

FEB 26 1996
COMMERCE AND REGULATION

HOUSE FILE 2344
BY LARSON

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to dramshop liability insurance premium rate
2 increases and excluding the use of certain information.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2344

1 Section 1. NEW SECTION. 516.4 NOTICE OF INTENT TO BRING
2 ACTION -- EFFECT ON DRAMSHOP PREMIUM RATE.

3 An insurer providing coverage for liability to a licensee
4 or permittee as required under section 123.92 shall not
5 increase the premium of an insured solely in response to a
6 notice given to an insured that another party intends to bring
7 an action for damages against the insured, or upon the filing
8 of such an action against the insured, which, if successful,
9 would create a potential liability against the insurer under
10 the policy of insurance issued to the insured.

11 EXPLANATION

12 This bill provides that an insurer shall not increase the
13 dramshop premium rates of an insured who receives a notice
14 that an action is to be brought by another party against the
15 insured, or upon the filing of such an action, which may
16 create a liability under the policy of dramshop insurance
17 issued by the insurer.

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