

FEB 11 1974

HOUSE FILE 1177

Place On Calendar

By COMMITTEE ON COMMERCE

Commerce 2/13, Pass 3/14

House File 1177
Commerce—
Hultman, Chairman
Glenn
Rabodeaux

Passed House, Date 3-15-74 (468) Passed Senate, Date 4-10-74 (1275)

Vote: Ayes 88 Nays 0 Vote: Ayes 44 Nays 0

Approved April 17 1974

A BILL FOR

1 An Act to provide for reciprocal enforcement of court orders
2 against insurers.

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

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1 Section 1. Section five hundred seven A point six (507A.6),
2 Code 1973, is amended by striking subsection six (6).

3 Sec. 2. Chapter five hundred seven A (507A), Code 1973,
4 is amended by adding the following new section:

5 NEW SECTION. The attorney general upon request of the
6 commissioner of insurance may proceed in the courts of this
7 state or any reciprocal state to enforce an order or decision
8 in any court proceeding or in any administrative proceeding
9 before the commissioner of insurance.

10 1. As used in this section, unless the context otherwise
11 requires:

12 a. "Reciprocal state" means any state or territory of
13 the United States the laws of which contain procedures sub-
14 stantially similar to those specified in this section for
15 the enforcement of decrees or orders in equity issued by
16 courts located in other states or territories of the United
17 States, against any insurer incorporated or authorized to
18 do business in said state or territory.

19 b. "Foreign decree" means any decree or order in equity
20 of a court located in a reciprocal state, including a court
21 of the United States located therein, against any insurer
22 incorporated or authorized to do business in this state.

23 c. "Qualified party" means a state regulatory agency
24 acting in its capacity to enforce the insurance laws of its
25 state.

26 2. The commissioner of insurance shall determine which
27 states and territories qualify as reciprocal states and shall
28 maintain at all times an up-to-date list of such states.

29 3. A copy of any foreign decree authenticated in accor-
30 dance with the statutes of this state may be filed in the
31 office of the clerk of any district court of this state.
32 The clerk, upon verifying with the insurance commissioner
33 that the decree or order qualifies as a foreign decree, shall
34 treat the foreign decree in the same manner as a decree of
35 a district court of this state. A foreign decree so filed

1 has the same effect and shall be deemed as a decree of a
2 district court of this state, and is subject to the same
3 procedures, defenses and proceedings for reopening, vacating,
4 or staying as a decree of a district court of this state and
5 may be enforced or satisfied in like manner.

6 4. a. At the time of the filing of the foreign decree,
7 the attorney general shall make and file with the clerk of
8 the court an affidavit setting forth the name and last known
9 post office address of the defendant.

10 b. Promptly upon the filing of the foreign decree and
11 the affidavit, the clerk shall mail notice of the filing of
12 the foreign decree to the defendant at the address given and
13 to the insurance commissioner of this state and shall make
14 a note of the mailing in the docket. In addition, the attorney
15 general may mail a notice of the filing of the foreign decree
16 to the defendant and to the insurance commissioner of this
17 state and may file proof of mailing with the clerk. Lack
18 of mailing notice of filing by the clerk shall not affect
19 the enforcement proceedings if proof of mailing by the attorney
20 general has been filed.

21 c. No execution or other process for enforcement of a
22 foreign decree filed under this section shall issue until
23 thirty days after the date the decree is filed.

24 5. a. If the defendant shows the district court that
25 an appeal from the foreign decree is pending or will be taken,
26 or that a stay of execution has been granted, the court shall
27 stay enforcement of the foreign decree until the appeal is
28 concluded, the time for appeal expires, or the stay of exe-
29 cution expires or is vacated, upon proof that the defendant
30 has furnished the security for the satisfaction of the decree
31 required by the state in which it was rendered.

32 b. If the defendant shows the district court any ground
33 upon which enforcement of a decree of any district court of
34 this state would be stayed, the court shall stay enforcement
35 of the foreign decree for an appropriate period, upon requiring

1 the same security for satisfaction of the decree which is
2 required in this state.

3 6. Any person filing a foreign decree shall pay to the
4 clerk of court twenty-five dollars. Fees for docketing,
5 transcription or other enforcement proceedings shall be as
6 provided for decrees of the district court.

7 EXPLANATION

8 The Iowa Unauthorized Insurers Act, Chapter 507A, Code
9 1973, cannot be enforced against insurers domiciled in certain
10 states unless the Act contains the reciprocal provisions of
11 this bill.

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