chapter five hundred
30 twenty-two (522) shall be required on and after the effective
31 date of this Act. Any examination which may be required under
32 the provisions of said chapter five hundred twenty-two (522)
33 shall not be applicable to any agent of a society who is in the
34 service of a society on the effective date of this Act, and who
35 on said date is authorized to represent a fraternal beneficiary
36 society. The provisions of said chapter five hundred twenty-two
37 (522) shall not apply to the member representatives of any
38 society organized or licensed under this chapter which insures
39 its members against death, dismemberment and disability resulting
40 from accident only, and which pays no commission or other
41 compensation for the solicitation and procurement of such
42 contracts."

Received from the Senate

March 10, 1970

How concurred
3/13

1 Amend House File 231 as follows:
2 1. By striking all after the colon (:) in line 7, and all of
3 lines 8, 9, and 10, and substituting in lieu thereof the
4 following: "unless exempt from the provisions of this chapter by
5 reason of section 512.33 of the Code, and".
6 2. By striking all of section 2 and substituting in lieu
7 thereof the following:
8 "Section five hundred twelve point thirty-three (512.33), Code
9 1966, is hereby amended by striking all of said section and
10 inserting in lieu thereof the following:
11 "Such associations may employ agents in the soliciting or
12 procuring of new members and such agents shall be subject to the
13 provisions of chapter five hundred twenty-two (522), of the Code.
14 The term 'agent' as used in this section means any authorized or
15 acknowledged agent of a society who acts as such in the
16 solicitation, negotiation or procurement or making of a life
17 insurance, accident and health insurance or annuity contract,
18 provided however that, notwithstanding the above definition of
19 the term 'agent', each lodge, or other subordinate unit by
20 whatever name known, of every fraternal beneficiary society may
21 appoint one individual to act as an agent and that licensing
22 under chapter five hundred twenty-two (522) shall not be required
23 of such individual so long as the contracts solicited and
24 procured by such individual does not exceed twenty-five thousand
25 (25,000.00) dollars in any calendar year, or, in the case of any
26 other kind or kinds of insurance which the society is authorized
27 to write, on the persons of more than twenty-five individuals in
28 any calendar year. Licensing in accordance with chapter five
29 hundred twenty-two (522), of the Code shall be required on and
30 after the effective date of this act, provided, however, that any
31 examination which may be required under the provisions of said
32 chapter five hundred twenty-two (522) shall not be applicable to
33 any agent of a society who is in the service of a society on the
34 effective date of this act, and who on said date is authorized to
35 represent a fraternal beneficiary society."

Filed - *Withdrawn 3/6*
May 12, 1969

By PALMER and GRIFFIN

HOUSE FILE 231

1 Amend House File 231, as amended and passed by the House, as follows:

2 1. Page 1, line 7, by striking all after the colon and by striking
3 lines 8, 9 and 10, and inserting in lieu thereof the following: "unless
4 exempt from the provisions of this chapter by reason of section five
5 hundred twelve point thirty-three (512.33) of the Code, and".

6 2. By striking all of section 2 and inserting in lieu thereof the
7 following new section:

8 Section five hundred twelve point thirty-three (512.33), Code 1966,
9 is hereby amended by striking all of said section and inserting in lieu
10 thereof the following:

11 "Such associations may employ agents in the soliciting or procuring
12 of new members and such agents shall be subject to the provisions of
13 chapter five hundred twenty-two (522) of the Code. The term 'agent' as
14 used in this section means any authorized or acknowledged agent of a
15 society who acts as such in the solicitation, negotiation or procurement
16 or making of a life insurance, accident and health insurance or annuity
17 contract. Notwithstanding the above definition of the term 'agent', a
18 society may appoint one individual to act as an agent for each lodge, or
19 other subordinate unit by whatever name known, of the society and

licensing
20 under chapter five hundred twenty-two (522) shall not be required of
such

21 individual so long as the life insurance contracts solicited and procured
22 by such individual do not exceed twenty-five thousand dollars in any
23 calendar year, or, in the case of any other kind or kinds of insurance
24 which the society is authorized to write, on the persons of more than
25 twenty-five individuals in any calendar year. Licensing in accordance
26 with chapter five hundred twenty-two (522) shall be required on and
after

27 the effective date of this Act. Any examination which may be required
28 under the provisions of said chapter five hundred twenty-two (522)
shall

29 not be applicable to any agent of a society who is in the service of a
society

30 on the effective date of this Act, and who on said date is authorized to
31 represent a fraternal beneficiary society. The provisions of said chapter
32 five hundred twenty-two (522) shall not apply to the member repre-
sentatives

33 of any society organized or licensed under this chapter which insures
its

34 members against death, dismemberment and disability resulting from
accident

35 only, and which pays no commission or other compensation for the
solicitation

36 and procurement of such contracts."

Filed - *adopted 3-6*
February 24, 1970

By PALMER and GRIFFIN

1 Amend House File 231, as amended and passed by the House, as
2 follows:

3 1. By striking all after the colon on page 1, line 7 and
4 all lines 8, 9 and 10, and substituting in lieu there-
5 of the following: "unless exempt from the provisions of
6 this chapter by reason of section five hundred twelve
7 point thirty-three (512.33) of the Code, and".

8 2. By striking all of section 2 and substituting in lieu
9 thereof the following:

10 "Section five hundred twelve point thirty-three (512.33),
11 Code 1966, is hereby amended by striking all of said
12 section and inserting in lieu thereof the following:

13 "Such associations may employ agents in the soliciting or
14 procuring of new members and such agents shall be subject
15 to the provisions of chapter five hundred twenty-two (522)
16 of the Code. The term 'agent' as used in this

17 section means any authorized or acknowledged agent of a
18 society who acts as such in the solicitation, negotia-
19 tion or procurement or making of a life insurance, acci-
20 dent and health insurance or annuity contract. Notwith-
21 standing the above definition of the term 'agent', a
22 society may appoint one individual to act as an agent
23 for each lodge, or other subordinate unit by whatever
24 name known, of the society and that licensing under
25 chapter five hundred twenty-two (522) of the Code,
26 shall not be required of such individual so long as the
27 contracts solicited and procured by such individual do
28 not exceed twenty-five thousand dollars in any calendar
29 year, or, in the case of any other kind or kinds of
30 insurance which the society is authorized to write, on
31 the persons of more than twenty-five individuals in any
32 calendar year. Licensing in accordance with chapter five
33 hundred twenty-one (522) of the Code, shall be
34 required on and after the effective date of this Act.

35 Any examination which may be required under the provi-
36 sions of said chapter five hundred twenty-two (522) of
37 the Code, shall not be applicable to any agent of
38 a society who is in the service of a society on the
39 effective date of this Act, and who on said date is
40 authorized to represent a fraternal beneficiary society."

Filed - *Withdrawn 3/6*
May 13, 1969

By PALMER and GRIFFIN

1 Amend House File 231, as amended and passed by the House,
2 page 2, by striking from lines 9 and 18 the figure "1969" and
3 inserting in lieu thereof the figure "1970".

Filed - *Adopted 3/6*
February 19, 1970

By GRIFFIN