

House File 2398 - Introduced

HOUSE FILE 2398
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HSB 597)

A BILL FOR

1 An Act relating to bonds and insurance policies for public
2 officers.

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

1 Section 1. NEW SECTION. 64.3 Insurance policy in lieu of
2 bond.

3 1. In lieu of a bond, a public officer required to obtain a
4 bond pursuant to this chapter may obtain an insurance policy in
5 an amount not less than the amounts provided in section 64.8,
6 64.10, 64.13, or 64.15, as applicable.

7 2. An insurance policy obtained pursuant to this section
8 must substantially comply with the conditions of section 64.2.

9 3. The reasonable expenses of an insurance policy obtained
10 pursuant to this section in lieu of a bond, for which the
11 reasonable expenses of such bond would be paid for by the
12 county or township pursuant to section 64.11, 64.12, or 64.15,
13 shall be paid by the county or township, as applicable.

14 4. The state of Iowa shall be the beneficiary of an
15 insurance policy obtained pursuant to this section and the
16 policy shall be for the use and benefit of any corporation,
17 public or private, or person injured or sustaining loss, with
18 a right of action in the name of the state for its or the
19 corporation's or person's use.

20 5. An insurance policy obtained pursuant to this section
21 shall be approved, filed, and recorded as provided in sections
22 64.19 through 64.24.

23 Sec. 2. Section 64.25, Code 2024, is amended to read as
24 follows:

25 **64.25 Failure to give bond.**

26 1. Action by any officer in an official capacity without
27 giving bond when such bond is required shall constitute grounds
28 for removal from office may be suspended from office until the
29 officer gives a bond in compliance with this chapter.

30 2. Failure to give a bond in compliance with this chapter
31 after a reasonable time following a suspension from office
32 pursuant to subsection 1 constitutes grounds for removal from
33 office.

34

EXPLANATION

35 The inclusion of this explanation does not constitute agreement with

1 the explanation's substance by the members of the general assembly.

2 This bill relates to bonds and insurance policies for public
3 officers. The bill allows a public officer that is required to
4 obtain a bond pursuant to Code chapter 64 (official and private
5 bonds) to instead obtain an insurance policy in an amount not
6 less than the amount required of a bond for that officer.
7 The bill requires that the terms of the insurance policy
8 substantially comply with the terms required of an official
9 bond. If the reasonable expenses of a bond would be paid for by
10 a county or township, the bill requires the reasonable expenses
11 of the insurance policy obtained in lieu of a bond to also be
12 paid by that county or township. The state of Iowa shall be the
13 beneficiary of an insurance policy obtained in lieu of a bond,
14 and the bill requires the insurance policy to be approved,
15 filed, and recorded in the same manner as a bond for a public
16 officer.

17 The bill changes the circumstances under which an officer
18 can be removed from office for failure to give a bond. The bill
19 allows an officer to be suspended from office after acting in
20 an official capacity without giving a required bond until the
21 officer gives an appropriate bond. If an officer who has been
22 suspended from office for failure to give a bond does not give
23 a bond after a reasonable time, the bill allows the officer to
24 be removed from office.