

Reprinted 5/20/81

APR 21 1981

WAYS & MEANS CALENDAR

HOUSE FILE 846

BY COMMITTEE ON WAYS AND MEANS

(Formerly House File 811)

Passed House, Date 5-19-81 (p. 2045) Passed Senate, Date \_\_\_\_\_  
Vote: Ayes 74 Nays 25 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

### A BILL FOR

1 An Act relating to regulatory activities of the department of  
2 insurance and the fees payable by persons subject to such  
3 regulation.

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

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13 The text of this bill, and explanation, are identical  
14 to House File 811

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1 Section 1. Section 87.11, Code 1981, is amended by adding  
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. An employer seeking relief from  
4 the insurance requirements of this chapter shall pay to the  
5 department of insurance the following fees:

6 1. A fee of one hundred dollars, to be submitted annually  
7 along with an application for relief.

8 2. A fee of one hundred dollars for issuance of the  
9 certificate relieving the employer from the insurance  
10 requirements of this chapter.

11 Sec. 2. Section 502.302, subsection 2, Code 1981, is  
12 amended to read as follows:

13 2. Every applicant for initial or renewal registration  
14 as a broker-dealer shall pay a filing fee of one-hundred  
15 dollars-in-the-case-of-a-broker-dealer,-and-ten-dollars-in  
16 the-case-of-an-agent two hundred dollars. ~~When an application~~  
17 ~~is denied or withdrawn, the administrator shall retain the~~  
18 ~~fee.~~ Every applicant for initial or renewal registration  
19 as an agent shall pay a filing fee of twenty dollars. A  
20 filing fee is not refundable.

21 Sec. 3. Section 507B.8, Code 1981, is amended to read  
22 as follows:

23 507B.8 JUDICIAL REVIEW OF CEASE AND DESIST ORDERS.  
24 Judicial review of the actions of the commissioner may be  
25 sought in accordance with the terms of the Iowa administrative  
26 procedure Act. To the extent that an order of the commissioner  
27 is affirmed in any judicial review proceeding, the court shall  
28 thereupon issue its own order commanding obedience to the  
29 terms of such order of the commissioner.

30 After the period for judicial review of an order of the  
31 commissioner has expired and no petition for judicial review  
32 has been filed, the attorney general upon request of the  
33 commissioner of insurance shall proceed in the Iowa district  
34 court to enforce an order of the commissioner. The court  
35 shall enter its order commanding obedience to the terms of

1 the commissioner's order.

2 No order of the commissioner under this chapter or order  
3 of a court to enforce the same shall in any way relieve or  
4 absolve any person affected by such order from any liability  
5 under any other laws of this state.

6 Sec. 4. Section 510.19, Code 1981, is amended to read  
7 as follows:

8 510.19 CERTIFICATE OF AUTHORITY--FEE. Upon its complying  
9 with ~~the provisions of~~ sections 510.16 to 510.18, and ~~of~~  
10 ~~section~~ 511.27, and the payment of ~~twenty-five dollars~~ a fee  
11 of fifty dollars, the commissioner shall issue ~~to it~~ a  
12 certificate of authority to do business in this state,  
13 provided. However, the commissioner shall not issue a  
14 certificate of authority to do business in this state unless  
15 the same right is extended by the state in which ~~said~~ the  
16 association is organized to associations of the same class  
17 in this state.

18 Sec. 5. Section 511.24, Code 1981, is amended by striking  
19 the section and inserting in lieu thereof the following:

20 511.24 FEES FROM DOMESTIC AND FOREIGN COMPANIES. When  
21 not otherwise provided, a foreign or domestic life insurance  
22 company doing business in this state shall pay to the  
23 commissioner of insurance the following fees:

24 1. For filing an application to do business, or an  
25 application to renew a certificate of authority, fifty dollars.

26 2. For issuing a certificate of authority to do business  
27 in this state, or for renewing a certificate, fifty dollars.

28 3. For filing amended articles of incorporation, fifty  
29 dollars.

30 4. For issuing an amended certificate of authority, twenty-  
31 five dollars.

32 5. For every copy of any paper filed, fifty cents per  
33 folio, and for certifying and affixing the official seal to  
34 any paper filed with the department, five dollars.

35 6. For valuing policies, twenty dollars for each million

1 dollars of insurance or fraction thereof.

2 Sec. 6. Section 514.15, Code 1981, is amended to read  
3 as follows:

4 514.15 NONEXEMPT FROM TAXATION. Every corporation  
5 organized under the provisions of this chapter is hereby  
6 declared to be a charitable and benevolent institution but  
7 its property and funds, including subscribers' contracts,  
8 shall not be exempt from taxation. The tax on subscriber  
9 contracts shall be at the rate of fifteen cents for each  
10 subscriber contract issued in the preceding calendar year  
11 and shall be paid to the commissioner of insurance at the  
12 time of the filing of each corporation's annual statement.  
13 For purposes of this section, the term "subscriber contract"  
14 shall mean only those benefit contracts issued or delivered  
15 in Iowa by corporations subject to this chapter, including  
16 certificates issued under such contracts, and which provide  
17 coverage to residents of Iowa on a risk basis.

18 Sec. 7. Section 515.128, Code 1981, is amended by striking  
19 the section and inserting in lieu thereof the following:

20 515.128 FEES. Fees shall be paid to the commissioner  
21 of insurance as follows:

22 1. For filing an application to do business, including  
23 all documents submitted in connection with the application,  
24 by a foreign or domestic company, or for filing an application  
25 for renewed authority, fifty dollars.

26 2. For issuing to a foreign or domestic company a  
27 certificate of authority to do business or a renewed  
28 certificate of authority, fifty dollars.

29 3. For filing amended articles of incorporation, fifty  
30 dollars.

31 4. For issuing an amended certificate of authority, twenty-  
32 five dollars.

33 5. For every copy of any paper filed, fifty cents per  
34 folio, and for certifying and affixing the official seal to  
35 any paper filed with the department, five dollars.

1 Sec. 8. Section 518.16, unnumbered paragraphs 3 and 4,  
2 Code 1981, are amended to read as follows:

3 ~~The commissioner shall require of each~~ Each first-time  
4 applicant shall pay to the commissioner an application fee  
5 ~~of five~~ ten dollars, per line of insurance.

6 ~~Each license shall expire on March 31 following the time~~  
7 ~~of issue. A fee of fifty cents for each license shall be~~  
8 ~~paid by the county mutual insurance association. Every county~~  
9 mutual authorized to transact business in this state shall  
10 certify its agents to the commissioner who shall keep a list  
11 of the agents.

12 Sec. 9. Section 522.1, unnumbered paragraph 1, Code 1981,  
13 is amended to read as follows:

14 ~~No~~ A person shall not, directly or indirectly, act within  
15 this state as agent, or otherwise, in receiving or procuring  
16 applications for insurance, or in doing or transacting any  
17 kind of insurance business for any a company or association  
18 unless exempt from the provisions of this chapter by reason  
19 of section 512.33, ~~and~~ except that the licensing of persons  
20 so acting for county mutuals ~~shall be~~ is subject only to the  
21 ~~provisions of~~ section 518.16, until ~~he~~ the person has procured  
22 a license from the commissioner of insurance ~~a license~~  
23 ~~authorizing him to act for such company or association as~~  
24 ~~agent.~~

25 Sec. 10. Section 522.2, Code 1981, is amended to read  
26 as follows:

27 522.2 TERM OF LICENSE. ~~Said~~ A license ~~shall terminate~~  
28 ~~at the end of the insurance year for which such company or~~  
29 ~~association is authorized to transact business~~ is valid for  
30 one year.

31 Sec. 11. Section 522.3, unnumbered paragraph 1, Code 1981,  
32 is amended to read as follows:

33 522.3 ISSUANCE AND REVOCATION. The commissioner shall  
34 require of each first-time applicant ~~such~~ reasonable proof  
35 of character and competency with respect to the type and kind

1 of insurance the applicant proposes to sell ~~as-will~~ in order  
2 to protect public interest, before issuing such a license  
3 and may, for good cause, ~~after hearing held within sixty days~~  
4 ~~from the date of application~~, decline to issue such a license.  
5 Any A license, whether it be a first-time or renewal license,  
6 may be suspended or revoked by the commissioner for good  
7 cause, after hearing. The commissioner may issue a temporary  
8 license for a period of not to exceed six months and for such  
9 a temporary license may waive the requirements established  
10 herein of this section.

11 Sec. 12. Section 522.3, unnumbered paragraph 3, Code 1981,  
12 is amended to read as follows:

13 ~~The commissioner shall require of each~~ A first-time  
14 applicant for a license shall pay to the commissioner an  
15 application fee of five ten dollars for each line of insurance.

16 Sec. 13. Section 522.4, Code 1981, is amended to read  
17 as follows:

18 522.4 FEE. The fee charged for such an agent's license  
19 shall be, ~~for agents for insurance other than life, two dollars~~  
20 ~~fifty cents, and for life insurance agents, five dollars.~~  
21 ~~The commissioner shall remit the fees collected to the~~  
22 ~~treasurer of state for deposit in the general fund of the~~  
23 state ten dollars. Every insurer authorized to transact  
3849 > 24 business in this state shall certify its agents to the  
2782 > 25 commissioner who shall keep a list of the agents.

26 Sec. 14. Section 522.5, Code 1981, is amended to read  
27 as follows:

28 522.5 VIOLATION. Any A person acting as agent or otherwise  
29 representing any an insurance company or association, in  
30 violation of ~~the provisions of~~ section 522.1, ~~shall be is~~  
31 guilty of a serious misdemeanor. In addition, a civil penalty  
32 of no more than ten thousand dollars may be assessed against  
3349 > 33 a person who violates section 522.1.

34 Sec. 15. Sections 511.5, 511.25 and 515.90, Code 1981,  
35 are repealed.

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EXPLANATION

Sections 1, 2, 4, 5, 6, 7, 8, 12 and 13 of this bill increase various fees paid to the department of insurance by persons regulated by the department.

Sections 9, 10, 11, 14 and 18 of this bill amend the insurance laws relating to agent licensing by:

1. Requiring that an agent have a license before the agent may transact business. Current law requires an agent to have a separate license for each insurer for whom the agent transacts business. The license is valid for one year from the date of issue.

2. Dispensing with the hearing currently required when the insurance commissioner declines to issue an agent license.

3. Allowing the commissioner to impose a civil penalty of no more than ten thousand dollars against a person who violates the licensing provision of section 522.1.

4. Repealing sections 511.5, 511.25, and 515.90 relating to licensing.

Section 3 requires the attorney general to commence actions to enforce orders of the commissioner issued under the unfair trade practices chapter.

This bill takes effect July 1 following its enactment.

HOUSE FILE 846

H-3819

- 1 Amend House File 846 as follows:  
2 1. Page 5, line 25, by inserting after the word  
3 "agents" the words "and charge an annual appointment  
4 fee of ten dollars for each agent. The commissioner  
5 shall remit the fees collected to the treasurer of  
6 state for deposit in the general fund of the state".

H-3819 FILED APRIL 24, 1981 BY SCHROEDER of Pottawattamie  
*W/S 5/19/81 (p. 2044)* SCHNEKLOTH of Scott

HOUSE FILE 846

H-3849

- 1 Amend House File 846 as follows:  
2 1. Page 5, line 33, by inserting after the period  
3 the following: "After the period for judicial review  
4 of an order of the commissioner has expired and no  
5 petition for judicial review has been filed, the  
6 attorney general upon request of the commissioner  
7 of insurance shall proceed in the Iowa district court  
8 to enforce an order of the commissioner. The court  
9 shall enter its order commanding obedience to the  
10 terms of the commissioner's order."

H-3849 FILED APRIL 27, 1981 BY HALVORSON of Clayton  
*Adopted 5/19/81 (p. 2045)* SCHROEDER of Pottawattamie

HOUSE FILE 846

H-3985

- 1 Amend House File 846 as follows:  
2 1. Page 5, line 25, by inserting after the word  
3 "agents" the words "and charge an annual appointment  
4 fee of five dollars for each agent. The commissioner  
5 shall remit the fees collected to the treasurer of  
6 state for deposit in the general fund of the state".

H-3985 FILED MAY 4, 1981 BY SCHROEDER of Pottawattamie  
*Adopted 5/19/81 (p. 2044)* SCHNEKLOTH of Scott

HOUSE FILE 846

H-4272

1 Amend House File 846 as follows:  
2 1. Page 1, by inserting after line 20 the  
3 following:  
4 "Sec. \_\_\_\_ Chapter 507, Code 1981, is amended  
5 by adding the following new section:  
6 NEW SECTION. DOMESTIC COMPANY FEE. Every domestic  
7 company shall pay an annual fee to the commissioner  
8 of insurance in an amount equal to one percent of its  
9 total gross investment income earned during the  
10 preceding calendar year, as reported to the  
11 commissioner in the annual statement for that year.  
12 The fee shall be submitted at the time of filing of  
13 the annual statement. Upon the failure of a domestic  
14 company to pay the fee required by this section the  
15 executive council may cause an action to be brought  
16 on behalf of the state to recover the fee, and the  
17 commissioner of insurance may revoke the authority  
18 of the company to transact business in this state.  
19 The fee required by this section shall be in addition  
20 to any other fee required by law."

H-4272 FILED  
MAY 19, 1981

BY BRUNER of Story  
RAPP of Black Hawk

*Revised not germane 5/19/81 (p. 20144)*

SIXTY-NINTH GENERAL ASSEMBLY  
1982 REGULAR SESSION

DAILY  
SENATE CLIP SHEET

THURSDAY, JANUARY 21, 1982

HOUSE FILE 846  
FISCAL NOTE

REQUESTED BY SENATOR CRAFT

In compliance with a written request there is hereby submitted a Fiscal Note for House File 846 pursuant to Joint Rule 16.

House File 846, An Act relating to regulatory activities of the department of insurance and the fees payable by persons subject to such regulation.

Revenues that would be generated under H.F. 846:

<u>Self-Insureds</u>		
Application for Relief (\$100 x 175)	\$	17,500
Certificate of Relief (\$100 x 175)		<u>17,500</u>
		35,000
<u>Agent Licensing Division</u>		
Licenses under single license system (\$10 x 39,150)	\$	391,500
Application Fees (\$10 x 15,820)		158,200
New agent certification fee (\$5 x 165,000)		825,000
Miscellaneous Fees		<u>7,900</u>
		1,382,600
<u>Examination Division</u>		
Company Application Fees (40 x 1,200)	\$	60,000
Company License Fees (\$50 x 1,200)		60,000
Miscellaneous Certification Fees		8,713
Company Billings for Examinations		<u>818,327</u>
		947,040
<u>Securities Division</u>		
Agent Licenses (\$10 to \$20)	\$	86,980
Dealer Licenses (100 to \$200)		52,000
Registrations		493,061
Examinations		66,000
Miscellaneous		<u>100</u>
		698,141
<u>Chapter 514 Companies</u>		
New Subscriber Contact Tax (Blue Cross, Blue Shield, Blue Cross of W. Iowa and South Dakota, Iowa Pharmacy Service, Delta Dental, Mid-America Vision Service Plan) (\$.15 x 1,367,000)		<u>205,141</u>

TOTAL REVENUE GENERATED BY HF 846

\$3,267,922

NOTE: This bill does not generate new revenue.  
The bill redistributes the fees on a more equitable basis.

FILED  
JANUARY 20, 1982

BY GERRY RANKIN, DIRECTOR  
LEGISLATIVE FISCAL BUREAU

Ways and Means Do Pass 5/22/81  
House File 846 (p. 1866)  
Ways and Means Do Pass 1/14/82 (p. 93)  
Craft, Chairperson  
Rush  
Hester

HOUSE FILE 846

BY COMMITTEE ON WAYS AND MEANS

(As Amended and Passed by the House)

Passed House, Date 5-19-81 (p. 2045) Passed Senate, Date 1-20-82 (p. 125)  
Vote: Ayes 74 Nays 25 Vote: Ayes 29 Nays 20  
Approved 2-8-82 (p. 330)

### A BILL FOR

1 An Act relating to regulatory activities of the department of  
2 insurance and the fees payable by persons subject to such  
3 regulation.

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

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House Amendments \_\_\_\_\_

1 Section 1. Section 87.11, Code 1981, is amended by adding  
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. An employer seeking relief from  
4 the insurance requirements of this chapter shall pay to the  
5 department of insurance the following fees:

6 1. A fee of one hundred dollars, to be submitted annually  
7 along with an application for relief.

8 2. A fee of one hundred dollars for issuance of the  
9 certificate relieving the employer from the insurance  
10 requirements of this chapter.

11 Sec. 2. Section 502.302, subsection 2, Code 1981, is  
12 amended to read as follows:

13 2. Every applicant for initial or renewal registration  
14 as a broker-dealer shall pay a filing fee of one-hundred  
15 dollars-in-the-case-of-a-broker-dealer,-and-ten-dollars-in  
16 the-case-of-an-agent two hundred dollars. When-an-application  
17 is-denied-or-withdrawn,-the-administrator-shall-retain-the  
18 fee- Every applicant for initial or renewal registration as  
19 an agent shall pay a filing fee of twenty dollars. A filing  
20 fee is not refundable.

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25 sought in accordance with the terms of the Iowa administrative  
26 procedure Act. To the extent that an order of the commissioner  
27 is affirmed in any judicial review proceeding, the court shall  
28 thereupon issue its own order commanding obedience to the  
29 terms of such order of the commissioner.

30 After the period for judicial review of an order of the  
31 commissioner has expired and no petition for judicial review  
32 has been filed, the attorney general upon request of the  
33 commissioner of insurance shall proceed in the Iowa district  
34 court to enforce an order of the commissioner. The court  
35 shall enter its order commanding obedience to the terms of

1 the commissioner's order.

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3 of a court to enforce the same shall in any way relieve or  
4 absolve any person affected by such order from any liability  
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6 Sec. 4. Section 510.19, Code 1981, is amended to read  
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9 with ~~the provisions of~~ sections 510.16 to 510.18, and ~~of~~  
10 ~~section~~ 511.27, and the payment of ~~twenty-five dollars~~ a fee  
11 of fifty dollars, the commissioner shall issue ~~to it~~ a  
12 certificate of authority to do business in this state,  
13 provided. However, the commissioner shall not issue a  
14 certificate of authority to do business in this state unless  
15 the same right is extended by the state in which ~~said~~ the  
16 association is organized to associations of the same class  
17 in this state.

18 Sec. 5. Section 511.24, Code 1981, is amended by striking  
19 the section and inserting in lieu thereof the following:

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21 not otherwise provided, a foreign or domestic life insurance  
22 company doing business in this state shall pay to the  
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28 3. For filing amended articles of incorporation, fifty  
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17 kind of insurance business for any a company or association  
18 unless exempt from the provisions of this chapter by ~~reason~~  
19 ~~of~~ section 512.33, and except that the licensing of persons  
20 so acting for county mutuals ~~shall be~~ is subject only to the  
21 ~~provisions of~~ section 518.16, until ~~he~~ the person has procured  
22 a license from the commissioner of insurance ~~a license~~  
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HOUSE FILE 846

AN ACT

RELATING TO REGULATORY ACTIVITIES OF THE DEPARTMENT OF  
INSURANCE AND THE FEES PAYABLE BY PERSONS SUBJECT TO SUCH  
REGULATION.

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

Section 1. Section 87.11, Code 1981, is amended by adding  
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NEW UNNUMBERED PARAGRAPH. An employer seeking relief from  
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1. A fee of one hundred dollars, to be submitted annually  
along with an application for relief.

2. A fee of one hundred dollars for issuance of the  
certificate relieving the employer from the insurance  
requirements of this chapter.

Sec. 2. Section 502.302, subsection 2, Code 1981, is  
amended to read as follows:

2. Every applicant for initial or renewal registration  
as a broker-dealer shall pay a filing fee of one-hundred  
dollars-in-the-case-of-a-broker-dealer,-and-ten-dollars-in  
the-case-of-an-agent two hundred dollars. When-an-application  
is-denied-or-withdrawn,-the-administrator-shall-retain-the  
fee. Every applicant for initial or renewal registration  
as an agent shall pay a filing fee of twenty dollars. A  
filing fee is not refundable.

Sec. 3. Section 507B.8, Code 1981, is amended to read  
as follows:

507B.8 JUDICIAL REVIEW OF CEASE AND DESIST ORDERS.  
Judicial review of the actions of the commissioner may be  
sought in accordance with the terms of the Iowa administrative  
procedure Act. To the extent that an order of the commissioner  
is affirmed in any judicial review proceeding, the court shall  
thereupon issue its own order commanding obedience to the  
terms of such order of the commissioner.

After the period for judicial review of an order of the  
commissioner has expired and no petition for judicial review  
has been filed, the attorney general upon request of the  
commissioner of insurance shall proceed in the Iowa district  
court to enforce an order of the commissioner. The court  
shall enter its order commanding obedience to the terms of  
the commissioner's order.

No order of the commissioner under this chapter or order  
of a court to enforce the same shall in any way relieve or  
absolve any person affected by such order from any liability  
under any other laws of this state.

Sec. 4. Section 510.19, Code 1981, is amended to read as follows:

510.19 CERTIFICATE OF AUTHORITY--FEE. Upon its complying with ~~the provisions of~~ sections 510.16 to 510.18, and of ~~section~~ 511.27, and the payment of ~~twenty-five dollars a fee of fifty dollars~~, the commissioner shall issue ~~to it~~ a certificate of authority to do business in this state, provided. However, the commissioner shall not issue a certificate of authority to do business in this state unless the same right is extended by the state in which said the association is organized to associations of the same class in this state.

Sec. 5. Section 511.24, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

511.24 FEES FROM DOMESTIC AND FOREIGN COMPANIES. When not otherwise provided, a foreign or domestic life insurance company doing business in this state shall pay to the commissioner of insurance the following fees:

1. For filing an application to do business, or an application to renew a certificate of authority, fifty dollars.
2. For issuing a certificate of authority to do business in this state, or for renewing a certificate, fifty dollars.
3. For filing amended articles of incorporation, fifty dollars.
4. For issuing an amended certificate of authority, twenty-five dollars.
5. For every copy of any paper filed, fifty cents per folio, and for certifying and affixing the official seal to any paper filed with the department, five dollars.
6. For valuing policies, twenty dollars for each million dollars of insurance or fraction thereof.

Sec. 6. Section 514.15, Code 1981, is amended to read as follows:

514.15 NONEXEMPT FROM TAXATION. Every corporation organized under the provisions of this chapter is hereby declared to be a charitable and benevolent institution but its property and funds, including subscribers' contracts, shall not be exempt from taxation. The tax on subscriber contracts shall be at the rate of fifteen cents for each subscriber contract issued in the preceding calendar year and shall be paid to the commissioner of insurance at the time of the filing of each corporation's annual statement. For purposes of this section, the term "subscriber contract" shall mean only those benefit contracts issued or delivered in Iowa by corporations subject to this chapter, including certificates issued under such contracts, and which provide coverage to residents of Iowa on a risk basis.

Sec. 7. Section 515.128, Code 1981, is amended by striking the section and inserting in lieu thereof the following:

515.128 FEES. Fees shall be paid to the commissioner of insurance as follows:

1. For filing an application to do business, including all documents submitted in connection with the application, by a foreign or domestic company, or for filing an application for renewed authority, fifty dollars.
2. For issuing to a foreign or domestic company a certificate of authority to do business or a renewed certificate of authority, fifty dollars.
3. For filing amended articles of incorporation, fifty dollars.
4. For issuing an amended certificate of authority, twenty-five dollars.
5. For every copy of any paper filed, fifty cents per folio, and for certifying and affixing the official seal to any paper filed with the department, five dollars.

Sec. 8. Section 518.16, unnumbered paragraphs 3 and 4, Code 1981, are amended to read as follows:

~~The commissioner shall require of each~~ Each first-time applicant shall pay to the commissioner an application fee of five ten dollars, per line of insurance.

~~Each license shall expire on March 31 following the time of issue. A fee of fifty cents for each license shall be paid by the county mutual insurance association.~~ Every county mutual authorized to transact business in this state shall certify its agents to the commissioner who shall keep a list of the agents.

Sec. 9. Section 522.1, unnumbered paragraph 1, Code 1981, is amended to read as follows:

No A person shall not, directly or indirectly, act within this state as agent, or otherwise, in receiving or procuring applications for insurance, or in doing or transacting any kind of insurance business for any a company or association unless exempt from the provisions of this chapter by reason of section 512.33, and except that the licensing of persons so acting for county mutuals shall be is subject only to the provisions of section 518.16, until he the person has procured a license from the commissioner of insurance a license authorizing him to act for such company or association as agent.

Sec. 10. Section 522.2, Code 1981, is amended to read as follows:

522.2 TERM OF LICENSE. Said A license shall terminate at the end of the insurance year for which such company or association is authorized to transact business is valid for one year.

Sec. 11. Section 522.3, unnumbered paragraph 1, Code 1981, is amended to read as follows:

The commissioner shall require of each first-time applicant such reasonable proof of character and competency with respect to the type and kind of insurance the applicant proposes to sell as will in order to protect public interest, before

issuing such a license and may, for good cause, ~~after hearing held within sixty days from the date of application,~~ decline to issue such a license. Any A license, whether it be a first-time or renewal license, may be suspended or revoked by the commissioner for good cause, after hearing. The commissioner may issue a temporary license for a period of not to exceed six months and for such a temporary license may waive the requirements ~~established herein~~ of this section.

Sec. 12. Section 522.3, unnumbered paragraph 3, Code 1981, is amended to read as follows:

~~The commissioner shall require of each~~ A first-time applicant for a license shall pay to the commissioner an application fee of five ten dollars for each line of insurance.

Sec. 13. Section 522.4, Code 1981, is amended to read as follows:

522.4 FEE. The fee charged for such an agent's license shall be, ~~for agents for insurance other than life, two dollars fifty cents, and for life insurance agents, five dollars.~~ The commissioner shall remit the fees collected to the treasurer of state for deposit in the general fund of the state ten dollars. Every insurer authorized to transact business in this state shall certify its agents to the commissioner who shall keep a list of the agents and charge an annual appointment fee of five dollars for each agent. The commissioner shall remit the fees collected to the treasurer of state for deposit in the general fund of the state.

Sec. 14. Section 522.5, Code 1981, is amended to read as follows:

522.5 VIOLATION. Any A person acting as agent or otherwise representing any an insurance company or association, in violation of the provisions of section 522.1, shall be is guilty of a serious misdemeanor. In addition, a civil penalty of no more than ten thousand dollars may be assessed against

a person who violates section 522.1. After the period for judicial review of an order of the commissioner has expired and no petition for judicial review has been filed, the attorney general upon request of the commissioner of insurance shall proceed in the Iowa district court to enforce an order of the commissioner. The court shall enter its order commanding obedience to the terms of the commissioner's order.

Sec. 15. Sections 511.5, 511.25 and 515.90, Code 1981, are repealed.

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DELWYN STROMER  
Speaker of the House

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TERRY E. BRANSTAD  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 846, Sixty-ninth General Assembly.

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ELIZABETH A. ISAACSON  
Chief Clerk of the House

Approved 3/8, 1982

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ROBERT D. RAY  
Governor