

**Senate File 619 - Introduced**

SENATE FILE 619  
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 591)  
(SUCCESSOR TO SSB 1188)

**A BILL FOR**

1 An Act relating to the natural hazard mitigation financing  
2 program, the disaster recovery housing assistance program, the  
3 disaster recovery new housing program, post-loss assignment  
4 of benefits, the licensing and regulation of adjusters,  
5 appraisers, and umpires, and the Iowa economic emergency fund,  
6 and providing penalties, making appropriations, and including  
7 effective date and applicability provisions.

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

DIVISION I

NATURAL HAZARD MITIGATION FINANCING PROGRAM

Section 1. NEW SECTION. **16.230 Definitions.**

1. "Department" means the department of homeland security and emergency management.

2. "Fund" means the natural hazard mitigation revolving loan fund created in section 29D.4.

3. "Loan recipient" means the same as defined in section 29D.2.

4. "Program" means the natural hazard mitigation financing program created in section 29D.3.

5. "Project" means the same as defined in section 29D.2.

Sec. 2. NEW SECTION. **16.231 Funds and accounts — program funds and accounts not part of state general fund.**

1. The department, in consultation with the authority, may establish and maintain funds or accounts determined to be necessary to carry out the purposes of chapter 29D and shall provide for the funding, administration, investment, restrictions, and disposition of the funds and accounts. Any moneys appropriated to the department and the authority for purposes of paying the costs and expenses associated with the administration of the program shall be administered as determined by the department in consultation with the authority.

2. The funds or accounts held by the department or the authority, or a trustee acting on behalf of the department or the authority pursuant to a trust agreement related to the program, shall not be considered part of the general fund of the state, are not subject to appropriation for any other purpose by the general assembly, and in determining a general fund balance shall not be included in the general fund of the state, but shall remain in the funds and accounts maintained by the department or the authority, or a trustee pursuant to a trust agreement. Funds and accounts held by the department or the authority, or a trustee acting on behalf of the department or the authority pursuant to a trust agreement related to the program, are

1 separate dedicated funds and accounts under the administration  
2 and control of the department in consultation with the authority.

3 Sec. 3. NEW SECTION. **16.232 Program funding — bonds and**  
4 **notes.**

5 1. The authority shall cooperate with the department in the  
6 creation, administration, and financing of the program.

7 2. The authority may issue bonds and notes for the purpose  
8 of funding the fund and the state matching funds required  
9 pursuant to the federal Robert T. Stafford Disaster Relief and  
10 Emergency Assistance Act, Pub. L. No. 93-288, as amended, 42  
11 U.S.C. §5121 et seq. The authority may enter into one or  
12 more loan agreements or purchase agreements with one or more  
13 bondholders or noteholders containing the terms and conditions  
14 of the repayment of, and the security for, each bond or note.  
15 The authority and each bondholder or noteholder, or a trustee  
16 agent designated by the authority, may enter into an agreement to  
17 provide for any of the following:

18 a. That the proceeds of the bond or note and the investments  
19 of the proceeds may be received, held, and disbursed by the  
20 authority or by a trustee or agent designated by the authority.

21 b. That the bondholder or noteholder, or a trustee or agent  
22 designated by the authority, may collect, invest, and apply the  
23 amount payable under the loan agreement or any other instruments  
24 securing the debt obligations under the loan agreement.

25 c. That the bondholder or noteholder may enforce the remedies  
26 provided in the loan agreement or other instruments on the  
27 bondholder's or noteholder's behalf without the appointment or  
28 designation of a trustee. If there is a default in the principal  
29 of, or interest on, the bond or note or in the performance of any  
30 agreement contained in the loan agreement or other instrument,  
31 the payment or performance may be enforced in accordance with the  
32 loan agreement or other instrument.

33 d. Other terms and conditions as deemed necessary or  
34 appropriate by the authority.

35 3. Chapter 16, except to the extent inconsistent with this

1 section, shall apply to bonds or notes issued, and powers granted  
2 to the authority, under this section. Section 16.28, subsection  
3 4, shall not apply to this section.

4 4. All bonds or notes issued by the authority in connection  
5 with the program are exempt from taxation by this state and the  
6 interest on the bonds or notes is exempt from state income tax.

7 Sec. 4. NEW SECTION. **16.233 Security — reserve funds —**  
8 **pledges — nonliability.**

9 1. The authority may provide in the resolution, trust  
10 agreement, or other instrument authorizing the issuance of bonds  
11 or notes pursuant to chapter 29D that the principal of, premium,  
12 and interest on the bonds or notes are payable from any of the  
13 following and may pledge the same to the authority's bonds or  
14 notes:

15 a. The income and receipts or other moneys derived from the  
16 projects financed with the proceeds of the bonds or notes.

17 b. The income and receipts or other moneys derived from  
18 designated projects whether or not the projects are financed in  
19 whole or in part with the proceeds of the bonds or notes.

20 c. The amounts on deposit in the fund.

21 d. The amounts payable to the authority by loan recipients  
22 pursuant to loan agreements with loan recipients.

23 e. Any other funds or accounts established by the authority  
24 in connection with the program or the sale and issuance of the  
25 authority's bonds or notes.

26 2. The authority may establish reserve funds to secure one or  
27 more issues of its bonds or notes. The authority may deposit in  
28 a reserve fund established under this subsection the proceeds of  
29 the sale of the authority's bonds or notes and other moneys which  
30 are made available from any other source.

31 3. It is the intention of the general assembly that a pledge  
32 made in respect of bonds or notes shall be valid and binding  
33 from the time the pledge is made, that the moneys or property  
34 so pledged and received after the pledge by the authority shall  
35 immediately be subject to the lien of the pledge without physical

1 delivery or further act, and that the lien of the pledge shall  
2 be valid and binding as against all parties having claims of  
3 any kind in tort, contract, or otherwise against the authority  
4 whether or not the parties have notice of the lien. Neither the  
5 resolution, trust agreement, nor any other instrument by which a  
6 pledge is created needs to be recorded or filed under the Iowa  
7 uniform commercial code, chapter 554, to be valid, binding, or  
8 effective against the parties.

9 4. Neither the members of the authority nor persons executing  
10 the bonds or notes are liable personally on the bonds or notes or  
11 are subject to personal liability or accountability by reason of  
12 the issuance of the bonds or notes.

13 5. The bonds or notes issued by the authority are not an  
14 indebtedness or other liability of the state or of a political  
15 subdivision of the state within the meaning of any constitutional  
16 or statutory debt limitations but are special obligations of the  
17 authority, and are payable solely from the income and receipts  
18 or other funds or property of the authority, and the amounts  
19 on deposit in the revolving loan funds, and the amounts payable  
20 to the authority under the authority's loan agreements with loan  
21 recipients to the extent that the amounts are designated in the  
22 resolution, trust agreement, or other instrument of the authority  
23 authorizing the issuance of the bonds or notes as being available  
24 as security for such bonds or notes. The authority shall not  
25 pledge the faith or credit of the state or of a political  
26 subdivision of the state to the payment of any bonds or notes.  
27 The issuance of any bonds or notes by the authority does not  
28 directly, indirectly, or contingently obligate the state or a  
29 political subdivision of the state to apply moneys from, or levy  
30 or pledge any form of taxation to the payment of the bonds or  
31 notes.

32 Sec. 5. NEW SECTION. **29D.1 Short title.**

33 This chapter shall be known and may be cited as the "*Natural*  
34 *Hazard Mitigation Financing Program*".

35 Sec. 6. NEW SECTION. **29D.2 Definitions.**

1 As used in this chapter, unless the context otherwise  
2 requires:

3 1. "Authority" means the Iowa finance authority created in  
4 section 16.1A.

5 2. "Cost" means all costs or indebtedness incurred by a loan  
6 recipient and determined by the department as reasonable and  
7 necessary for carrying out all work necessary or incidental to  
8 the accomplishment of a project.

9 3. "Department" means the department of homeland security and  
10 emergency management.

11 4. "Director" means the director of the department of  
12 homeland security and emergency management.

13 5. "Eligible entity" means a person that is eligible under  
14 the STORM Act to receive a loan under the program.

15 6. "Fund" means the natural hazard mitigation revolving loan  
16 fund created in section 29D.4.

17 7. "Loan recipient" means an eligible entity that has  
18 received a loan from the fund.

19 8. "Municipality" means a city, county, sanitary district,  
20 state agency, or other governmental body or corporation, or any  
21 combination of two or more governmental bodies or corporations  
22 acting jointly, in connection with a project.

23 9. "Private entity" means a corporation, limited liability  
24 company, trust, estate, partnership, association, or any other  
25 legal entity or a legal representative, agent, officer, employee,  
26 or assignee of such entity. "Private entity" does not include  
27 any of the following:

28 a. An individual, municipality, or city utility as that term  
29 is defined in section 362.2.

30 b. A public water supply system as defined in section  
31 455B.171.

32 c. A qualified entity as defined in section 384.84,  
33 subsection 2.

34 10. "Program" means the natural hazard mitigation financing  
35 program created in section 29D.3.

1 11. a. "Project" means an activity or set of activities, in  
2 accordance with the limitations set forth in the STORM Act, that  
3 mitigate the impact of natural hazards, including but not limited  
4 to:

5 (1) Drought and prolonged episodes of intense heat.

6 (2) Severe storms, including tornadoes, windstorms, and  
7 severe winter storms.

8 (3) Wildfires.

9 (4) Earthquakes.

10 (5) Flooding.

11 (6) Shoreline erosion.

12 (7) High water levels.

13 (8) Storm surges.

14 b. "Project" may include but is not limited to any of the  
15 following:

16 (1) The construction, repair, or replacement of a nonfederal  
17 levee or other flood control structure, provided that the  
18 administrator of the federal emergency management agency, in  
19 consultation with the United States army corps of engineers, if  
20 appropriate, requires an eligible entity to determine that such  
21 levee or other flood control structure is designed, constructed,  
22 and maintained in accordance with sound engineering practices  
23 and standards equivalent to the purpose for which such levee or  
24 structure is intended.

25 (2) Zoning and land use planning changes.

26 (3) Establishing and enforcing building codes.

27 12. "Safeguarding tomorrow through ongoing risk mitigation  
28 Act", or "STORM Act", means the federal Robert T. Stafford  
29 Disaster Relief and Emergency Assistance Act, Pub. L. No. 93-288,  
30 as amended, 42 U.S.C. §5121 et seq.

31 Sec. 7. NEW SECTION. **29D.3 Natural hazard mitigation**  
32 **financing program.**

33 1. The natural hazard mitigation financing program is created  
34 for the purpose of making loans available to eligible entities to  
35 finance all or part of the costs of a project.

1 2. The program shall be a joint and cooperative undertaking  
2 of the department and the authority. The department and  
3 the authority may enter into any agreements, documents,  
4 instruments, certificates, data, or information as necessary  
5 for the operation, administration, and financing of the program  
6 consistent with this chapter, chapter 16, subchapter X, part  
7 11, the STORM Act, the rules promulgated under chapter 17A  
8 by the department in consultation with the authority, and any  
9 other applicable federal or state laws. The authority and the  
10 department may act to conform the program to the applicable  
11 guidance and regulations adopted by the federal emergency  
12 management agency.

13 Sec. 8. NEW SECTION. **29D.4 Natural hazard mitigation**  
14 **revolving loan fund.**

15 1. A natural hazard mitigation revolving loan fund is created  
16 in the state treasury under the control of the department  
17 in consultation with the authority. The revolving loan fund  
18 is a separate dedicated fund under the administration and  
19 control of the department in consultation with the authority and  
20 shall be subject to section 16.31. Moneys on deposit in the  
21 revolving loan fund shall be invested by the treasurer of state  
22 in cooperation with the department, in consultation with the  
23 authority, and the income from the investments shall be credited  
24 to and deposited in the revolving loan fund.

25 2. a. The fund shall consist of moneys appropriated by the  
26 general assembly, moneys received by the fund through the federal  
27 emergency management agency and the STORM Act, moneys received  
28 as repayment of loan principal and interest from loans paid for  
29 by the fund, and all other moneys received by the fund from  
30 any other source. Notwithstanding section 8.33, moneys in the  
31 fund that remain unencumbered or unobligated at the close of  
32 the fiscal year shall not revert but shall remain available for  
33 expenditure for the purposes designated. Notwithstanding section  
34 12C.7, subsection 2, interest or earnings on moneys in the fund  
35 shall be credited to the fund.

1     **b.** Moneys in the fund are appropriated to the department to  
2 provide loans to eligible entities pursuant to section 29D.9, and  
3 for administration of the program as permitted under the STORM  
4 Act. Moneys in the fund shall not be used to provide a loan to  
5 a private entity for the acquisition of real property. Moneys  
6 in the fund shall not be considered part of the general fund  
7 of the state subject to appropriation for any other purpose by  
8 the general assembly, and in determining a general fund balance,  
9 shall not be included in the general fund of the state subject to  
10 section 16.31, insofar as section 16.31 complies with the STORM  
11 Act.

12     Sec. 9. NEW SECTION.     **29D.5 Director — powers and duties.**

13     The director shall do all of the following:

14     1. Process and review each intended use plan application  
15 to determine if the intended use plan application meets the  
16 eligibility requirements promulgated by the department by rule,  
17 and approve or deny the application.

18     2. Process and review all documents relating to the planning,  
19 design, construction, and operation of each project.

20     3. Prepare and process, in coordination with the authority,  
21 documents relating to the administration of the program.

22     4. Prepare an annual budget for administration of the  
23 program.

24     5. Receive program fees as determined in conjunction with the  
25 authority.

26     6. Perform other acts and assume other duties and  
27 responsibilities necessary for the administration of the program  
28 and compliance with the STORM Act.

29     Sec. 10. NEW SECTION.     **29D.6 Intended use plans —**  
30 **capitalization grants — accounting.**

31     1. For the fiscal year beginning July 1, 2025, and each  
32 fiscal year thereafter, the department may prepare and deliver  
33 intended use plans to, and enter into capitalization grant  
34 agreements with, the administrator of the federal emergency  
35 management agency under the terms and conditions set forth

1 in the STORM Act and federal regulations adopted pursuant to  
2 the STORM Act, and may accept capitalization grants for the  
3 fund in accordance with payment schedules established by the  
4 administrator. All payments from the administrator shall be  
5 deposited into the fund.

6 2. The department, in consultation with the authority,  
7 shall establish fiscal controls and accounting procedures during  
8 appropriate accounting periods for payments received for deposit  
9 into, and disbursements made from, the fund, and to fund balances  
10 at the beginning and end of an accounting period.

11 Sec. 11. NEW SECTION. **29D.7 Authority — loan application**  
12 **review and approval.**

13 1. The department and the authority shall review each loan  
14 application to determine if the applicant is an eligible entity  
15 and qualifies for a loan pursuant to eligibility requirements  
16 established by rule promulgated by the department and the  
17 authority, and in accordance with the intended use plan  
18 applications approved by the director under section 29D.6.

19 2. The authority, in cooperation with the department, shall  
20 determine the interest rate and repayment terms for each loan  
21 made under the program and the authority shall enter into a loan  
22 agreement with each loan recipient in compliance with the Clean  
23 Water Act as defined in section 455B.291, the Safe Drinking Water  
24 Act as defined in section 455B.291, the STORM Act, and any other  
25 applicable state or federal law.

26 3. The authority may charge loan recipients fees and assess  
27 costs as deemed necessary by the authority for the continued  
28 operation of the program. Fees and costs collected pursuant  
29 to this subsection shall be deposited in the fund described in  
30 section 29D.4.

31 Sec. 12. NEW SECTION. **29D.8 Loans to eligible entities.**

32 1. Moneys deposited in the fund shall be used for the  
33 primary purpose of making loans to eligible entities to finance  
34 eligible costs of projects in accordance with the intended use  
35 plans prepared and delivered to the administrator of the federal

1 emergency management system by the department under section  
2 29D.6. The loan recipients and the purpose and amount of the  
3 loans shall be determined by the director, in compliance with the  
4 STORM Act and other applicable federal law, and any resolution,  
5 agreement, indenture, or other document of the authority, and  
6 rules adopted by the authority relating to any bonds, notes, or  
7 other obligations issued for the program which may be applicable  
8 to the loan.

9 2. Notwithstanding any provision of this chapter to the  
10 contrary, moneys received under the federal American Recovery  
11 and Reinvestment Act of 2009, Pub. L. No. 111-5, and deposited  
12 in the fund may be used in any manner permitted or required by  
13 applicable federal law.

14 Sec. 13. NEW SECTION. **29D.9 Rules.**

15 The department, in consultation with the authority, shall  
16 adopt rules pursuant to chapter 17A to administer this chapter.

17 Sec. 14. Section 422.7, subsection 2, Code 2025, is amended  
18 by adding the following new paragraph:

19 NEW PARAGRAPH. u. Natural hazard mitigation financing  
20 program bonds pursuant to section 16.232, subsection 4.

21 Sec. 15. CODE EDITOR DIRECTIVE. The Code editor shall  
22 designate sections 16.230 through 16.233, as enacted in this  
23 division of this Act, as part 11 of chapter 16, subchapter X,  
24 entitled "Natural Hazard Mitigation Financing Program".

25 DIVISION II

26 DISASTER RECOVERY HOUSING ASSISTANCE PROGRAM

27 Sec. 16. Section 16.57B, subsection 1, paragraph a, Code  
28 2025, is amended to read as follows:

29 a. "*Disaster-affected home*" means a primary residence that is  
30 destroyed or damaged due to a natural disaster that occurs on  
31 or after June 16, 2021, and the primary residence is located in  
32 a county that is the subject of a state of disaster emergency  
33 proclamation by the governor that authorizes disaster recovery  
34 housing assistance. The state of disaster emergency proclamation  
35 shall specify if disaster recovery housing assistance is

1 available to homeowners, renters, or both homeowners and renters.

2 Sec. 17. Section 16.57B, subsection 1, Code 2025, is amended  
3 by adding the following new paragraph:

4 NEW PARAGRAPH. *Ob.* "Financial assistance" means assistance  
5 provided only from the funds, rights, and assets legally  
6 available to the authority pursuant to this chapter and includes  
7 but is not limited to assistance in the form of grants, loans,  
8 and forgivable loans.

9 Sec. 18. Section 16.57B, subsection 2, paragraph a,  
10 subparagraph (1), Code 2025, is amended to read as follows:

11 (1) A disaster recovery housing assistance fund is created  
12 within the authority. The moneys in the fund shall be used by  
13 the authority ~~for the development and operation of a forgivable~~  
14 ~~loan and grant program for~~ to award financial assistance to  
15 homeowners and renters with disaster-affected homes, and for the  
16 eviction prevention program pursuant to section 16.57C.

17 Sec. 19. Section 16.57B, subsection 2, paragraph c, Code  
18 2025, is amended to read as follows:

19 c. The authority shall not use more than five percent of  
20 the moneys ~~in~~ deposited into the fund ~~on July 1 of a fiscal~~  
21 ~~year under paragraph "b" for purposes of administrative costs and~~  
22 other program support ~~during the fiscal year.~~

23 Sec. 20. Section 16.57B, subsection 3, paragraph a, Code  
24 2025, is amended to read as follows:

25 a. The authority shall establish and administer a disaster  
26 recovery housing assistance program and shall use moneys  
27 in the fund to award ~~forgivable loans~~ financial assistance  
28 to eligible homeowners and ~~grants to~~ eligible renters of  
29 disaster-affected homes. Moneys in the fund may be expended  
30 following a state of disaster emergency proclamation by the  
31 governor pursuant to section 29C.6 that authorizes disaster  
32 recovery housing assistance. The governor, by state of disaster  
33 emergency proclamation, shall specify if disaster recovery  
34 housing assistance is available to homeowners, renters, or both  
35 homeowners and renters.

1 Sec. 21. Section 16.57B, subsections 4, 5, 6, and 7, Code  
2 2025, are amended to read as follows:

3 4. ~~Registration required. To be considered for a forgivable~~  
4 ~~loan or grant under the program, a~~ A homeowner or renter ~~must~~  
5 may register for the disaster case advocacy program established  
6 pursuant to section 29C.20B. The disaster case manager may  
7 refer the homeowner or renter to the appropriate local program  
8 administrator.

9 5. *Homeowners.*

10 a. To be eligible for a ~~forgivable loan~~ financial assistance  
11 under the program, all of the following requirements shall apply:

12 (1) The homeowner's disaster-affected home must have  
13 sustained damage greater than the damage that is covered by the  
14 homeowner's property and casualty insurance policy insuring the  
15 home plus any other state or federal disaster-related financial  
16 assistance that the homeowner is eligible to receive.

17 (2) A local official must either deem the disaster-affected  
18 home suitable for rehabilitation or damaged beyond reasonable  
19 repair.

20 (3) The disaster-affected home is not eligible for buyout by  
21 the county or city where the disaster-affected home is located,  
22 or the disaster-affected home is eligible for a buyout by the  
23 county or city where the disaster-affected home is located,  
24 but the homeowner is requesting a ~~forgivable loan~~ financial  
25 assistance for the repair or rehabilitation of the homeowner's  
26 disaster-affected home in lieu of a buyout.

27 (4) ~~Assistance~~ Financial assistance under the program must  
28 not duplicate benefits provided by any local, state, or federal  
29 disaster recovery assistance program.

30 b. ~~If a homeowner is referred to the authority or to a~~  
31 ~~local program administrator by the disaster case manager of~~  
32 ~~the homeowner, the~~ The authority may award a ~~forgivable loan~~  
33 financial assistance to the eligible homeowner for any of the  
34 following purposes:

35 (1) Repair or rehabilitation of the disaster-affected home.

1 The disaster-affected home to be repaired or rehabilitated shall  
2 not be located in a one-hundred-year floodplain.

3 (2) (a) Down payment assistance on the purchase of  
4 replacement housing, and the cost of reasonable repairs to be  
5 performed on the replacement housing to render the replacement  
6 housing decent, safe, sanitary, and in good repair.

7 (b) Replacement housing shall not be located in a  
8 one-hundred-year floodplain.

9 (c) For purposes of this subparagraph, "*decent, safe,*  
10 *sanitary, and in good repair*" means the same as described in 24  
11 C.F.R. §5.703.

12 c. The authority shall determine the interest rate for ~~the~~  
13 any financial assistance awarded in the form of a loan or a  
14 forgivable loan.

15 d. If a homeowner who has been awarded a loan or a forgivable  
16 loan sells a disaster-affected home or replacement housing for  
17 which the homeowner received the loan or forgivable loan prior  
18 to the end of the loan term, the remaining principal on the loan  
19 or forgivable loan shall be due and payable pursuant to rules  
20 adopted by the authority.

21 6. *Renters.*

22 a. To be eligible for a ~~grant~~ financial assistance under the  
23 program, all of the following requirements shall apply:

24 (1) A local program administrator either deems the  
25 disaster-affected home of the renter suitable for rehabilitation  
26 but unsuitable for current short-term habitation, or the  
27 disaster-affected home is damaged beyond reasonable repair.

28 (2) ~~Assistance~~ Financial assistance under the program must  
29 not duplicate benefits provided by any local, state, or federal  
30 disaster recovery assistance program.

31 ~~b. If a renter is referred to the authority or to a local~~  
32 ~~program administrator by the disaster case manager of the renter,~~  
33 ~~the~~ The authority may award a grant financial assistance to the  
34 eligible renter to provide short-term financial assistance for  
35 the payment of rent for replacement housing.

1 7. Report. On or before January 31 of each year, or as part  
2 of the annual report under section 16.7, the authority shall  
3 submit a report to the general assembly that identifies all of  
4 the following for the calendar year immediately preceding the  
5 year of the report:

6 a. The date of each state of disaster emergency proclamation  
7 by the governor that authorized disaster recovery housing  
8 assistance under this section, and if disaster recovery housing  
9 assistance was made available to homeowners, renters, or both  
10 homeowners and renters.

11 b. The total number of ~~forgivable loans and grants~~ financial  
12 assistance awards awarded.

13 c. The total number of ~~forgivable loans~~ financial assistance  
14 awards, and the amount of each ~~loan~~ financial assistance award  
15 awarded for repair or rehabilitation.

16 d. The total number of ~~forgivable loans~~ financial assistance  
17 awards, and the amount of each ~~loan~~ financial assistance  
18 award, awarded for down payment assistance on the purchase of  
19 replacement housing and the cost of reasonable repairs to be  
20 performed on the replacement housing to render the replacement  
21 housing decent, safe, sanitary, and in good repair.

22 e. The total number of grants, and the amount of each grant,  
23 awarded for rental assistance.

24 f. The total number of loans, forgivable loans, and grants  
25 awarded in each county in which at least one homeowner or renter  
26 has been awarded a loan, forgivable loan, or grant.

27 g. Each local program administrator involved in the  
28 administration of the program.

29 h. The total amount of loan and forgivable loan principal  
30 repaid.

31 Sec. 22. Section 16.57D, subsections 1 and 2, Code 2025, are  
32 amended to read as follows:

33 1. Establish the maximum loan, forgivable loan, and grant  
34 amounts awarded under the program.

35 2. Establish the terms of any loan or forgivable loan

1 provided under the program.

2

DIVISION III

3

DISASTER RECOVERY NEW HOUSING PROGRAM

4 Sec. 23. Section 422.7, Code 2025, is amended by adding the  
5 following new subsection:

6 NEW SUBSECTION. 45. a. Subtract, to the extent included,  
7 the amount of any qualifying state disaster recovery new housing  
8 grant issued to an individual or business by the economic  
9 development authority.

10 b. For purposes of this subsection, "*qualifying state*  
11 *disaster recovery new housing grant*" means an award of a state  
12 disaster recovery new housing grant that was applied for between  
13 August 20, 2024, and December 31, 2024, and approved and issued  
14 by the economic development authority.

15 c. This subsection is repealed January 1, 2028.

16 Sec. 24. Section 422.35, Code 2025, is amended by adding the  
17 following new subsection:

18 NEW SUBSECTION. 14. a. Subtract, to the extent included,  
19 the amount of any qualifying state disaster recovery new housing  
20 grant issued to a business by the economic development authority.

21 b. For purposes of this subsection, "*qualifying state*  
22 *disaster recovery new housing grant*" means an award of a state  
23 disaster recovery new housing grant that was applied for between  
24 August 20, 2024, and December 31, 2024, and approved and issued  
25 by the economic development authority.

26 c. This subsection is repealed January 1, 2028.

27 Sec. 25. EFFECTIVE DATE. This division of this Act, being  
28 deemed of immediate importance, takes effect upon enactment.

29 Sec. 26. RETROACTIVE APPLICABILITY. This division of this  
30 Act applies retroactively to tax years beginning on or after  
31 January 1, 2024.

32

DIVISION IV

33 POST-LOSS ASSIGNMENT OF BENEFITS — RESIDENTIAL CONTRACTOR

34 Sec. 27. Section 507B.4, subsection 3, Code 2025, is amended  
35 by adding the following new paragraph:

1 NEW PARAGRAPH. *v. Post-loss assignment of benefits.* Any  
2 violation of section 515.137A by a residential contractor.

3 Sec. 28. Section 515.137A, subsection 2, Code 2025, is  
4 amended by adding the following new paragraphs:

5 NEW PARAGRAPH. *0b. "Catastrophic disaster"* includes a major  
6 disaster declaration by the president of the United States or a  
7 state of disaster emergency proclamation by the governor.

8 NEW PARAGRAPH. *00b. "Consumer advocate"* means a consumer  
9 advocate appointed pursuant to section 505.8, subsection 6,  
10 paragraph "b", subparagraph (1).

11 NEW PARAGRAPH. *000b. "Post-loss assignment"* means any  
12 instrument by which post-loss benefits, rights, or duties of  
13 a named insured under a residential property and casualty  
14 insurance policy are assigned or transferred to a residential  
15 contractor. The post-loss assignment must only assign the  
16 insurance proceeds a named insured is entitled to receive  
17 from the named insured's insurer for the repair, replacement  
18 construction, or reconstruction of the named insured's property.

19 Sec. 29. Section 515.137A, subsections 3, 4, and 5, Code  
20 2025, are amended by striking the subsections and inserting in  
21 lieu thereof the following:

22 3. A residential contractor shall be prohibited from all of  
23 the following under a post-loss assignment by a named insured to  
24 the residential contractor:

25 a. Rebating or offering to rebate any portion of the named  
26 insured's insurance deductible as an inducement for the named  
27 insured to purchase a good or service.

28 b. Imposing an administrative fee on the named insured for  
29 canceling the post-loss assignment, or imposing a fee to process  
30 the insurance check or to interact with the named insured's  
31 mortgage company.

32 c. Acting as a public adjuster without being licensed under  
33 chapter 522C.

34 d. Receiving payments from the named insured's insurer that  
35 are unrelated to the repair, replacement construction, or

1 reconstruction work on the covered insured's property, including  
2 but not limited to all of the following:

3 (1) Additional living expenses.

4 (2) Loss of use.

5 (3) Loss of business income.

6 4. a. A post-loss assignment must include all of the  
7 following:

8 (1) An itemized description of the work to be performed.

9 (2) An itemized description of the materials, labor, and fees  
10 for the work to be performed.

11 (3) A total itemized amount to be paid for the work to be  
12 performed.

13 (4) A statement that the residential contractor has made  
14 no assurances that the claimed loss will be fully covered by  
15 the named insured's insurance contract and shall include the  
16 following notice in capitalized fourteen point type:

17 YOU ARE AGREEING TO GIVE UP CERTAIN RIGHTS YOU HAVE UNDER  
18 YOUR INSURANCE POLICY. PLEASE READ AND UNDERSTAND THIS DOCUMENT  
19 BEFORE SIGNING.

20 THE ITEMIZED DESCRIPTION OF THE WORK TO BE DONE SHOWN IN  
21 THIS ASSIGNMENT FORM HAS NOT BEEN AGREED TO BY THE INSURER. THE  
22 INSURER HAS THE RIGHT TO PAY ONLY FOR THE COST TO REPAIR OR  
23 REPLACE DAMAGED PROPERTY CAUSED BY A COVERED PERIL. POST-LOSS  
24 ASSIGNMENTS ARE SUBJECT TO THE AUTHORITY OF THE IOWA INSURANCE  
25 DIVISION. YOU MAY FILE A COMPLAINT WITH THE DIVISION ON THE  
26 DIVISION'S INTERNET SITE AT IID. IOWA. GOV OR CALL THE DIVISION  
27 AT (877) 955-1212.

28 (5) In capitalized fourteen point type and located in the  
29 immediate proximity of the space reserved in the assignment for  
30 the signature of the named insured, the following notice:

31 YOU MAY CANCEL THIS POST-LOSS ASSIGNMENT FOR ANY REASON  
32 WITHOUT PENALTY WITHIN FIVE (5) BUSINESS DAYS FROM THE LATER  
33 OF THE DATE THE POST-LOSS ASSIGNMENT IS FULLY EXECUTED OR THE  
34 DATE ON WHICH YOU RECEIVE A COPY OF THE FULLY EXECUTED POST-LOSS  
35 ASSIGNMENT. IF MAILED, THE CANCELLATION MUST BE POSTMARKED

1 BEFORE THE FIVE (5) BUSINESS DAY DEADLINE.  
2 YOU MUST CANCEL THE POST-LOSS ASSIGNMENT IN WRITING AND  
3 THE CANCELLATION MUST BE DELIVERED TO (name and address  
4 of residential contractor as provided by the residential  
5 contractor). IF THE ASSIGNEE HAS NOT BEGUN SUBSTANTIALLY  
6 PERFORMING WORK ON THE PROPERTY, YOU MAY CANCEL THIS POST-LOSS  
7 ASSIGNMENT WITHOUT PENALTY AFTER AT LEAST THIRTY (30) CALENDAR  
8 DAYS AFTER THE DATE WORK ON THE PROPERTY IS SCHEDULED TO  
9 COMMENCE, OR AFTER AT LEAST THIRTY (30) CALENDAR DAYS AFTER  
10 THE POST-LOSS ASSIGNMENT IS FULLY EXECUTED IF THE POST-LOSS  
11 ASSIGNMENT DOES NOT CONTAIN A COMMENCEMENT DATE.  
12 IF YOU CANCEL THIS POST-LOSS ASSIGNMENT, THE RESIDENTIAL  
13 CONTRACTOR HAS UP TO TEN (10) BUSINESS DAYS TO RETURN TO YOU ALL  
14 PAYMENTS OR DEPOSITS YOU HAVE MADE.

15 (6) A provision that requires the assignee to indemnify and  
16 hold harmless the assignor from liabilities, damages, losses, and  
17 costs, including but not limited to attorney fees related to the  
18 loss claim.

19 b. A post-loss assignment shall not impair the interest of  
20 a mortgagee listed on the declarations page of the property and  
21 casualty insurance policy that is the subject of the post-loss  
22 assignment. All mortgagees shall be named as a co-payee for  
23 the payment of benefits under a property and casualty insurance  
24 policy covering residential real estate.

25 c. A post-loss assignment shall only authorize a residential  
26 contractor to be named as a co-payee, along with the named  
27 insured and all mortgagees, for the payment of benefits under a  
28 property and casualty insurance policy covering residential real  
29 estate.

30 d. A post-loss assignment shall not prevent or inhibit an  
31 insurer from communicating with the named insured or a mortgagee  
32 listed on the declarations page of the property and casualty  
33 insurance policy that is the subject of the post-loss assignment.

34 e. An electronic copy of the fully executed post-loss  
35 assignment shall be provided to the insurer of the residential

1 real estate, the named insured, and all mortgagees of the damaged  
2 residential real estate within five business days after execution  
3 of the post-loss assignment. A paper copy shall be provided to  
4 the insurer, a named insured, and any mortgagee of the damaged  
5 residential real estate within five business days of a request by  
6 the insurer, the named insured, or a mortgagee.

7 *f.* A residential contractor named in a post-loss assignment  
8 must cooperate with the insurer of the damaged residential  
9 real estate in a claim investigation by providing documents  
10 and records requested by the insurer and complying with each  
11 post-loss duty included in the named insured's insurance policy.

12 5. *a.* A named insured shall have the right to cancel a  
13 post-loss assignment without penalty or fee under all of the  
14 following circumstances:

15 (1) For any reason within five business days from the date  
16 on which the named insured receives a copy of the fully executed  
17 post-loss agreement.

18 (2) The assignee has not substantially performed work on the  
19 property that is the subject of the post-loss assignment at least  
20 thirty calendar days after the date work on the property was  
21 scheduled to commence.

22 (3) The assignee has not begun substantial work on the  
23 property that is the subject of the post-loss assignment at  
24 least thirty calendar days after the date the insured received a  
25 fully executed copy of the executed post-loss assignment and the  
26 post-loss assignment does not contain a commencement date.

27 *b.* The cancellation shall be made in writing. Within ten  
28 business days of the date of the written cancellation, the  
29 residential contractor shall tender to the named insured, the  
30 landowner, or the possessor of the real estate, all payments,  
31 partial payments, or deposits that have been made by such person.

32 6. Any written contract, repair estimate, or work order  
33 prepared by a residential contractor to provide goods or services  
34 to be paid from the proceeds of a property and casualty insurance  
35 policy pursuant to a post-loss assignment shall include, in

1 capitalized fourteen point type, the notice as provided in  
2 section 103A.71, subsection 4, paragraph "a", which shall be  
3 signed by the named insured, and sent to the named insured's  
4 insurer prior to payment to the residential contractor of  
5 proceeds under the applicable insurance policy.

6 7. For a minimum of seventy-two hours following a  
7 catastrophic disaster, a residential contractor shall not enter  
8 into a contract with an insured that includes a post-loss  
9 assignment. If the commissioner deems the severity of the  
10 catastrophic disaster to have placed people under duress, the  
11 commissioner shall immediately dispatch the consumer advocate  
12 and other personnel to the disaster area to provide consumer  
13 guidance. If, after a public hearing, the commissioner  
14 determines that, due to the scope and severity of the  
15 catastrophic disaster, additional time is necessary to safely  
16 deploy additional consumer protection resources, the commissioner  
17 may extend the time period that a residential contractor shall  
18 not enter into a contract with an insured that includes a  
19 post-loss assignment for an additional seventy-two hours.

20 8. A post-loss assignment entered into with a residential  
21 contractor shall be void if the residential contractor violates  
22 this section.

23 9. A violation of this section by a residential contractor  
24 shall be an unfair practice pursuant to chapter 507B.

25 10. If any provision of this section or the application  
26 thereof to any person or circumstance is held invalid, the  
27 invalidity does not affect other provisions or applications of  
28 this section which can be given effect without the invalid  
29 provision or application, and to this end the provisions of this  
30 section are severable.

31 DIVISION V

32 PUBLIC, INDEPENDENT, AND STAFF ADJUSTERS

33 Sec. 30. Section 522B.5A, subsection 2, paragraphs c and e,  
34 Code 2025, are amended to read as follows:

35 c. A renewal, reinstatement, or reissuance of a license if

1 the license of a producer has been revoked or suspended pursuant  
2 to section 522B.11, the license of a ~~public~~ an adjuster has been  
3 revoked or suspended pursuant to section ~~522C.6~~ 522C.13, or the  
4 license of a viatical settlement provider or viatical settlement  
5 broker has been revoked or suspended pursuant to section 508E.4.

6 e. An initial license as a ~~public~~ an adjuster in this state.

7 Sec. 31. Section 522C.1, Code 2025, is amended to read as  
8 follows:

9 **522C.1 Purpose.**

10 The purpose of this chapter is to govern the qualifications  
11 and procedures for licensing ~~public~~ adjusters in this state, and  
12 to specify the duties of and restrictions on public adjusters,  
13 including limitation of such licensure to assisting insureds only  
14 with first-party claims.

15 Sec. 32. Section 522C.2, Code 2025, is amended by striking  
16 the section and inserting in lieu thereof the following:

17 **522C.2 Definitions.**

18 As used in this chapter, unless the context otherwise  
19 requires:

20 1. "Adjuster" means a public adjuster, an independent  
21 adjuster, or a licensed staff adjuster. A person that acts as  
22 an adjuster solely for a crop hail insurance or a multiperil crop  
23 insurance claim shall not be subject to this chapter.

24 2. "Amount of loss" means the monetary amount determined to  
25 be necessary to properly repair or replace damage related to  
26 the scope of loss for a covered peril, and is limited to all  
27 applicable coverages for covered items associated with the claim.

28 3. "Business entity" means a corporation, association,  
29 partnership, limited liability company, limited liability  
30 partnership, or any other legal entity.

31 4. a. "Catastrophic disaster" means an event that results in  
32 all of the following:

33 (1) A large number of deaths or injuries.

34 (2) Extensive damage or destruction of facilities that  
35 provide and sustain human needs.

1 (3) An overwhelming demand on state and local response  
2 resources and mechanisms.

3 (4) A severe long-term effect on general economic activity.

4 (5) A severe effect on state, local, and private sector  
5 capabilities to commence and sustain disaster response  
6 activities.

7 b. "*Catastrophic disaster*" includes a major disaster  
8 declaration by the president of the United States or a state of  
9 disaster emergency proclamation by the governor.

10 5. "*Commissioner*" means the commissioner of insurance.

11 6. "*Consumer advocate*" means a consumer advocate appointed  
12 pursuant to section 505.8, subsection 6, paragraph "b",  
13 subparagraph (1).

14 7. "*Disciplinary matter*" means but is not limited to a person  
15 who is the subject of an investigation, complaint, or pending  
16 administrative action in this state or any other state.

17 8. "*Financial interest*" means but is not limited to a fee,  
18 commission, or other valuable consideration.

19 9. "*First-party claim*" means a claim filed by a named insured  
20 under an insurance policy against which the claim is made.

21 10. "*Home state*" means the District of Columbia, or any state  
22 or territory of the United States in which an adjuster maintains  
23 the adjuster's principal place of residence or principal place of  
24 business.

25 11. "*Independent adjuster*" means a person who does all of the  
26 following:

27 a. Contracts, either directly or through a firm or  
28 third-party administrator, for compensation with insurers or  
29 self-insurers, and is treated by the insurer or self-insurer as  
30 an independent contractor and not as an employee as that term is  
31 described in 26 C.F.R. §31.3121(d)(1).

32 b. Investigates, negotiates, or settles property, casualty,  
33 or workers' compensation claims for insurers or for  
34 self-insurers.

35 12. "*Insured*" means a person covered under an insurance

1 policy against which a claim is made.

2 13. "Insurer" means the same as defined in section 507A.3.

3 14. "NAIC" means the national association of insurance  
4 commissioners.

5 15. "NIPR gateway" means the communication network developed  
6 and operated by the national insurance producer registry that  
7 links state insurance regulators with regulated entities to  
8 facilitate the electronic exchange of adjuster information,  
9 including but not limited to license applications, license  
10 renewals, appointments, and terminations.

11 16. "Person" means an individual or a business entity.

12 17. "Producer database" means the national database of  
13 insurance producers maintained by the NAIC.

14 18. "Public adjuster" means a person who, for compensation or  
15 other thing of value, does any of the following:

16 a. Acts for or aids an insured in negotiating or affecting  
17 the settlement of a first-party claim for loss or damage to real  
18 or personal property of an insured.

19 b. Advertises for employment as a public adjuster of  
20 first-party insurance claims or otherwise solicits business or  
21 represents to the public that the person is a public adjuster  
22 of first-party insurance claims for loss or damage to real or  
23 personal property of an insured.

24 c. Directly or indirectly solicits business investigating or  
25 adjusting losses, or advising an insured about first-party claims  
26 for loss or damage to real or personal property of the insured.

27 19. "Reinstatement" means the reinstatement of a suspended  
28 license which was suspended in connection with a disciplinary  
29 matter, and that has not expired or been terminated during the  
30 suspension period.

31 20. "Reissuance" means the issuance of a new license  
32 following the revocation of a license, the suspension and  
33 subsequent termination of a license, or the forfeiture of a  
34 license in connection with a disciplinary matter.

35 21. "Staff adjuster" means a person who is directly employed

1 by an insurer or self-insurer to investigate, negotiate, or  
2 settle property, casualty, or workers' compensation claims.

3 22. "Uniform business entity application" means the most  
4 recent version of NAIC's uniform application for business entity  
5 license and registration.

6 23. "Uniform individual application" means the most recent  
7 version of NAIC's uniform application for individual adjuster or  
8 apprentice license and registration.

9 Sec. 33. Section 522C.3, Code 2025, is amended by striking  
10 the section and inserting in lieu thereof the following:

11 **522C.3 Authority of the commissioner.**

12 The commissioner may adopt rules pursuant to chapter 17A  
13 as necessary to administer and enforce this chapter, which may  
14 include but are not limited to all of the following:

- 15 1. Advertising standards.
- 16 2. Continuing education requirements for licensees.
- 17 3. Contracts between public adjusters and insureds.
- 18 4. Required disclosures by licensees.
- 19 5. Examinations for licensure.
- 20 6. Exemptions.
- 21 7. License bonds, and errors and omissions insurance  
22 requirements.
- 23 8. License requirements and exclusions.
- 24 9. Prohibited practices.
- 25 10. Record retention requirements.
- 26 11. Reporting requirements.
- 27 12. Requirements and limitations on fees charged by public  
28 adjusters.
- 29 13. Standards for reasonableness of payment.
- 30 14. Standards of conduct.
- 31 15. Penalties.

32 Sec. 34. Section 522C.4, Code 2025, is amended by striking  
33 the section and inserting in lieu thereof the following:

34 **522C.4 License required.**

- 35 1. A person shall not act as, or represent that the person

1 is, a public adjuster or an independent adjuster in this state  
2 unless the person is licensed under this chapter.

3 2. A license as an adjuster shall not be required of any of  
4 the following:

5 a. A staff adjuster; however, staff adjusters shall comply  
6 with all other provisions of this chapter not including section  
7 522C.7.

8 b. An attorney licensed to practice law in the state when  
9 acting within their professional capacity as an attorney.

10 c. A person employed only for the purpose of obtaining  
11 facts surrounding a loss, or furnishing technical assistance  
12 to a licensed adjuster, including but not limited to a  
13 photographer, estimator, private investigator, engineer, and  
14 handwriting expert.

15 Sec. 35. Section 522C.5, Code 2025, is amended by striking  
16 the section and inserting in lieu thereof the following:

17 **522C.5 Application for license.**

18 1. A person applying for an adjuster license shall complete  
19 a uniform individual application or a uniform business entity  
20 application through the NIPR gateway or as otherwise prescribed  
21 by the commissioner.

22 2. To determine an applicant's eligibility for licensure, the  
23 commissioner may require a criminal history check pursuant to  
24 section 522B.5A.

25 Sec. 36. NEW SECTION. **522C.5A Individual applicants —**  
26 **resident adjuster.**

27 Prior to approving an individual's application for a resident  
28 adjuster license, the commissioner shall find that the applicant  
29 meets all of the following requirements:

30 1. This state is the applicant's home state.

31 2. The applicant has not committed any act that is a ground  
32 for denial, suspension, or revocation of a license under section  
33 522C.13.

34 3. The applicant has the requisite character and competence  
35 to be licensed as an adjuster, as may be determined by the

1 commissioner.

2 4. The applicant is financially responsible pursuant to  
3 section 522C.7.

4 5. The applicant has paid all fees required under this  
5 chapter. An applicant who concurrently applies for both an  
6 adjuster license, and a license as an appraiser under chapter  
7 522F, shall only be required to pay the fee required under this  
8 chapter or the fee required under chapter 522F.

9 6. The applicant maintains an office in the applicant's home  
10 state that is available by reasonable appointment or regular  
11 business hours.

12 7. The applicant is at least eighteen years of age.

13 8. The applicant successfully passed the adjuster examination  
14 pursuant to section 522C.8.

15 9. The applicant for a public adjuster license has submitted  
16 contracts and any subsequent contract modification to the  
17 commissioner for review and approval prior to use. A contract  
18 that has been filed is deemed to be approved unless disapproved  
19 or additional information is requested by the commissioner  
20 within thirty calendar days of receipt of the filing by the  
21 commissioner.

22 10. The applicant has obtained any necessary authority from  
23 the secretary of state to transact business in this state.

24 Sec. 37. NEW SECTION. **522C.5B Individual applicants —**  
25 **nonresident adjuster.**

26 Before approving a nonresident applicant's application for  
27 a nonresident adjuster license, the commissioner shall find  
28 that the nonresident applicant meets all of the following  
29 requirements:

30 1. The nonresident applicant has not committed any act that  
31 is a ground for denial, suspension, or revocation of a license  
32 under section 522C.13.

33 2. The nonresident applicant is licensed as a resident  
34 adjuster and in good standing in the nonresident applicant's  
35 home state. If the nonresident applicant's resident license

1 in the nonresident applicant's home state terminates for any  
2 reason, a license issued to a nonresident applicant under this  
3 section shall become inactive, unless the termination is due to  
4 the nonresident applicant being issued a new resident adjuster  
5 license in the nonresident applicant's home state and the home  
6 state has reciprocity with this state.

7 3. The nonresident applicant has submitted a request for  
8 licensure to the division in a form and manner prescribed by the  
9 commissioner.

10 4. The nonresident applicant has the requisite character and  
11 competence to be licensed as an adjuster, as may be determined by  
12 the commissioner.

13 5. The nonresident applicant is financially responsible  
14 pursuant to section 522C.7.

15 6. The nonresident applicant has paid all fees required under  
16 this chapter. An applicant who concurrently applies for both  
17 an adjuster license, and a license as an appraiser under chapter  
18 522F, shall only be required to pay the fee required under this  
19 chapter or the fee required under chapter 522F.

20 7. The nonresident applicant has obtained any necessary  
21 authority from the Iowa secretary of state to transact business  
22 in this state.

23 8. The nonresident applicant for a public adjuster license  
24 has filed contracts with the commissioner for review and approval  
25 prior to use. A contract that has been filed is deemed to  
26 be approved unless disapproved or additional information is  
27 requested by the commissioner within thirty calendar days of  
28 receipt of the filing by the commissioner.

29 9. The nonresident applicant successfully passed the adjuster  
30 examination pursuant to section 522C.8.

31 10. The nonresident applicant is at least eighteen years of  
32 age.

33 11. The nonresident applicant maintains an office in the  
34 nonresident applicant's home state that is available by  
35 reasonable appointment or regular business hours.

1     Sec. 38. NEW SECTION.   **522C.5C Business entity applicants —**  
2 **resident public adjuster or independent adjuster.**

3     Prior to approving a business entity's application for a  
4 license for a resident public adjuster or resident independent  
5 adjuster, the commissioner shall find that the business entity  
6 meets all of the following requirements:

7     1. The business entity has designated an individual adjuster  
8 licensed in this state to be responsible for the business  
9 entity's compliance with the insurance laws and administrative  
10 rules of this state.

11    2. The business entity has not committed any act that is a  
12 ground for denial, suspension, or revocation of a license under  
13 section 522C.13.

14    3. The business entity has the requisite character and  
15 competence to be licensed as an adjuster, as may be determined  
16 by the commissioner.

17    4. The business entity is financially responsible pursuant to  
18 section 522C.7.

19    5. The business entity has paid all fees required under this  
20 chapter. An applicant who concurrently applies for both an  
21 adjuster license, and a license as an appraiser under chapter  
22 522F, shall only be required to pay the fee required under this  
23 chapter or the fee required under chapter 522F.

24    6. The business entity maintains an office in the business  
25 entity's home state that is available by reasonable appointment  
26 or regular business hours.

27    7. The business entity applying for a public adjuster license  
28 has submitted contracts and any subsequent contract modification  
29 to the commissioner for review and approval prior to use.

30 A contract that has been filed is deemed to be approved  
31 unless disapproved or additional information is requested by the  
32 commissioner within thirty calendar days of receipt of the filing  
33 by the commissioner.

34    8. The business entity has obtained any necessary authority  
35 from the Iowa secretary of state to transact business in this

1 state.

2     Sec. 39. NEW SECTION. **522C.5D Business applicants —**  
3 **nonresident business entity.**

4     Before approving a nonresident business entity's application  
5 for a nonresident public adjuster license or a nonresident  
6 independent adjuster license, the commissioner shall find that  
7 the nonresident business entity meets all of the following  
8 requirements:

9     1. The nonresident business applicant has designated an  
10 individual adjuster licensed in this state to be responsible  
11 for the nonresident business applicant's compliance with the  
12 insurance laws and administrative rules of this state.

13     2. The nonresident business applicant has not committed any  
14 act that is a ground for denial, suspension, or revocation of a  
15 license under section 522C.13.

16     3. The nonresident business applicant has the requisite  
17 character and competence to be licensed as an adjuster, as may  
18 be determined by the commissioner.

19     4. The nonresident business applicant is financially  
20 responsible pursuant to section 522C.7.

21     5. The nonresident business applicant has paid all fees  
22 required under this chapter.

23     6. The nonresident business applicant maintains an office in  
24 the nonresident business applicant's home state that is available  
25 by reasonable appointment or regular business hours.

26     7. The nonresident business applicant applying for a public  
27 adjuster license has submitted contracts and any subsequent  
28 contract modification to the commissioner for review and approval  
29 prior to use. A contract that has been filed is deemed to  
30 be approved unless disapproved or additional information is  
31 requested by the commissioner within thirty calendar days of  
32 receipt of the filing by the commissioner.

33     8. The nonresident business applicant has obtained any  
34 necessary authority from the Iowa secretary of state to transact  
35 business in this state.

1 Sec. 40. Section 522C.6, Code 2025, is amended by striking  
2 the section and inserting in lieu thereof the following:

3 **522C.6 Fees — license issuance, renewal, or reinstatement,**  
4 **and examination.**

5 Fees for a license as an adjuster shall be as follows:

6 1. Any applicable fee for a criminal history check pursuant  
7 to section 522B.5A.

8 2. The fee for issuance or renewal of an adjuster license is  
9 fifty dollars for a consecutive twenty-four-month period.

10 3. The fee for reinstatement of an adjuster license is fifty  
11 dollars.

12 4. The fee for a reinstatement or reissuance of an adjuster  
13 license due to a disciplinary action under section 522C.15 is one  
14 hundred dollars.

15 5. The commissioner may charge a reasonable fee for the  
16 compilation and production of adjuster licensing records.

17 6. The fee for an examination under section 522C.8 may be set  
18 by a third-party testing service under contract with the division  
19 to administer the examination. The fee must be approved by the  
20 division.

21 7. Fees shall be paid electronically through the NIPR  
22 gateway.

23 Sec. 41. NEW SECTION. **522C.7 Financial responsibility.**

24 1. Prior to issuance of a license under section 522C.5A,  
25 522C.5B, 522C.5C, or 522C.5D, an applicant shall secure evidence  
26 of financial responsibility through a surety bond as prescribed  
27 by the commissioner. The surety bond shall be executed and  
28 issued by an insurer authorized to issue surety bonds in this  
29 state and meet the following requirements:

30 a. The surety bond shall be a minimum of fifty thousand  
31 dollars.

32 b. The surety bond shall be in favor of the state and  
33 specifically authorize recovery by the commissioner on behalf of  
34 any person in this state who sustains damages as the result of  
35 an adjuster's erroneous act, failure to act, fraud, or unfair or

1 deceptive act or practice under chapter 507B.

2 c. The surety bond shall not be terminated without prior  
3 written notice filed with the division a minimum of thirty  
4 calendar days prior to termination.

5 2. The division may request that an adjuster provide evidence  
6 of financial responsibility at any time the division deems  
7 relevant.

8 3. An adjuster shall immediately notify the division if the  
9 adjuster's evidence of financial responsibility terminates in  
10 violation of subsection 1, paragraph "c", or becomes impaired,  
11 and the adjuster's license shall become inactive until the  
12 adjuster provides the division with evidence of financial  
13 responsibility.

14 Sec. 42. NEW SECTION. **522C.8 Examination.**

15 1. a. An individual applying for a license under this  
16 chapter shall pass a written examination, unless exempt pursuant  
17 to section 522C.9. The examination shall test the knowledge of  
18 the individual concerning the duties and responsibilities of an  
19 adjuster and the insurance laws and administrative rules of this  
20 state, and shall be conducted as prescribed by the division.

21 b. An individual who concurrently applies for an adjuster  
22 license, and a license as an appraiser under chapter 522F, may  
23 choose to take a joint examination conducted as prescribed by  
24 the division. The joint examination shall test the knowledge  
25 of the individual concerning the duties and responsibilities  
26 of an adjuster and of an appraiser, and the insurance laws  
27 and administrative rules of this state. An individual who  
28 successfully passes a joint examination, and who meets all other  
29 requirements for licensure as an adjuster, and as an appraiser  
30 under chapter 522F, shall be licensed as both an adjuster and as  
31 an appraiser.

32 2. Each individual applying for examination shall remit the  
33 examination fee under section 522C.6. An individual applying for  
34 a joint examination under subsection 1, paragraph "b", shall pay  
35 one examination fee for the joint examination.

1 3. An individual who fails to appear for a scheduled  
2 examination, or who fails to pass the examination, may reapply  
3 for examination and must remit the required fee to be scheduled  
4 for another examination.

5 4. The results of an examination shall be valid to submit  
6 for licensure for ninety calendar days after the date of the  
7 examination.

8 Sec. 43. NEW SECTION. **522C.9 Examination — exemption.**

9 1. An individual who applies for a nonresident license  
10 under this chapter and who was previously a licensed adjuster  
11 in another state that required an examination that included  
12 Iowa-specific statutes and administrative rules shall not be  
13 required to apply for examination under section 522C.8.

14 2. An individual who relocates to this state and who was a  
15 licensed adjuster in another state that required an examination  
16 that included Iowa-specific statutes and administrative rules  
17 shall not be required to apply for examination under section  
18 522C.8 if the individual submits an application for a resident  
19 adjuster license under section 522C.5A within ninety calendar  
20 days of establishing legal residency, and all of the following  
21 apply:

22 a. The individual is currently a licensed adjuster in the  
23 state from which the applicant relocated.

24 b. The state from which the applicant relocated issues  
25 a certification that the applicant is licensed and in good  
26 standing.

27 c. The producer database records of the state from which the  
28 applicant relocated, or records maintained by the NAIC or a NAIC  
29 affiliate or subsidiary, indicate that the adjuster is currently  
30 licensed or had been licensed, and is in good standing.

31 Sec. 44. NEW SECTION. **522C.10 Public adjuster and insured**  
32 **— contract for services.**

33 1. a. A public adjuster shall not provide services to an  
34 insured until a written contract with the insured has been  
35 executed on a form filed with and approved by the commissioner

1 pursuant to section 522C.5A, subsection 9, section 522C.5B,  
2 subsection 8, section 522C.5C, subsection 7, or section 522C.5D,  
3 subsection 7. The contract must have a heading that indicates  
4 the contract is a public adjuster contract and must contain all  
5 of the following:

6 (1) The full name, address, telephone number, and license  
7 number of the public adjuster presenting and negotiating the  
8 contract and, if applicable, the full name, address, telephone  
9 number, and license number of the business entity the public  
10 adjuster is associated with.

11 (2) The insured's full name, street address, insurance  
12 company name, and, if known or upon notification, the insurance  
13 policy number and claim number.

14 (3) A description of the insured's loss claim and the address  
15 at which the loss is located, if applicable.

16 (4) A description of services to be provided by the public  
17 adjuster on behalf of the insured.

18 (5) A signature of the public adjuster and of the insured,  
19 and the date the public adjuster and the insured each signed the  
20 contract.

21 (6) An attestation that the public adjuster has a surety bond  
22 pursuant to section 522C.7.

23 (7) An explanation of the amount payable to the public  
24 adjuster, and how the amount is calculated, which may include any  
25 of the following:

26 (a) If an hourly rate, the contract shall state the hourly  
27 rate and how the rate is applied to the hours of service provided  
28 by the public adjuster to calculate the amount payable.

29 (b) If a flat fee, the contract must state the exact amount  
30 payable to the public adjuster.

31 (c) If a percentage of settlement, the contract must state  
32 the exact percentage applied to the settlement on the claim.

33 (d) If any other consideration, the contract must detail how  
34 the amount payable is calculated or determined.

35 (8) A public adjuster may charge a reasonable fee that shall

1 not exceed any of the following:

2 (a) Fifteen percent of all claim payments approved by  
3 the insurer for any noncatastrophic disaster insurance claim  
4 settlement.

5 (b) Ten percent of all claim payments approved by the insurer  
6 for any catastrophic disaster insurance claim settlement.

7 (9) That compensation for any reopened or supplemental claim  
8 may not exceed the limitations set forth in the contract.

9 (10) That the insured has the right to agree to or reject  
10 a loss settlement even if the public adjuster objects to the  
11 insured's decision.

12 (11) The initial expenses of the public adjuster that will  
13 be reimbursed from the proceeds of the claim payment shall be  
14 specified by expense type, with reimbursement estimates set forth  
15 in the contract. Any additional expenses for which the public  
16 adjuster requests reimbursement shall be disclosed in writing  
17 to the insured, and must be approved by the insured prior to  
18 reimbursement.

19 (12) A statement that the public adjuster shall not render  
20 services or perform acts that constitute the practice of law.

21 (13) A statement that the public adjuster shall not act on  
22 behalf of or aid any person in negotiation or settlement of a  
23 claim related to bodily injury, death, or noneconomic damages.

24 (14) The process for rescinding the contract, including the  
25 date by which rescission of the contract by the public adjuster  
26 or the insured must occur. The public adjuster shall provide  
27 notice of the insured's rights under chapter 555A, and the  
28 insured may rescind the contract as provided in chapter 555A. A  
29 contract shall not be construed to prevent an insured from  
30 pursuing a civil remedy after the revocation or cancellation  
31 period. If the insured rescinds the contract, anything of value  
32 given by the insured shall be returned to the insured within  
33 fifteen business days following receipt of the cancellation  
34 notice by the public adjuster.

35 b. A contract provision shall not be redacted in a copy of

1 the contract submitted to the commissioner. Such redaction shall  
2 constitute a violation of this chapter, and shall be subject to  
3 penalties under sections 522C.13 and 522C.14.

4 2. If the insurer, no later than five calendar days after  
5 the date on which the insured's loss is reported to the insurer,  
6 either pays or commits in writing to pay to the insured the  
7 policy limit of the insured's insurance policy, the public  
8 adjuster shall:

9 a. Inform the insured that the total amount of loss claimed  
10 by the insured may not be agreed to by the insurer.

11 b. Only be entitled to reasonable compensation from the  
12 insured for services provided on behalf of the insured based on  
13 the time spent on the claim, and the expenses incurred by the  
14 public adjuster, until the date the insurer pays the claim or  
15 provides the insured with a written commitment that the insurer  
16 will pay the claim.

17 3. A public adjuster contract shall not contain a provision  
18 that does any of the following:

19 a. Allows the public adjuster's percentage of a settlement  
20 to be collected if money is still due from an insurer, or that  
21 allows the public adjuster to collect the entire percentage of  
22 a settlement from any single payment issued by an insurer rather  
23 than as a percentage of each payment issued by the insurer.

24 b. Requires or permits the insured to authorize an insurer to  
25 issue a check only in the name of the public adjuster.

26 c. Imposes collection costs or late fees prior to an  
27 insurance claim payment by an insurer to an insured.

28 d. Allows the public adjuster's compensation to be increased  
29 based on the fact that a claim is litigated.

30 e. Precludes either an insured or the public adjuster from  
31 pursuing civil remedies.

32 f. Restricts an insured's right to initiate or maintain  
33 direct communication with the insured's attorney or insurer, with  
34 the insurer's adjuster or attorney, or any other person regarding  
35 settlement of the insured's claim.

1 g. Grants the public adjuster power of attorney or limited  
2 power of attorney of the insured.

3 h. Requires the insured to use a particular business entity  
4 or individual for the reconstruction, repair, or restoration of  
5 the insured's damaged property.

6 4. Prior to execution of the contract, the public adjuster  
7 shall review the terms of the contract with the insured and  
8 provide the insured with a separate disclosure document regarding  
9 the claim process that shall include the following:

10 DISCLOSURE DOCUMENT

11 REGARDING THE CLAIM PROCESS

12 1. PROPERTY INSURANCE POLICIES OBLIGATE THE INSURED TO  
13 PRESENT A CLAIM TO THE INSURED'S INSURER FOR CONSIDERATION.  
14 THERE ARE THREE TYPES OF ADJUSTERS THAT MAY BE INVOLVED IN THAT  
15 PROCESS. THE THREE TYPES ARE AS FOLLOWS:

16 (A) "STAFF ADJUSTER" IS DEFINED IN IOWA CODE SECTION 522C.2.  
17 A STAFF ADJUSTER IS EMPLOYED BY THE INSURER. THEY WILL NOT  
18 CHARGE THE INSURED A FEE.

19 (B) "INDEPENDENT ADJUSTER" IS DEFINED IN IOWA CODE SECTION  
20 522C.2. AN INDEPENDENT ADJUSTER IS CONTRACTED BY THE INSURER TO  
21 REPRESENT THE INSURER. THEY WILL NOT CHARGE THE INSURED A FEE.

22 (C) "PUBLIC ADJUSTER" IS DEFINED IN IOWA CODE SECTION 522C.2.  
23 A PUBLIC ADJUSTER IS NOT AN EMPLOYEE OR REPRESENTATIVE OF  
24 THE INSURER. THEY ARE HIRED BY THE INSURED TO ASSIST IN THE  
25 PREPARATION, PRESENTATION, AND SETTLEMENT OF A CLAIM.

26 2. THE INSURED IS NOT REQUIRED TO HIRE A PUBLIC ADJUSTER  
27 TO HELP THE INSURED MEET THE INSURED'S OBLIGATIONS UNDER THE  
28 INSURED'S POLICY, BUT HAS THE RIGHT TO DO SO.

29 3. THE INSURED HAS THE RIGHT TO INITIATE DIRECT  
30 COMMUNICATIONS WITH THE INSURED'S ATTORNEY, THE INSURED'S  
31 INSURANCE COMPANY, THE INSURANCE COMPANY'S STAFF ADJUSTER OR  
32 INDEPENDENT ADJUSTER, THE INSURANCE COMPANY'S ATTORNEY, OR ANY  
33 OTHER PERSON REGARDING THE SETTLEMENT OF THE INSURED'S CLAIM.

34 4. THE INSURED MAY BE RESPONSIBLE FOR ANY AMOUNT PAYABLE TO  
35 A PUBLIC ADJUSTER RELATED TO ANY PORTION OF A CLAIM THAT WAS

1 PREVIOUSLY PAID IN PART, IN FULL, OR SETTLED BY THE INSURER PRIOR  
2 TO A CONTRACT BEING ENTERED INTO BETWEEN THE PUBLIC ADJUSTER AND  
3 THE INSURED.

4 5. THE AMOUNT PAYABLE TO A PUBLIC ADJUSTER, WHICH CAN INCLUDE  
5 A SALARY, FEE, COMMISSION, OR OTHER CONSIDERATION AS OUTLINED IN  
6 THE CONTRACT, IS THE OBLIGATION OF THE INSURED, NOT THE INSURER.

7 6. THE INSURED MAY FILE A COMPLAINT WITH THE IOWA INSURANCE  
8 DIVISION BY CALLING (877) 955-1212 OR VISITING IID. IOWA. GOV.

9 5. An original copy of a completed contract shall be provided  
10 to the public adjuster and to the insured. The commissioner  
11 may inspect the original contract in possession of the public  
12 adjuster at any time without prior notice. A contract may be  
13 executed electronically if done so in compliance with chapter  
14 554D.

15 6. Within seventy-two hours of executing a contract with an  
16 insured under this section, the public adjuster shall provide the  
17 insured's insurer a notification letter, which has been signed  
18 by the insured, authorizing the public adjuster to represent the  
19 insured's interest. The insurer shall verify that the public  
20 adjuster is currently licensed with the division.

21 7. A contract between a public adjuster and an insured  
22 executed on a form in violation of subsection 1, paragraph "a",  
23 shall not be enforceable in this state.

24 Sec. 45. NEW SECTION. **522C.11 Adjusters — standards of**  
25 **conduct.**

26 1. A public adjuster shall serve with objectivity and  
27 complete loyalty to the interest of the insured. A public  
28 adjuster shall render to the insured in good faith information,  
29 counsel, and service, that in the opinion of the public adjuster  
30 will best serve the insured's insurance claim needs and interest.  
31 These duties extend to the claims process and include providing  
32 timely responses to both the insurer and the insured.

33 2. For a minimum of seventy-two hours following a  
34 catastrophic disaster, to allow time for the commissioner to  
35 safely deploy consumer protection resources, a public adjuster

1 shall not, in person or by telephone, directly offer to contract,  
2 attempt to offer to contract, or enter into an adjuster  
3 contract with an insured unless the offer to contract, the  
4 attempt to offer to contract, or entering into a contract  
5 is initiated by a consumer. If the commissioner deems the  
6 severity of the catastrophic disaster to have placed people  
7 under duress, the commissioner shall immediately dispatch the  
8 consumer advocate and other personnel to the disaster area to  
9 provide consumer guidance. If, after a public hearing, the  
10 commissioner determines that, due to the scope and severity of  
11 the catastrophic disaster, additional time is necessary to safely  
12 deploy additional consumer protection resources, the commissioner  
13 may extend the time period that a public adjuster shall not  
14 offer to contract, attempt to offer to contract, or enter into  
15 a contract for an additional seventy-two hours.

16 3. A public adjuster shall not solicit between the hours of  
17 8:00 p.m. and 9:00 a.m. Solicitation shall include but is not  
18 limited to a door-to-door sale as that term is defined in section  
19 555A.1.

20 4. A public adjuster, or an independent adjuster, shall not  
21 permit an unlicensed employee or representative of the public  
22 adjuster or independent adjuster, nor any person associated with  
23 a claim, to conduct business for which a license is required  
24 under this chapter.

25 5. An adjuster shall not have a direct or indirect financial  
26 interest in any aspect of a claim other than the amount payable  
27 pursuant to the written contract with an insured under section  
28 522C.10.

29 6. An adjuster shall not acquire any interest in salvage of  
30 property.

31 7. An adjuster shall not undertake the adjustment of any  
32 claim if the adjuster is not competent and knowledgeable as  
33 to the terms and conditions of the insurance coverage, or if  
34 the loss or coverage otherwise exceeds the adjuster's current  
35 expertise.

1 8. An adjuster shall maintain all documentation relating to  
2 all estimates and coverage determinations for a minimum of five  
3 years from the date of completion of a settlement.

4 9. An adjuster shall not knowingly make any false oral or  
5 written material statements regarding any person engaged in the  
6 business of insurance, or any other adjuster, to an insured who  
7 is a client or potential client.

8 10. a. An adjuster shall not reasonably act, or fail to act,  
9 in any manner that obstructs or prevents an insurer or adjuster  
10 from timely conducting an inspection of any part of an insured's  
11 property for which there is a claim for loss or damage.

12 b. If a public adjuster is unavailable after reasonable  
13 request by an insurer, resulting in delay of the insurer's  
14 timely inspection of the property, the insured shall allow the  
15 insurer to have access to the property without the participation  
16 or presence of the public adjuster to facilitate the insurer's  
17 prompt inspection of the loss or damage.

18 11. An adjuster shall respond to an inquiry from an insurer  
19 or an insured regarding a claim within fifteen business days  
20 of the date of the inquiry unless good cause exists for delay.  
21 The adjuster shall reply within fifteen business days to all  
22 pertinent communications from the insured, the insurer, or a  
23 representative of the insured or the insurer that reasonably  
24 suggest that a response is expected.

25 12. Upon receiving notification of a claim, an insurer shall  
26 provide necessary claim forms, instructions, and reasonable  
27 assistance within fifteen business days of notification of the  
28 claim so that first-party claimants can comply with the policy  
29 conditions and the insurer's reasonable requirements.

30 13. An adjuster shall not act as an appraiser and as an  
31 adjuster on the same claim.

32 14. An adjuster shall not act as an umpire and as an adjuster  
33 on the same claim.

34 15. A public adjuster shall not enter into a contract that  
35 accepts a power of attorney or limited power of attorney for an

1 insured.

2 16. a. An independent adjuster shall not act as an  
3 independent adjuster and a public adjuster on the same claim.

4 b. A public adjuster shall not act as a public adjuster and  
5 an independent adjuster on the same claim.

6 17. A staff adjuster may be licensed as a public adjuster  
7 or as an independent adjuster, but shall be prohibited from  
8 providing services as an independent adjuster or a public  
9 adjuster while employed as a staff adjuster.

10 18. A public adjuster shall not agree to, or reject, any loss  
11 settlement without the insured's express knowledge and written  
12 consent.

13 19. An adjuster shall not engage in any act or practice that  
14 is a conflict of interest. A conflict of interest shall include  
15 but is not limited to the following:

16 a. A direct or indirect financial interest with a person  
17 responsible for the reconstruction, repair, or restoration of  
18 damaged property that is the subject of a claim, or with a person  
19 involved in resolving a claim valuation dispute.

20 b. A direct or indirect financial interest, or other valuable  
21 consideration regardless of form or amount paid to an adjuster  
22 in exchange for referring an insured to an appraiser, umpire,  
23 construction company, contractor, salvage company, or attorney.

24 c. Being an owner, employee, agent, investor, or having other  
25 financial interest in a business entity responsible for the  
26 reconstruction, repair, or restoration of damaged property that  
27 is the subject of a claim, or having an immediate family member  
28 who is an owner, employee, agent, or investor in a business  
29 entity responsible for the reconstruction, repair, or restoration  
30 of a damaged property that is the subject of a claim.

31 d. Entering into a written or verbal contract, or formal  
32 or informal agreement, with any person that compromises the  
33 adjuster's duty of loyalty to the insured.

34 e. Using claim information obtained in the course of a claim  
35 investigation for commercial purposes including marketing or

1 advertising for the benefit of the adjuster.

2 20. A public adjuster shall not file a complaint with the  
3 division on behalf of an insured without the insured's knowledge  
4 and written consent.

5 21. An adjuster shall not represent, directly or indirectly,  
6 that damage has occurred at a property unless the adjuster has  
7 inspected the damaged areas of the property.

8 22. An adjuster shall produce a detailed written estimate to  
9 repair or replace covered damages and provide a copy to both the  
10 insured and the insurer in a timely manner.

11 23. A public adjuster shall not offer to pay an insured's  
12 deductible, or claim that the insured's deductible will be  
13 waived, as an inducement to use the services of the public  
14 adjuster.

15 24. An adjuster shall respond reasonably promptly to  
16 inquiries by the division.

17 25. A public adjuster shall provide a detailed invoice for  
18 completed services to an insured prior to requesting payment for  
19 services pursuant to a contract under section 522C.10.

20 26. Funds received or held by a public adjuster on behalf of  
21 an insured toward the settlement of a claim shall be:

22 a. Held in a fiduciary capacity.

23 b. Deposited by the adjuster into one or more separate  
24 noninterest-bearing fiduciary trust accounts in a financial  
25 institution licensed to do business in this state no later  
26 than the close of the fifth business day from the date the  
27 public adjuster received the funds, and either deposited in the  
28 insured's name or in the name of the public adjuster as trustee  
29 for the insured, to be held and administered as a trust account  
30 for the benefit and protection of the insured.

31 c. Held separately from personal or nonbusiness funds.

32 d. Held separately from other business funds.

33 e. Listed specifically and separately, by the insured's name  
34 and the amount in trust in the book of accounts and records  
35 of the public adjuster. The book of accounts and records must

1 indicate the fiduciary nature of the account and any amounts  
2 deposited or withdrawn.

3 *f.* Disbursed within thirty calendar days of receipt of an  
4 invoice by the public adjuster from a contractor that completed  
5 work, if the public adjuster receives approval of the insured  
6 that the work was satisfactorily completed.

7 27. A public adjuster shall comply with all applicable local  
8 ordinances.

9 28. An adjuster who fails to comply with this section shall  
10 be subject to penalties under sections 522C.13 and 522C.14.

11 Sec. 46. NEW SECTION. **522C.12 Adjusters — records.**

12 1. An adjuster shall have a continuing duty to keep, at  
13 the adjuster's place of business, usual and customary records  
14 pertaining to transactions undertaken by the adjuster. All such  
15 records shall be kept available and open for inspection by the  
16 division at any time during regular business hours; however,  
17 the division is not entitled to inspect any records prepared in  
18 anticipation of litigation or that are subject to any privilege  
19 recognized in chapter 622. The records shall be maintained for a  
20 minimum of five years from the date of the adjuster transaction.

21 2. An adjuster who fails to comply with this section shall be  
22 subject to penalties under sections 522C.13 and 522C.14.

23 Sec. 47. NEW SECTION. **522C.13 License denial, nonrenewal,  
24 suspension, or revocation.**

25 1. The division may place on probation, suspend, revoke, or  
26 refuse to issue or renew an adjuster's license, and may levy a  
27 civil penalty as provided in section 522C.14, for one or more of  
28 the following causes:

29 *a.* The adjuster provided incorrect, misleading, incomplete,  
30 or materially untrue information in a license application.

31 *b.* The adjuster violated an insurance law, regulation,  
32 subpoena, or order of the commissioner or of a commissioner of  
33 another state.

34 *c.* The adjuster obtained or attempted to obtain a license  
35 through misrepresentation or fraud.

1 d. The adjuster improperly withheld, misappropriated, or  
2 converted money or property received in the course of doing  
3 business.

4 e. The adjuster was convicted of a felony.

5 f. The adjuster admitted to, or was found to have committed,  
6 any unfair trade practice or fraud.

7 g. The adjuster used fraudulent, coercive, or dishonest  
8 practices, or demonstrated incompetence, untrustworthiness, or  
9 financial irresponsibility, or was a source of injury or loss in  
10 the conduct of business in this state or elsewhere.

11 h. The adjuster had any professional license, or its  
12 equivalent, denied, suspended, or revoked in this state or any  
13 other state, province, district, or territory.

14 i. The adjuster forged another's name to any document related  
15 to the adjuster's work as an adjuster.

16 j. The adjuster improperly used notes or any other reference  
17 material to complete an examination for an adjuster license.

18 k. The adjuster knowingly negotiated as an adjuster with an  
19 individual or business entity who is not, but is required to be,  
20 licensed as an adjuster, appraiser, or umpire.

21 l. The adjuster failed to comply with an administrative or  
22 court order imposing a child support obligation.

23 m. The adjuster failed to comply with an administrative or  
24 court order related to repayment of loans to the college student  
25 aid commission.

26 n. The adjuster failed to pay state income tax or to comply  
27 with any administrative or court order directing payment of state  
28 income tax.

29 o. The adjuster failed or refused to cooperate in an  
30 investigation conducted by the commissioner or the commissioner's  
31 designee.

32 p. The adjuster intentionally misrepresented the terms of an  
33 actual or proposed contract for services.

34 2. If the commissioner does not renew an adjuster's license  
35 or denies an application for a license, the commissioner shall

1 notify the adjuster or applicant and advise, in writing, of  
2 the reason for the nonrenewal of the license or denial of the  
3 application for a license. The adjuster or applicant may request  
4 a hearing on the nonrenewal or denial by filing a written request  
5 for a hearing within thirty calendar days from the date of  
6 notice of the nonrenewal or denial. A hearing shall be conducted  
7 according to section 522C.15.

8 3. The license of a business entity may be suspended,  
9 revoked, placed on probation, or refused if the commissioner  
10 finds, after hearing, that an individual adjuster's violation was  
11 known or should have been known by a licensed partner, officer,  
12 or manager of the business entity and the violation was not  
13 reported to the commissioner and corrective action was not taken.

14 4. The license of a nonresident adjuster shall be immediately  
15 inactive if the nonresident adjuster is placed on probation,  
16 suspended, revoked, refused, or denied licensure in any other  
17 state. The nonresident adjuster shall have seven calendar days  
18 to alert the commissioner that the nonresident adjuster has been  
19 placed on probation, suspended, revoked, refused, nonrenewed, or  
20 denied licensure in another state. Failure to meet the reporting  
21 deadline shall be a violation of this section.

22 5. In addition to, or in lieu of, denial, probation,  
23 suspension, or revocation of a license under this section, an  
24 adjuster, after hearing, may be subject to a civil penalty as  
25 provided in section 522C.14.

26 6. The commissioner may enforce this chapter, may conduct an  
27 investigation of any suspected violation of this chapter, and may  
28 impose any penalty or remedy authorized by this chapter against  
29 any person who is under investigation for, or charged with, a  
30 violation of this chapter even if the person's license has been  
31 surrendered or has lapsed by operation of law.

32 7. a. All complaint files, investigation files,  
33 investigation reports, and other investigative information in  
34 the possession of the commissioner or the commissioner's agents  
35 that relates to adjuster discipline shall be privileged and

1 confidential, and shall not be subject to discovery, subpoena,  
2 or other means of legal compulsion for release to a person other  
3 than the adjuster, and shall not be admissible in evidence in  
4 a judicial or administrative proceeding other than a proceeding  
5 involving adjuster discipline. A final written decision of  
6 the commissioner in a disciplinary proceeding shall be a public  
7 record.

8     b. Investigative information in the possession of the  
9 commissioner or the commissioner's agents that relates to  
10 adjuster discipline may be disclosed, at the commissioner's  
11 discretion. The commissioner may share documents, materials,  
12 or other information, including confidential and privileged  
13 documents and materials subject to this subsection, with other  
14 state, federal, and international regulatory agencies, with NAIC,  
15 its affiliates or subsidiaries, and with state, federal, and  
16 international law enforcement authorities, provided that the  
17 recipient agrees to maintain the confidentiality and privileged  
18 status of the document, material, or other information.

19     c. If the investigative information in the possession of the  
20 commissioner or the commissioner's agents indicates a crime has  
21 been committed, the information shall be reported to the proper  
22 law enforcement agency.

23     8.   a. Pursuant to section 17A.19, subsection 6, upon an  
24 appeal by the adjuster, the commissioner shall transmit the  
25 entire record of the contested case to the reviewing court.

26     b. Notwithstanding section 17A.19, subsection 6, if a waiver  
27 of privilege has been involuntary and evidence has been received  
28 at a disciplinary hearing, the court shall issue an order to  
29 withhold the identity of the individual whose privilege was  
30 waived.

31     Sec. 48.   NEW SECTION.   **522C.14 Civil and criminal**  
32 **penalties.**

33     1.   a. Upon a determination by the commissioner after a  
34 hearing conducted pursuant to chapter 17A that an adjuster has  
35 violated a provision of this chapter, the commissioner shall

1 reduce the findings of the hearing to writing and deliver a copy  
2 of the findings to the adjuster.

3     b. Upon a determination by the commissioner that an adjuster  
4 has engaged, is engaging, or is about to engage in any act  
5 or practice constituting a violation of this chapter or a rule  
6 adopted or order issued under this chapter, the commissioner may  
7 take the following actions:

8     (1) Issue an order requiring the adjuster to cease and desist  
9 from engaging in the conduct resulting in the violation.

10     (2) Assess a civil penalty against the adjuster of not more  
11 than one thousand dollars for each violation of this chapter, not  
12 to exceed an aggregate of ten thousand dollars.

13     (3) If the adjuster knew or reasonably should have known the  
14 adjuster was in violation of this chapter, assess a civil penalty  
15 of not more than five thousand dollars for each violation of this  
16 chapter, not to exceed an aggregate penalty of fifty thousand  
17 dollars in any one six-month period.

18     (4) (a) Issue a summary order, including a brief statement  
19 of findings of fact, conclusions of law, and policy reasons for  
20 the decision, and directing the adjuster to cease and desist from  
21 engaging in the act or practice or to take affirmative action as  
22 is necessary in the judgment of the commissioner to comply with  
23 the requirements of this chapter.

24     (b) An adjuster may contest a summary order by filing, within  
25 thirty calendar days from the date of the issuance of the  
26 summary order, a written request for a contested case proceeding  
27 and hearing as provided in chapter 17A and in accordance with  
28 rules adopted by the commissioner. Section 17A.18A shall be  
29 inapplicable to a summary order issued under this subsection. If  
30 a hearing is not requested within thirty calendar days from the  
31 date of issuance of the summary order, the summary order shall  
32 become final by operation of law. A summary order shall remain  
33 effective from the date of issuance until the date the order  
34 becomes final by operation of law, or is modified or overturned  
35 by a presiding officer or court following a request for hearing.

1 (c) An adjuster violating a summary order issued under this  
2 subsection shall be deemed in contempt of the summary order. The  
3 commissioner may petition the district court to enforce the order  
4 as certified by the commissioner. The district court shall find  
5 the adjuster in contempt of the order if the court finds, after  
6 conducting a hearing, that the adjuster is not in compliance  
7 with the order. The court may assess a civil penalty against  
8 the adjuster and may issue further orders as the court deems  
9 appropriate.

10 c. In addition to any other penalty under this section,  
11 if the commissioner finds that a violation of this chapter  
12 was directed, encouraged, condoned, ignored, or ratified by the  
13 employer of the adjuster, the commissioner shall assess a penalty  
14 to the employer. Penalties under this paragraph may be retained  
15 by the commissioner under section 505.7, subsection 9.

16 2. a. A person acting as an adjuster without proper  
17 licensure, or an adjuster who willfully violates any provision of  
18 this chapter or an order issued under this chapter, is guilty of  
19 a class "D" felony. If the violation results in a loss of more  
20 than ten thousand dollars, the person or adjuster is guilty of a  
21 class "C" felony.

22 b. An adjuster who steals, converts, or misappropriates funds  
23 that should be held in trust under section 522C.11, is guilty of  
24 a class "D" felony. If the violation results in a loss of more  
25 than ten thousand dollars, the adjuster is guilty of a class "C"  
26 felony.

27 c. The commissioner may refer such evidence as is available  
28 concerning a violation of this chapter, or of any rule adopted or  
29 order issued under this chapter, or of the failure of a person  
30 to comply with the licensing requirements of this chapter, to the  
31 attorney general or the proper county attorney who may institute  
32 the appropriate criminal proceedings under this chapter.

33 d. This chapter does not limit the power of the state to  
34 punish any person for conduct that constitutes a crime under any  
35 other statute.

1 3. Any contract regulated by this chapter that is entered  
2 into by an insured with a person who is not a licensed public  
3 adjuster in this state shall be void. If a contract is void,  
4 the insured is not liable for the payment for any past services  
5 rendered, or future services to be rendered, by that person.

6 Sec. 49. NEW SECTION. **522C.15 Reinstatement or reissuance**  
7 **of a license after disciplinary matters — forfeiture in lieu of**  
8 **compliance.**

9 1. a. A person licensed as an adjuster under this chapter  
10 whose license has been revoked or suspended by order, or who  
11 forfeited a license in connection with a disciplinary matter,  
12 may apply to the commissioner for reinstatement or reissuance  
13 in accordance with the terms of the order of revocation or  
14 suspension, or the order accepting the forfeiture, and submit to  
15 a criminal history check under section 522B.5A.

16 b. Proceedings for reinstatement or reissuance shall be  
17 initiated by the applicant who shall file with the commissioner  
18 an application for reinstatement or reissuance after disciplinary  
19 action. An applicant shall not be eligible for reinstatement  
20 or reissuance until the applicant satisfies the requirements  
21 under section 522C.5, 522C.5A, 522C.5B, 522C.5C, or 522C.5D,  
22 as applicable, and the examination requirements under section  
23 522C.8. An applicant may also be required to submit a new  
24 or renewal adjuster application under section 522C.5A, 522C.5B,  
25 522C.5C, or 522C.5D, as applicable.

26 c. An application for reinstatement or reissuance shall  
27 allege facts which, if established, are sufficient to enable  
28 the commissioner to determine that the basis of revocation,  
29 suspension, or forfeiture of the applicant's license no longer  
30 exists, and must disclose if the applicant has engaged in any  
31 conduct listed as a cause for licensing action that was not  
32 included in the order for suspension, revocation, or forfeiture.

33 d. An application for reinstatement or reissuance shall  
34 allege facts which, if established, are sufficient to enable the  
35 commissioner to determine that it is in the public interest for

1 the application to be granted. The commissioner may determine  
2 that it is not in the public interest if the applicant has  
3 engaged in any conduct listed as a cause for licensing action  
4 that was not included in the order for suspension, revocation, or  
5 forfeiture, or if the applicant does not have the character and  
6 fitness to be a licensed adjuster in this state.

7 e. The burden of proof to establish facts identified in  
8 paragraphs "c" and "d" shall be on the applicant.

9 f. An adjuster may request reinstatement of a suspended  
10 license prior to the end of the suspension term.

11 g. Unless otherwise provided by law, if an order of  
12 revocation or suspension did not establish terms on which  
13 reinstatement or reissuance may occur, or if the license was  
14 forfeited, an initial application for reinstatement or reissuance  
15 shall not be made until at least one year from the date of  
16 the order of the suspension, revocation, or acceptance of the  
17 forfeiture of a license.

18 2. All proceedings on an application for reinstatement or  
19 reissuance, including preliminary and ancillary matters, shall be  
20 held in accordance with chapter 17A. The application shall be  
21 docketed in the original case in which the original license was  
22 suspended, revoked, or forfeited, if the case exists.

23 3. An order of reinstatement or reissuance shall be based  
24 on a written decision which incorporates findings of fact  
25 and conclusions of law. An order granting an application  
26 for reinstatement or reissuance may impose such terms and  
27 conditions as the commissioner or the commissioner's designee  
28 deems appropriate, and may include one or more penalties provided  
29 under section 522C.14. The order shall be a public record and  
30 may be disseminated in compliance with chapter 22.

31 4. If an adjuster's ordered suspension period ends prior to  
32 the adjuster's license expiration date and the adjuster applies  
33 for reinstatement prior to the license expiration date and meets  
34 all applicable requirements, the division shall reinstate the  
35 license as soon as practicable but no earlier than the end of

1 the suspension period if the division, after a complete review,  
2 determines the license should be reinstated.

3 5. If an adjuster's license is suspended beyond the  
4 adjuster's license expiration date, whether due to an ordered  
5 suspension time period or failure to apply for reinstatement  
6 prior to expiration, the adjuster must apply for reissuance.

7 6. A submission of voluntary forfeiture of a license shall  
8 be made in writing to the commissioner. Forfeiture of a license  
9 is effective on the date of submission unless a contested case  
10 proceeding is pending on the date of submission. If a contested  
11 case proceeding is pending, the forfeiture shall become effective  
12 upon conditions as ordered by the commissioner. A forfeiture  
13 made during the pendency of a contested case proceeding shall be  
14 considered a disciplinary action and shall be published in the  
15 same manner as is applicable to any other form of disciplinary  
16 order.

17 7. The commissioner shall not be prohibited from denying an  
18 application for reinstatement or reissuance, or from bringing an  
19 additional immediate action, if an adjuster has engaged in an  
20 additional violation of chapter 507B or 522C, or otherwise failed  
21 to meet all applicable requirements.

22 8. This section shall not apply to reinstatement of an  
23 expired license or issuance of a new license that is not in  
24 connection with a disciplinary matter.

25 Sec. 50. NEW SECTION. **522C.16 Suspension for failure to pay**  
26 **child support or state debt.**

27 1. The commissioner shall deny an adjuster's application for  
28 license issuance, renewal, reinstatement, or reissuance; suspend  
29 a current license; or revoke a currently suspended license, upon  
30 receipt of a certificate of noncompliance from the child support  
31 recovery unit pursuant to chapter 252J, or upon receipt of a  
32 certificate of noncompliance from the centralized collection unit  
33 of the department of revenue pursuant to chapter 272D.

34 2. Upon receipt of a certificate of noncompliance under  
35 subsection 1, the commissioner shall issue a notice to the

1 adjuster that the division will, unless the certificate of  
2 noncompliance is withdrawn, deny the adjuster's application  
3 for license issuance, renewal, reinstatement, or reissuance,  
4 suspend the adjuster's current license, or revoke the adjuster's  
5 currently suspended license, thirty calendar days after the date  
6 the notice is mailed. Notice shall be sent to the adjuster's  
7 last known address by restricted certified mail, return receipt  
8 requested, or in accordance with the division's rules for  
9 service. The notice shall contain all of the following:

10 a. A statement that the commissioner intends to deny  
11 the adjuster's application for license issuance, renewal,  
12 reinstatement, or reissuance; suspend the adjuster's current  
13 license; or revoke the adjuster's currently suspended license in  
14 thirty calendar days unless the certificate of noncompliance is  
15 withdrawn.

16 b. A statement that the adjuster must contact the agency that  
17 issued the certificate of noncompliance to request a withdrawal.

18 c. A statement that the adjuster does not have a right to a  
19 hearing before the division, but that the adjuster may file an  
20 application for a hearing in district court pursuant to section  
21 252J.9 or 272D.9, as applicable, and that the filing of an  
22 application by the adjuster will stay the proceedings of the  
23 division.

24 d. A copy of the certificate of noncompliance.

25 3. An adjuster shall keep the commissioner informed of all  
26 actions taken by the district court or the issuing agency in  
27 connection with a certificate of noncompliance. Within seven  
28 calendar days of filing or issuance, an adjuster shall provide  
29 to the commissioner a copy of all applications filed with  
30 the district court pursuant to an application or hearing, all  
31 court orders entered in such action, and all withdrawals of a  
32 certificate of noncompliance.

33 4. If an applicant or licensed adjuster timely files an  
34 application for hearing in district court and the division is  
35 notified of the filing, the commissioner's denial, suspension,

1 or revocation proceedings shall be stayed until the division is  
2 notified by the district court, the issuing agency, the licensee,  
3 or the applicant of the resolution of the application. Upon  
4 receipt of a court order lifting the stay or otherwise directing  
5 the commissioner to proceed, the commissioner shall continue with  
6 the intended action described in the notice.

7 5. If the commissioner does not receive a withdrawal of the  
8 certificate of noncompliance from the issuing agency, or a notice  
9 from a clerk of court, the issuing agency, the licensee, or the  
10 applicant that an application for hearing has been filed within  
11 thirty calendar days after the notice is issued, the commissioner  
12 shall deny the adjuster's application for license issuance,  
13 renewal, reinstatement, or reissuance; suspend a current license;  
14 or revoke a currently suspended license.

15 6. Upon receipt of a withdrawal of a certificate of  
16 noncompliance from the issuing agency, suspension or revocation  
17 proceedings shall halt and the named adjuster shall be notified  
18 that the proceedings have halted. If the adjuster's license has  
19 already been suspended, the adjuster must apply for reinstatement  
20 in accordance with section 522C.15, and the license shall be  
21 reinstated if the adjuster is otherwise in compliance with this  
22 chapter. If the adjuster's application for licensure was stayed,  
23 application processing shall resume. All fees required for  
24 license renewal, reinstatement, or reissuance must be paid by  
25 the adjuster, and all continuing education requirements shall be  
26 satisfied, before the adjuster's license is renewed or reinstated  
27 after a license suspension or revocation under this chapter.

28 7. The commissioner shall notify an adjuster in writing  
29 through regular first class mail, or such other means as the  
30 commissioner deems appropriate under the circumstances, within  
31 ten calendar days of the effective date of the suspension or  
32 revocation of the adjuster's license, and shall also notify the  
33 adjuster when the adjuster's license is reinstated following the  
34 commissioner's receipt of a withdrawal of the certificate of  
35 noncompliance.

1 8. Notwithstanding any provision of law to the contrary, the  
2 division may share information with the child support recovery  
3 unit or the centralized collection unit of the department of  
4 revenue for the sole purpose of identifying adjusters subject to  
5 enforcement under chapter 252J or 272D.

6 Sec. 51. NEW SECTION. **522C.17 Severability.**

7 If any provision of this chapter or the application thereof to  
8 any person or circumstance is held invalid, the invalidity does  
9 not affect other provisions or applications of this chapter which  
10 can be given effect without the invalid provision or application,  
11 and to this end the provisions of this chapter are severable.

12 Sec. 52. APPLICABILITY. The licensure and examination  
13 requirements of chapter 522C in this division of this Act apply  
14 three months after the enactment date of this division of this  
15 Act to a person currently doing business in this state as an  
16 independent adjuster or a staff adjuster as of January 1, 2025.

17 DIVISION VI

18 LICENSING AND REGULATION OF APPRAISERS AND UMPIRES

19 Sec. 53. Section 507B.2, subsection 1, Code 2025, is amended  
20 to read as follows:

21 1. "Person" shall mean any individual, corporation,  
22 association, partnership, reciprocal exchange, interinsurer,  
23 fraternal beneficiary association, and any other legal entity  
24 engaged in the business of insurance, including insurance  
25 producers, appraisers, umpires, and adjusters. "Person" shall  
26 also mean any corporation operating under the provisions of  
27 chapter 514 and any benevolent association as defined and  
28 operated under chapter 512A. For purposes of this chapter,  
29 corporations operating under the provisions of chapter 514 and  
30 chapter 512A shall be deemed to be engaged in the business of  
31 insurance.

32 Sec. 54. Section 522B.5A, subsection 2, paragraph c, Code  
33 2025, is amended to read as follows:

34 c. A renewal, reinstatement, or reissuance of a license if  
35 the license of a producer has been revoked or suspended pursuant

1 to section 522B.11, the license of a public adjuster has been  
2 revoked or suspended pursuant to section ~~522C.6~~ 522C.13, or the  
3 license of a viatical settlement provider or viatical settlement  
4 broker has been revoked or suspended pursuant to section 508E.4,  
5 or the license of an appraiser or an umpire has been revoked or  
6 suspended pursuant to section 522F.20.

7 Sec. 55. Section 522B.5A, subsection 2, Code 2025, is amended  
8 by adding the following new paragraphs:

9 NEW PARAGRAPH. *f.* An initial license as an appraiser in this  
10 state.

11 NEW PARAGRAPH. *g.* An initial license as an umpire in this  
12 state.

13 Sec. 56. NEW SECTION. **522F.1 Definitions.**

14 As used in this chapter, unless the context otherwise  
15 requires:

16 1. "*Adjuster*" means a person licensed pursuant to chapter  
17 522C.

18 2. "*Amount of loss*" means the monetary amount determined to  
19 be necessary to properly repair or replace damage related to  
20 the scope of a loss for a covered peril, and is limited to all  
21 applicable coverages for covered items associated with the claim.

22 3. "*Appraiser*" means a person licensed as an appraiser  
23 pursuant to section 522F.4.

24 4. "*Appraiser list*" means a list, maintained by the division,  
25 of all appraisers licensed by the division.

26 5. "*Claimant*" means a person who makes a first-party claim  
27 under a policy of property and casualty insurance.

28 6. "*Commissioner*" means the commissioner of insurance.

29 7. "*Disciplinary matter*" means an individual is the subject  
30 of an investigation, complaint, pending administrative action, or  
31 other such action in any state.

32 8. "*First-party claim*" means a claim filed by a named insured  
33 under an insurance policy against which a claim is made.

34 9. "*Good cause*" means a legally sufficient reason including  
35 but not limited to any of the following:

1 a. A conflict of interest.

2 b. A lack of independence or an inability to competently or  
3 promptly carry out the duties required under this chapter.

4 c. Any other reason that would reasonably be expected to  
5 impair an appraisal.

6 10. "*Immediate family*" means an individual's parent, sibling,  
7 child, grandchild, spouse, spouses of the individual's children,  
8 or parents of the individual's spouse.

9 11. "*Insured*" means a person covered under an insurance  
10 policy against which a claim is made.

11 12. "*Insurer*" means a person engaged in the business of  
12 insurance and regulated under chapter 507A, 508, 512B, 515, 518,  
13 518A, or 520.

14 13. "*NIPR gateway*" means the communication network developed  
15 and operated by the national insurance producer registry that  
16 links state insurance regulators with regulated entities to  
17 facilitate the electronic exchange of adjuster information,  
18 including but not limited to license applications, license  
19 renewals, appointments, and terminations.

20 14. "*Party*" means an insurer or a claimant, including an  
21 employee, contractor, and other representative of an insurer or  
22 claimant.

23 15. "*Person*" means an individual or a business entity.

24 16. "*Reinstatement*" means the reinstatement of a suspended  
25 license which was suspended in connection with a disciplinary  
26 matter, and that has not expired or been terminated during the  
27 suspension period.

28 17. "*Reissuance*" means the issuance of a new license  
29 following the revocation of a license, the suspension and  
30 subsequent termination of a license, or the forfeiture of a  
31 license in connection with a disciplinary matter.

32 18. "*Umpire*" means a person licensed as an umpire pursuant to  
33 section 522F.9.

34 19. "*Umpire list*" means a list, maintained by the division,  
35 of all umpires licensed by the division.

1     Sec. 57. NEW SECTION.   **522F.2 Rules.**

2     The commissioner may adopt rules pursuant to chapter 17A to  
3 administer this chapter.

4     Sec. 58. NEW SECTION.   **522F.3 Appraiser's license —**  
5 **eligibility.**

6     1. A person shall not act as, or represent that the person  
7 is, an appraiser in this state unless the person is licensed  
8 under this chapter. A person that acts as an appraiser in this  
9 state solely for a crop hail or multiperil crop insurance claim  
10 shall not be subject to this chapter.

11    2. A person applying for an appraiser license shall submit  
12 an application on a uniform individual application or a uniform  
13 business entity application in the form and manner prescribed by  
14 the commissioner.

15    3. To be eligible for licensure under this chapter, a person  
16 shall meet all of the following criteria:

17    a. Have experience or training in building construction,  
18 repair, or estimating property damage.

19    b. Unless waived by the commissioner based on the person's  
20 other professional qualifications, have a minimum of three years'  
21 experience as any of the following:

22    (1) A professional engineer licensed under chapter 542B or  
23 similarly licensed in another state.

24    (2) An architect licensed under chapter 544A or similarly  
25 licensed in another state.

26    (3) An adjuster licensed under chapter 522C or similarly  
27 licensed in another state.

28    (4) A residential contractor as defined in section 103A.71.

29    (5) A contractor registered under chapter 91C or similarly  
30 registered in another state.

31    c. (1) Pass a written examination as prescribed by the  
32 division. The examination shall test the knowledge of a person  
33 concerning the appraisal process, the duties and responsibilities  
34 of an appraiser, and the insurance laws and rules of this state.  
35 Examination results shall be valid for ninety calendar days from

1 the date of examination.

2 (2) An individual who concurrently applies for an appraiser  
3 license, and a license as an adjuster under chapter 522C, may  
4 choose to take a joint examination conducted as prescribed by  
5 the division. The joint examination shall test the knowledge  
6 of the individual concerning the duties and responsibilities  
7 of an adjuster and of an appraiser, and the insurance laws  
8 and administrative rules of this state. An individual who  
9 successfully passes a joint examination, and who meets all other  
10 requirements for licensure as an appraiser, and as an adjuster  
11 under chapter 522C, shall be licensed as both an adjuster and as  
12 an appraiser.

13 d. Have the requisite character and competence, as determined  
14 by the division.

15 4. To determine an applicant's eligibility for licensure, the  
16 commissioner may require a criminal history check pursuant to  
17 section 522B.5A.

18 Sec. 59. NEW SECTION. **522F.4 Appraisers — licensure,**  
19 **license renewal, and fees.**

20 1. A person who meets the requirements under section 522F.3,  
21 unless otherwise denied licensure pursuant to section 522F.20,  
22 shall be issued an appraiser license that is valid for two years  
23 from the date of issue.

24 2. Any applicable fee for a criminal history check pursuant  
25 to section 522B.5A.

26 3. The fee for an initial appraiser license, or renewal of an  
27 appraiser license, shall be fifty dollars for a two-year license.  
28 An applicant who concurrently applies for both an appraiser  
29 license, and a license as an adjuster under chapter 522C, shall  
30 only be required to pay the fee required under this chapter or  
31 the fee required under chapter 522C.

32 4. The fee for reinstatement of an expired appraiser license  
33 shall be one hundred dollars.

34 5. The fee for a reinstatement or reissuance of an appraiser  
35 license suspended or revoked due to a disciplinary action shall

1 be one hundred dollars.

2 6. An appraiser's license shall contain the licensee's name,  
3 business address, appraisal license number, the date of issuance,  
4 the expiration date, and any other information the division deems  
5 necessary.

6 7. An appraiser licensed under this chapter shall be required  
7 to complete continuing education requirements, as prescribed  
8 by the division, to be eligible for license renewal or  
9 reinstatement.

10 8. An appraiser licensed under this chapter shall inform the  
11 division, in the manner and form specified by the division, of a  
12 change of legal name or business address within thirty calendar  
13 days of the change. Failure to timely inform the division may  
14 result in a penalty as specified in section 522F.20.

15 9. The division shall publish an appraiser list on the  
16 division's internet site in a manner readily available to the  
17 public. The appraiser list shall include all of the following  
18 information for each licensed appraiser:

19 a. The business telephone number, business mailing address,  
20 business email address, and the county and state of residence of  
21 the appraiser as provided to the division by the appraiser for  
22 licensure.

23 b. The appraiser's area of training or expertise.

24 c. The date of the appraiser's initial licensure and the date  
25 the license expires.

26 10. Prior to approving a business entity's application for  
27 a license as an appraiser, the commissioner shall find that the  
28 business entity has designated an individual appraiser licensed  
29 in this state to be responsible for the business entity's  
30 compliance with the insurance laws and rules of this state.

31 **Sec. 60. NEW SECTION. 522F.5 Appraiser license**  
32 **reinstatement — not related to disciplinary action.**

33 1. An appraiser may apply for reinstatement of an expired  
34 license up to one year after the license expiration date  
35 by submitting a request through the NIPR gateway, paying a

1 reinstatement fee and a license renewal fee, and submitting  
2 evidence to the division that the appraiser met the continuing  
3 education requirements under section 522F.4. An appraiser who  
4 fails to apply for license reinstatement within one year of the  
5 date of expiration of the appraiser's license must apply for a  
6 new license.

7 2. An appraiser who surrendered a license, not in connection  
8 with a disciplinary matter, and stated an intent to exit the  
9 appraiser business may file a request with the division to  
10 reactivate the appraiser license. The request must be received  
11 by the division within ninety calendar days of the date the  
12 appraiser's license was placed on inactive status. The request  
13 shall be granted if the former appraiser is otherwise eligible  
14 to receive an appraiser license. If the appraiser's request to  
15 reactivate the license is not received within ninety calendar  
16 days of the date the appraiser's license was placed on inactive  
17 status, the appraiser must apply for a new license.

18 3. An appraiser whose license is suspended, revoked, or  
19 forfeited in connection with a disciplinary matter, or forfeited  
20 in lieu of compliance, shall not be eligible for reinstatement  
21 under this section and must follow the procedures in section  
22 522F.22.

23 Sec. 61. NEW SECTION. **522F.6 Appraisers — payment.**

24 1. Each party to an appraisal shall be responsible for the  
25 following:

26 a. The party's own appraiser's fees and expenses.

27 b. An equal share of all reasonable and necessary fees and  
28 expenses incurred by an umpire, if necessary.

29 c. An equal share of all reasonable and necessary costs  
30 incurred in the course of conducting the appraisal.

31 2. a. An appraiser shall not charge any party on a basis  
32 dependent on the outcome of the written itemized award, or charge  
33 in a manner that relies on a barter arrangement, gift, favor, or  
34 in-kind exchange.

35 b. Prior to the conclusion of an appraisal process via

1 final settlement or issuance of a written itemized award by  
2 an umpire, an appraiser shall not require, demand, or accept  
3 any fee, retainer, compensation, deposit, or other type of  
4 consideration, unless the loss is being handled by the appraiser  
5 on a time-plus-expense basis.

6 3. An appraiser shall not charge, and is not entitled to, a  
7 fee, compensation, deposit, or other type of consideration if the  
8 appraiser abandons the appraisal prior to the umpire issuing a  
9 written itemized award.

10 Sec. 62. NEW SECTION. **522F.7 Appraisers — standards of**  
11 **conduct.**

12 1. An appraiser shall act with due diligence, including but  
13 not limited to demonstrating accuracy, fairness, and timeliness  
14 throughout an appraisal process.

15 2. a. (1) No later than five business days after being  
16 hired by a party to an appraisal and before beginning work as  
17 an appraiser, an appraiser shall disclose to all parties to the  
18 appraisal any potential conflict of interest.

19 (2) An appraiser shall not engage in any act or practice that  
20 is a conflict of interest during the appraisal.

21 (3) If a conflict of interest arises after the start of the  
22 appraisal process, an appraiser shall disclose the conflict of  
23 interest to the parties and shall withdraw from the appraisal  
24 process no more than five business days after the conflict of  
25 interest arose.

26 b. A conflict of interest shall include but is not limited to  
27 all of the following:

28 (1) An appraiser is a party to a lawsuit against any party to  
29 an appraisal.

30 (2) An appraiser is a party to, or a member or employee of a  
31 law firm that represents a party to, a current lawsuit involving  
32 an insurer that is a party to the appraisal.

33 (3) An appraiser has personally investigated, prosecuted, or  
34 advocated in connection with the appraisal.

35 (4) An appraiser has acted as counsel to any party to

1 an appraisal within the two years immediately preceding the  
2 appraisal.

3 (5) An appraiser has a personal financial interest in the  
4 outcome of the appraisal or any other significant interest that  
5 could be substantially affected by the outcome of the appraisal.

6 (6) A member of an appraiser's immediate family is any of the  
7 following:

8 (a) A party to the appraisal, or an officer, director, or  
9 trustee of a party.

10 (b) A current employee of an appraiser or an adjuster to the  
11 appraisal.

12 (c) A business entity licensed as an adjuster that adjusted  
13 the loss at issue in the appraisal.

14 (d) Known to have an interest that could be substantially  
15 affected by the outcome of the appraisal.

16 (e) An immediate family member that has a legally sufficient  
17 reason that requires the appraiser to withdraw from the  
18 appraisal.

19 3. An appraiser shall postpone an appraisal for a reasonable  
20 amount of time if any party demonstrates reasonable cause for  
21 a postponement. The appraiser shall notify all parties if the  
22 appraisal process is postponed. An appraiser's failure to timely  
23 notify all parties may result in a penalty under sections 522F.20  
24 and 522F.21.

25 4. In the course of an appraisal, an appraiser shall consider  
26 all information provided by the parties and any other reasonably  
27 available evidence that is material to the appraisal.

28 5. In the course of an appraisal, an appraiser shall  
29 carefully decide all issues submitted for determination of the  
30 amount of loss and actual cash value.

31 6. In the course of an appraisal, an appraiser shall provide  
32 all parties a fair and reasonable itemized written appraisal  
33 detailing the amount of loss and actual cash value.

34 7. In the course of an appraisal, an appraiser shall ensure  
35 the appraiser's party is reasonably informed of all updates

1 throughout the appraisal process.

2 8. An appraiser shall not permit outside influence to affect  
3 an appraisal.

4 9. An appraiser shall not allow a person other than the  
5 umpire for the appraisal to determine differences between the  
6 actual cash value and the amount of loss of each item on the  
7 appraisal.

8 10. a. An appraiser shall not communicate directly or  
9 indirectly with any of the following:

10 (1) An opposing party or representative of the opposing party  
11 other than the opposing party's appraiser.

12 (2) The umpire, unless reasonable notice and opportunity to  
13 participate in the communication is provided to an opposing  
14 appraiser.

15 b. Notwithstanding paragraph "a", an appraiser may  
16 communicate with an opposing party or an umpire in order to do  
17 any of the following:

18 (1) Identify the party's counsel or experts.

19 (2) Discuss logistical matters, including the time and place  
20 of a meeting or to make arrangements for the conduct of the  
21 appraisal. The appraiser initiating contact with the umpire  
22 shall promptly inform an opposing appraiser.

23 (3) If an opposing appraiser fails to participate in a  
24 meeting or conference call after receiving reasonable notice and  
25 opportunity to participate, or if all parties agree in writing in  
26 advance of a meeting or conference call, an appraiser may discuss  
27 a claim with the umpire.

28 11. An appraiser shall not act as, or have ever acted as, an  
29 adjuster or umpire on the same claim.

30 12. An appraiser shall not withdraw or abandon an appraisal  
31 unless compelled by unforeseen circumstances that would render it  
32 impossible or impracticable for the appraiser to continue.

33 13. During the appraisal process, an appraiser may hire an  
34 outside expert to provide subject matter expertise as necessary.

35 Sec. 63. NEW SECTION. **522F.8 Umpire license —**

1 **eligibility.**

2 1. An individual shall not act as, or represent that the  
3 individual is, an umpire in this state unless the individual  
4 is licensed under this chapter. An individual that acts as an  
5 umpire in this state solely for a crop hail or multiperil crop  
6 insurance claim shall not be subject to this chapter.

7 2. An individual applying for an umpire license shall submit  
8 an application on a uniform individual application in the form  
9 and manner prescribed by the commissioner.

10 3. To be eligible for licensure under this chapter, an  
11 individual shall meet all of the following criteria:

12 a. Unless waived by the commissioner based on the  
13 individual's other professional qualifications, have a minimum of  
14 three years' experience as any of the following:

15 (1) A professional engineer licensed under chapter 542B or  
16 similarly licensed in another state.

17 (2) An architect licensed under chapter 544A or similarly  
18 licensed in another state.

19 (3) An adjuster licensed under chapter 522C or similarly  
20 licensed in another state.

21 (4) An appraiser licensed under this chapter or similarly  
22 licensed in another state.

23 (5) An attorney licensed in this state, or another state,  
24 with experience in first-party property damage litigation.

25 (6) An insurance regulator.

26 b. Pass a written examination as prescribed by the division.  
27 The examination shall test the knowledge of the individual  
28 concerning the appraisal process, the duties and responsibilities  
29 of an umpire, and the insurance laws and rules of this state.  
30 Examination results shall be valid for ninety calendar days from  
31 the date of examination.

32 c. Have the requisite character and competence, as determined  
33 by the division.

34 4. To determine an applicant's eligibility for licensure, the  
35 commissioner may require a criminal history check pursuant to

1 section 522B.5A.

2 Sec. 64. NEW SECTION. **522F.9 Umpires — licensure, license**  
3 **renewal, and fees.**

4 1. An individual who meets the requirements of section  
5 522F.8, unless otherwise denied licensure pursuant to section  
6 522F.20, shall be issued an umpire license that is valid for two  
7 years from the date of issue.

8 2. Any applicable fee for a criminal history check pursuant  
9 to section 522B.5A.

10 3. The fee for an initial umpire license, or renewal of an  
11 umpire license, shall be fifty dollars for a two-year license.

12 4. The fee for reinstatement of an expired umpire license  
13 shall be one hundred dollars.

14 5. The fee for a reinstatement or reissuance of an umpire  
15 license suspended or revoked due to a disciplinary action shall  
16 be one hundred dollars.

17 6. An umpire's license shall contain the licensee's name,  
18 business address, umpire license number, the date of issuance,  
19 the expiration date, and any other information the division deems  
20 necessary.

21 7. An umpire licensed under this chapter shall be required to  
22 complete continuing education requirements, as prescribed by the  
23 division to be eligible for license renewal or reinstatement.

24 8. An umpire licensed under this chapter shall inform the  
25 division, in the manner and form specified by the division, of  
26 a change of legal name or business address within thirty calendar  
27 days of the change. Failure to timely inform the division may  
28 result in a penalty as specified in sections 522F.20 and 522F.21.

29 9. The division shall publish an umpire list on the  
30 division's internet site in a manner that is readily available to  
31 the public. The umpire list shall include all of the following  
32 information for each licensed umpire:

33 *α.* The business telephone number, business mailing address,  
34 business email address, and the county and state of residence  
35 of the umpire as provided to the division by the umpire for

1 licensure.

2     b. The umpire's area of training and expertise.

3     c. The date of the umpire's initial licensure and the date  
4 the license expires.

5     Sec. 65. NEW SECTION. **522F.10 Umpire license reinstatement**  
6 **— not related to disciplinary action.**

7     1. An umpire may apply for reinstatement of an expired  
8 license up to one year after the license expiration date  
9 by submitting a request through the NIPR gateway, paying a  
10 reinstatement fee, and submitting evidence to the division  
11 that the umpire met the continuing education requirements under  
12 section 522F.9. An umpire who fails to apply for license  
13 reinstatement within one year of the date of expiration of the  
14 umpire's license must apply for a new license.

15     2. An umpire who surrendered a license, not in connection  
16 with a disciplinary matter, and stated an intent to exit  
17 the umpire business, may file a request with the division to  
18 reactivate the umpire license. The request must be received by  
19 the division within ninety calendar days of the date the umpire's  
20 license was placed on inactive status. The request shall be  
21 granted if the former umpire is otherwise eligible to receive  
22 an umpire license. If the umpire's request to reactivate the  
23 umpire's license is not received within ninety calendar days of  
24 the date the license was placed on inactive status, the umpire  
25 must apply for a new license.

26     3. An umpire whose license is suspended, revoked, or  
27 forfeited in connection with a disciplinary matter, or forfeited  
28 in lieu of compliance, shall not be eligible for reinstatement  
29 under this section and must follow the procedures in section  
30 522F.22.

31     Sec. 66. NEW SECTION. **522F.11 Umpires — payment.**

32     1. In addition to the costs each party is responsible for  
33 under section 522F.6, each party to an appraisal that requires an  
34 umpire shall be responsible for an equal share of all reasonable  
35 and necessary fees and expenses incurred by the umpire.

1 2. If the parties settle before the appraisers direct the  
2 umpire to begin work, the umpire shall not charge a fee.

3 3. An umpire shall not charge any party on a basis dependent  
4 on the outcome of the written itemized award, or charge in a  
5 manner that relies on a barter arrangement, gift, favor, or  
6 in-kind exchange.

7 4. Prior to the conclusion of an appraisal process via final  
8 settlement, or issuance of a written itemized award by an umpire,  
9 an umpire shall not require, demand, or accept any fee, retainer,  
10 compensation, deposit, or other type of consideration, unless the  
11 loss is being handled by the umpire on a time-plus-expense basis.

12 5. An umpire shall not charge, and is not entitled to, a  
13 fee, compensation, deposit, or other type of consideration if  
14 the umpire abandons the appraisal prior to the umpire issuing a  
15 written itemized award.

16 Sec. 67. NEW SECTION. **522F.12 Umpires — objections.**

17 A party or appraiser that objects for good cause to a selected  
18 umpire within the time limit specified in section 522F.14,  
19 subsection 3, paragraph "b", shall send the objection to all  
20 parties involved in the appraisal and, if applicable, to the  
21 judge who appointed the umpire from the umpire list under section  
22 522F.14, subsection 3, paragraph "d". A copy of the objection  
23 shall be sent to the division electronically in the form and  
24 manner prescribed by the commissioner. The objection shall  
25 include all of the following information:

26 1. The names of all parties involved in the dispute.

27 2. The name of the person submitting the objection.

28 3. The insurer's claim number.

29 4. The name of the umpire that the party or appraiser objects  
30 to.

31 5. An explanation of the good cause basis for the objection.

32 Sec. 68. NEW SECTION. **522F.13 Umpires — standards of  
33 conduct.**

34 1. An umpire shall act with due diligence, including but  
35 not limited to demonstrating accuracy, fairness, and timeliness

1 throughout an appraisal process.

2 2. a. (1) No later than three business days after being  
3 hired by the parties to an appraisal and before beginning work  
4 as an umpire to the appraisal, an umpire shall disclose to all  
5 parties to the appraisal any potential conflict of interest. If  
6 a conflict of interest exists, the umpire shall withdraw from the  
7 appraisal.

8 (2) An umpire shall not engage in any act or practice that is  
9 a conflict of interest during the appraisal.

10 (3) If a conflict of interest arises after the start of  
11 an appraisal process, an umpire shall disclose the conflict of  
12 interest to the parties and shall withdraw from the appraisal  
13 process.

14 b. A conflict of interest shall include but is not limited to  
15 the following:

16 (1) An umpire is a party to a lawsuit against any party to an  
17 appraisal.

18 (2) An umpire is a party to, or a member or employee of a law  
19 firm that represents a party to, a current lawsuit involving an  
20 insurer that is party to the appraisal.

21 (3) An umpire has a personal open claim involving an insurer  
22 that is a party to the appraisal.

23 (4) An umpire has a personal bias or prejudice against a  
24 party.

25 (5) An umpire has personally investigated, prosecuted, or  
26 advocated in connection with the appraisal.

27 (6) An umpire has acted as counsel to any party to  
28 an appraisal within the two years immediately preceding the  
29 appraisal.

30 (7) An umpire has a personal financial interest in the  
31 outcome of the appraisal or any other significant interest that  
32 could be substantially affected by the outcome of the appraisal.

33 (8) A member of an umpire's immediate family is any of the  
34 following:

35 (a) A party to the appraisal, or an officer, director, or

1 trustee of a party.

2 (b) A current employee of an appraiser or an adjuster to the  
3 appraisal.

4 (c) A business entity licensed as an adjuster that adjusted  
5 the loss at issue in the appraisal.

6 (d) Known to have an interest that could be substantially  
7 affected by the outcome of the appraisal.

8 (e) An immediate family member that has a legally sufficient  
9 reason that requires the umpire to withdraw from the appraisal.

10 3. Prior to beginning work as an umpire, an umpire shall  
11 enter into a written contract with all parties to the appraisal  
12 that requires the parties and the umpire to comply with this  
13 section, and provides that each party shall pay costs as required  
14 under section 522F.11.

15 4. An umpire shall not begin work on a claim until the umpire  
16 receives each appraiser's differences in actual cash value and  
17 amount of loss of each item of the claim, and written approval  
18 from the parties for the umpire to begin work.

19 5. No later than three business days after receiving notice  
20 of selection for an appraisal, an umpire shall send notice to the  
21 parties and the appraisers that includes all of the following:

22 a. A statement informing each party if the umpire is insured  
23 by an insurer.

24 b. A statement informing each party of the party's respective  
25 right to object to the umpire under section 522F.12.

26 6. An umpire shall address only issues in an appraisal that  
27 the appraisers disagree on.

28 7. An umpire shall review all information submitted by the  
29 appraisers and parties related to the dispute, including but  
30 not limited to the itemized appraisals or estimates, supporting  
31 documents, photographs, and diagrams. The umpire shall review  
32 the differences between what each appraiser submitted and seek  
33 agreement by the appraisers regarding the disputed issues.

34 8. An umpire shall allow each appraiser to a claim a fair  
35 opportunity to present evidence and arguments regarding the

1 appraisal.

2 9. An umpire shall ask questions, or request documents or  
3 other evidence, as the umpire deems necessary in the course of  
4 an appraisal.

5 10. An umpire may accept either appraiser's scope, quantity,  
6 value, or cost regarding an item in dispute, or develop an  
7 independent decision on each item in dispute.

8 11. An umpire shall decide all matters in an appraisal  
9 fairly, and shall exercise independent judgment and integrity.

10 12. An umpire shall prepare and distribute a written itemized  
11 award pursuant to section 522F.16.

12 13. An umpire shall not visit the claimant's damaged property  
13 without consent from all appraisers.

14 14. An umpire shall not withdraw or abandon an appraisal  
15 unless compelled by unforeseen circumstances that would render  
16 it impossible or impracticable for the umpire to continue on a  
17 claim.

18 15. An umpire shall not attend or participate in settlement  
19 discussions unless requested to do so by all parties.

20 16. An umpire shall not permit outside influences to affect  
21 an appraisal.

22 17. An umpire shall not delegate the umpire's duty to decide  
23 a claim to any other person.

24 18. Unless reasonable notice and opportunity to participate  
25 in a communication is provided to an opposing party and the  
26 opposing party's appraiser, an umpire shall not communicate,  
27 directly or indirectly, with any party or appraiser regarding a  
28 pending appraisal.

29 19. Unless reasonable notice and opportunity to participate  
30 in a communication is provided to all parties, an umpire shall  
31 not communicate, directly or indirectly, with any party, a  
32 representative of any party, or any other person with a direct  
33 or indirect interest in the claim, regarding an issue of fact or  
34 law in the appraisal.

35 20. An umpire shall not act as, or have ever acted as, an

1 adjuster or appraiser on the same claim.

2 Sec. 69. NEW SECTION. **522F.14 Appraisal process.**

3 1. This section provides for the appraisal process if all of  
4 the following apply:

5 a. The claimant's insurance policy is delivered, issued for  
6 delivery, or renewed in this state.

7 b. The property that is the subject of the claimant's  
8 claim is located in this state, or the dispute is subject to  
9 jurisdiction in this state.

10 c. A claimant gave proper notice to the claimant's insurer of  
11 a loss claim, and the claimant and insurer dispute the actual  
12 cash value of the scope of loss, or the amount of loss the  
13 insurer will pay, for the claimant's claim under the claimant's  
14 policy. The claimant and the insurer must both provide the  
15 other party with a scope of loss of a covered peril, including  
16 a list stating separately the actual cash value and the amount of  
17 claimed loss for each item.

18 d. The claimant or insurer demands in writing an appraisal.

19 2. Within twenty calendar days following either the  
20 claimant's or insurer's receipt of the other party's written  
21 demand for an appraisal, the claimant and the insurer shall each  
22 select an appraiser from the appraiser list. Upon selection,  
23 the appraiser shall attest in writing to the selecting party that  
24 the appraiser is competent and disinterested with regards to the  
25 appraisal in question.

26 3. a. Within fifteen calendar days of the selection of  
27 appraisers pursuant to subsection 2, both appraisers shall agree  
28 on an umpire from the umpire list.

29 b. A party or an appraiser may object to the agreed-upon  
30 umpire for good cause pursuant to section 522F.12 no later  
31 than five business days after the umpire has been selected. A  
32 replacement umpire from the umpire list shall then be agreed upon  
33 by both appraisers.

34 c. If both appraisers fail to agree on an umpire, either the  
35 claimant or insurer shall immediately provide written notice to

1 the division, in the form and manner prescribed by the division,  
2 and the division shall randomly select an umpire from the umpire  
3 list and notify the parties.

4 d. If either appraiser requests that an umpire be selected by  
5 a judge in the state in which the property that is the subject  
6 of the claim is located, a judge shall give deference to the  
7 randomly selected umpire from the umpire list by the division  
8 unless either the claimant or the insurer provides good cause for  
9 the judge to make an alternative selection from the umpire list.

10 4. Within forty-five calendar days from the date the umpire  
11 is selected, both appraisers shall appraise the loss, stating  
12 separately the actual cash value and the amount of loss for each  
13 item. Each appraiser shall submit separately the appraiser's  
14 actual cash value and amount of loss of each item, along with  
15 any supporting information, to the umpire. Each appraiser shall  
16 also submit written authorization for the umpire to commence the  
17 umpire's work.

18 5. No later than forty-five calendar days after receipt of  
19 the actual cash value and amount of loss under subsection 4,  
20 the umpire shall prepare and provide to the parties and each  
21 appraiser a written itemized award showing the actual cash value  
22 and amount of loss. The written itemized award shall include but  
23 is not limited to all of the following:

24 a. Contact information for each appraiser and the umpire.

25 b. The insured's policy number and the insured's claim  
26 number.

27 c. The date of the insured's loss.

28 d. The type of covered peril that caused the loss.

29 e. The date the umpire commenced work.

30 f. The legal name of the insurer.

31 g. The physical address of the property on which the insured  
32 made a claim.

33 h. The date of the umpire's written itemized award.

34 i. (1) A description and itemization of the final written  
35 itemized award by coverage type, including but not limited to:

- 1 (a) Coverage A — dwelling.
- 2 (b) Coverage B — other structures.
- 3 (c) Coverage C — personal property.

4 (2) The description and itemization by coverage type shall  
5 include contested items that have been resolved, sublimits, and  
6 other disputed items. Items, including but not limited to items  
7 with sublimits, shall be separately noted to avoid ambiguity in  
8 the final written itemized award.

9 j. The signature of the umpire and at least one appraiser.  
10 6. Prior to the umpire issuing the written itemized award,  
11 the parties may agree to conclude the appraisal process when the  
12 parties reach a final settlement.

13 Sec. 70. NEW SECTION. **522F.15 Appraisal clause.**

14 All property insurance policies delivered, issued for  
15 delivery, continued, or renewed in this state on or after January  
16 1, 2026, shall contain an appraisal clause that complies with  
17 this chapter.

18 Sec. 71. NEW SECTION. **522F.16 Appraisal award.**

19 1. An appraiser and umpire shall act with due diligence in  
20 achieving an appraisal award.

21 2. An insurer's payment of an appraisal award to an insured  
22 shall be subject to the limits of coverage, and other terms  
23 and conditions of the insured's policy, including reductions  
24 for deductibles and prior payments. The insurer shall provide  
25 the insured with an itemized and detailed written explanation  
26 of the payment of the settlement, including an explanation of  
27 any item that is specifically denied under the terms of the  
28 policy. Unless otherwise agreed upon by the parties in writing,  
29 an appraisal award shall be binding and paid by the insurer  
30 within sixty calendar days of the written itemized award being  
31 submitted to the insurer.

32 3. An insurer's motion to vacate an appraisal award for good  
33 cause shall be filed within thirty calendar days from the date  
34 the insurer receives the written itemized award in the court of  
35 record.

1     Sec. 72. NEW SECTION.   **522F.17 Reporting of actions.**

2     1. An appraiser or umpire shall report to the commissioner  
3 any administrative action taken against the appraiser or umpire  
4 in another jurisdiction or by another administrative agency in  
5 this state within thirty calendar days of the final disposition  
6 of the matter. This report shall include a copy of the order,  
7 consent to the order, and other relevant legal documents.

8     2. Within thirty calendar days of the initial pretrial  
9 hearing date, an appraiser or umpire shall report to the  
10 commissioner any criminal prosecution of the appraiser or umpire  
11 taken in any jurisdiction. The report shall include a copy  
12 of the initial complaint filed, the order resulting from the  
13 hearing, and any other relevant legal documents.

14    3. An appraiser or umpire who willfully fails to comply with  
15 this section is subject to penalty under section 522F.20.

16     Sec. 73. NEW SECTION.   **522F.18 Records — appraisers and**  
17 **umpires.**

18    1. An appraiser or umpire shall have a continuing duty and  
19 obligation to keep, at the appraiser's or umpire's place of  
20 business, usual and customary records pertaining to appraisals  
21 undertaken by the appraiser or umpire. All such records  
22 shall be kept available for inspection by the commissioner or  
23 the commissioner's agent during regular business hours. The  
24 commissioner or the commissioner's agent shall not be entitled  
25 to inspect any records prepared in anticipation of litigation  
26 or that are subject to any privilege recognized in chapter 622.  
27 Such records shall be maintained for a minimum of three years  
28 following the date of final claim resolution.

29    2. An appraiser or umpire who willfully fails to comply with  
30 this section is subject to penalty under section 522F.20.

31     Sec. 74. NEW SECTION.   **522F.19 Hearings — service of**  
32 **process, attendance of witnesses, and production of documents.**

33    1. Whenever the commissioner believes that a person has  
34 been engaged, or is engaging, in a violation of this chapter  
35 or a rule adopted or an order issued under this chapter, and

1 that a proceeding by the commissioner would be in the public  
2 interest, the commissioner shall issue and serve upon the person  
3 a statement of the charges and a notice of a hearing on the  
4 charges to be held at the time and place set in the notice,  
5 which shall not be less than ten business days after the date of  
6 service of such notice.

7 2. At the time and place of such hearing, the person shall  
8 have an opportunity to be heard and to show cause why an order  
9 should not be made by the commissioner requiring the person to  
10 cease and desist from the violation of the chapter, rule, or  
11 order. Upon a showing of good cause, the commissioner shall  
12 permit any person, by counsel or in person, to intervene, appear,  
13 and be heard at such hearing.

14 3. A hearing under this section shall not be required to  
15 observe formal rules of pleading or evidence.

16 4. The commissioner, at a hearing under this section, may  
17 administer oaths, examine and cross-examine witnesses, receive  
18 oral and documentary evidence, and may subpoena witnesses,  
19 compel their attendance, and require the production of books,  
20 papers, records, correspondence, or other documents which the  
21 commissioner deems relevant. The commissioner may, and upon the  
22 request of any party shall, cause to be made a stenographic  
23 record of the evidence and proceedings of a hearing under this  
24 section. If no stenographic record is made and if a judicial  
25 review is sought, the commissioner shall prepare a statement of  
26 the evidence and proceeding for use on review. If a person  
27 refuses to comply with a subpoena issued under this section,  
28 or to testify to a matter for which the person may lawfully be  
29 interrogated, the district court of Polk county or the district  
30 court of the county where the person resides, on application of  
31 the commissioner, may issue an order requiring such person to  
32 comply with such subpoena or to testify. Failure of a person  
33 to obey such order of the court may be punished by the court as  
34 contempt.

35 5. Statements of charges, notices, orders, subpoenas, and

1 other processes of the commissioner under this chapter may be  
2 served by anyone authorized by the commissioner, either in the  
3 manner provided by law for service of process in civil actions,  
4 or by mailing a copy by restricted certified mail to the person  
5 affected by the statement, notice, order, subpoena, or other  
6 process at the person's residence or principal office or place  
7 of business. The verified return by the person serving the  
8 statement, notice, order, subpoena, or other process, setting  
9 forth the manner of such service, shall be proof of service, and  
10 the return receipt for the statement, notice, order, subpoena,  
11 or other process, mailed by restricted certified mail, shall be  
12 proof of the service.

13 Sec. 75. NEW SECTION. **522F.20 License denial, nonrenewal,**  
14 **or revocation — penalties.**

15 1. The division may place on probation, suspend, revoke, or  
16 refuse to issue or renew an appraiser's license or an umpire's  
17 license, and may levy a civil penalty against an appraiser or  
18 umpire as provided in section 522F.21, for one or more of the  
19 following causes:

20 a. The appraiser or umpire provided incorrect, misleading,  
21 incomplete, or materially untrue information in a license  
22 application.

23 b. The appraiser or umpire violated an insurance law,  
24 regulation, subpoena, or order of the commissioner or of a  
25 commissioner of another state.

26 c. The appraiser or umpire obtained or attempted to obtain a  
27 license through misrepresentation or fraud.

28 d. The appraiser or umpire improperly withheld,  
29 misappropriated, or converted money or property received from an  
30 insured in the course of doing business.

31 e. The appraiser or umpire was convicted of a felony.

32 f. The appraiser or umpire committed, or was found to have  
33 committed, any unfair trade practice or fraud.

34 g. The appraiser or umpire used fraudulent, coercive,  
35 or dishonest practices, or demonstrated incompetence,

1 untrustworthiness, or financial irresponsibility in the conduct  
2 of business.

3 h. The appraiser or umpire had any professional license, or  
4 its equivalent, denied, suspended, or revoked in this state or  
5 any other state, province, district, or territory.

6 i. The appraiser or umpire forged another's name to any  
7 document related to an appraisal.

8 j. The appraiser or umpire improperly used notes or any other  
9 reference material to complete an examination for an appraisal  
10 license or umpire license.

11 k. The appraiser knowingly negotiated as an appraiser with  
12 an individual who is not, but is required to be, licensed as an  
13 appraiser during an appraisal.

14 l. The umpire knowingly acted as an umpire during the conduct  
15 of an appraisal with an individual who is not, but is required to  
16 be, licensed as an appraiser during an appraisal.

17 m. The appraiser or umpire failed to comply with an  
18 administrative or court order related to repayment of loans to  
19 the college student aid commission.

20 n. The appraiser or umpire failed to pay state income tax or  
21 comply with any administrative or court order directing payment  
22 of state income tax.

23 o. The appraiser or umpire failed to comply with an  
24 administrative or court order imposing a child support  
25 obligation.

26 p. The appraiser or umpire failed or refused to cooperate  
27 in an investigation conducted by the commissioner or the  
28 commissioner's designee.

29 q. The appraiser or umpire used an appraiser license  
30 or umpire license for the principal purpose of procuring,  
31 receiving, or forwarding appraisals, or placing or affecting such  
32 appraisals, directly or indirectly, on or in connection with  
33 the property of the licensee or the property of a relative,  
34 employer, or employee of the licensee, or upon or in connection  
35 with property for which the licensee or a relative, employer, or

1 employee of the licensee is an agent, custodian, vendor, bailee,  
2 trustee, or payee.

3 2. If the commissioner does not renew a license or denies  
4 an application for a license, the commissioner shall notify the  
5 applicant, appraiser, or umpire in writing of the reason for  
6 the nonrenewal of the license or denial of the application for  
7 a license. The applicant, appraiser, or umpire may request a  
8 hearing on the nonrenewal or denial. The applicant, appraiser,  
9 or umpire shall have thirty calendar days from the date of  
10 receipt of the notice to file a written request for a hearing.  
11 A hearing shall be conducted according to section 522F.19.

12 3. The license of an umpire, an appraiser, or an appraiser  
13 business entity may be suspended, revoked, placed on probation,  
14 or refused if the commissioner finds, after hearing, that an  
15 umpire's, appraiser's, or appraiser business entity's violation  
16 was known or should have been known by a partner, officer, or  
17 manager of the business entity and the violation was not reported  
18 to the commissioner and corrective action was not taken.

19 4. In addition to, or in lieu of, denial, probation,  
20 suspension, or revocation of a license under this section, an  
21 appraiser or umpire, after hearing, may be subject to a civil  
22 penalty as provided in section 522F.21.

23 5. The commissioner may enforce this chapter, may conduct an  
24 investigation of any suspected violation of this chapter, and may  
25 impose any penalty or remedy authorized by this chapter against  
26 any person who is under investigation for, or charged with, a  
27 violation of this chapter even if the person's license has been  
28 surrendered or has lapsed by operation of law.

29 6. a. All complaint files, investigation files,  
30 investigation reports, and other investigative information in the  
31 possession of the commissioner or the commissioner's agents that  
32 relates to appraiser or umpire discipline shall be privileged and  
33 confidential, and shall not be subject to discovery, subpoena, or  
34 other means of legal compulsion for release to a person other  
35 than the appraiser or umpire, and shall not be admissible in

1 evidence in a judicial or administrative proceeding other than  
2 the proceeding involving the appraiser or umpire discipline.  
3 A final written decision of the commissioner in a disciplinary  
4 proceeding shall be a public record.

5     b. Investigative information in the possession of the  
6 commissioner or the commissioner's agent that relates to  
7 appraiser or umpire discipline may be disclosed at the discretion  
8 of the commissioner. The commissioner may share documents,  
9 materials, or other information, including confidential and  
10 privileged documents, materials, or information under this  
11 subsection with other state, federal, and international  
12 regulatory agencies, with NAIC and its affiliates or  
13 subsidiaries, and with state, federal, and international law  
14 enforcement authorities, provided that the recipient agrees  
15 to maintain the confidentiality and privileged status of the  
16 document, material, or other information.

17     c. If the investigative information in the possession of the  
18 commissioner or the commissioner's agents indicates a crime has  
19 been committed, the information shall be reported to the proper  
20 law enforcement agency.

21     7. a. Pursuant to section 17A.19, subsection 6, upon an  
22 appeal by the appraiser or umpire, the commissioner shall  
23 transmit the entire record of the contested case to the reviewing  
24 court.

25     b. Notwithstanding section 17A.19, subsection 6, if a waiver  
26 of privilege has been involuntary and evidence has been received  
27 at a disciplinary hearing, the court shall issue an order to  
28 withhold the identity of the individual whose privilege was  
29 waived.

30     Sec. 76. NEW SECTION.   **522F.21 Civil and criminal**  
31 **penalties.**

32     1. a. Upon a determination by the commissioner, after a  
33 hearing conducted pursuant to chapter 17A, that a person violated  
34 this chapter, the commissioner shall reduce the findings of the  
35 hearing to writing and deliver a copy of the findings to the

1 person.

2     b. Upon a determination by the commissioner that a person  
3 has engaged, is engaging, or is about to engage in any act  
4 or practice constituting a violation of this chapter or a rule  
5 adopted or order issued under this chapter, the commissioner may  
6 take the following actions:

7     (1) Issue an order requiring the person to cease and desist  
8 from engaging in the conduct resulting in the violation.

9     (2) Assess a civil penalty against the person of not more  
10 than one thousand dollars for each violation not to exceed an  
11 aggregate of ten thousand dollars.

12     (3) If the person knew or reasonably should have known the  
13 person was in violation of this chapter, assess a civil penalty  
14 of not more than five thousand dollars for each violation of  
15 this chapter not to exceed an aggregate penalty of fifty thousand  
16 dollars in any one six-month period.

17     (4) (a) Issue a summary order, including a brief statement  
18 of findings of fact, conclusions of law, and policy reasons for  
19 the decision, and directing the person to cease and desist from  
20 engaging in the act or practice or to take affirmative action as  
21 is necessary in the judgment of the commissioner to comply with  
22 the requirements of this chapter.

23     (b) A person may contest a summary order by filing, within  
24 thirty calendar days from the date of the issuance of the  
25 summary order, a written request for a contested case proceeding  
26 and hearing as provided in chapter 17A and in accordance with  
27 rules adopted by the commissioner. Section 17A.18A shall be  
28 inapplicable to a summary order issued under this subsection. If  
29 a hearing is not requested within thirty calendar days from the  
30 date of issuance of the summary order, the summary order shall  
31 become final by operation of law. A summary order shall remain  
32 effective from the date of issuance until the date the order  
33 becomes final by operation of law, or is modified or overturned  
34 by a presiding officer or court following a request for hearing.

35     (c) A person violating a summary order issued under this

1 subsection shall be deemed in contempt of the summary order.  
2 The commissioner may petition the district court to enforce the  
3 order as certified by the commissioner. The district court shall  
4 find the person in contempt of the order if the court finds,  
5 after conducting a hearing, that the person is not in compliance  
6 with the order. The court may assess a civil penalty against  
7 the person and may issue further orders as the court deems  
8 appropriate.

9 c. In addition to any other penalty under this section,  
10 if the commissioner finds that a violation of this chapter  
11 was directed, encouraged, condoned, ignored, or ratified by the  
12 employer of the appraiser or umpire, the commissioner shall  
13 assess a penalty to the employer. Penalties under this paragraph  
14 may be retained by the commissioner under the fund described in  
15 section 505.7, subsection 9.

16 2. a. A person acting as an appraiser or an umpire without  
17 proper licensure, or an appraiser or an umpire who willfully  
18 violates any provision of this chapter or an order issued  
19 under this chapter, is guilty of a class "D" felony. If the  
20 violation results in a loss of more than ten thousand dollars,  
21 the appraiser or an umpire is guilty of a class "C" felony.

22 b. The commissioner may refer such evidence as is available  
23 concerning a violation of this chapter, or of any rule adopted  
24 or order issued under this chapter, or of the failure of a  
25 person to comply with the licensing requirements of this chapter,  
26 to the attorney general or the proper district attorney who  
27 may institute the appropriate criminal proceedings under this  
28 chapter.

29 c. This chapter shall not limit the power of the state to  
30 punish any person for any conduct that constitutes a crime under  
31 any other statute.

32 Sec. 77. NEW SECTION. **522F.22 Reinstatement or reissuance**  
33 **of a license after disciplinary matters — forfeiture in lieu of**  
34 **compliance.**

35 1. a. A person licensed under this chapter as an appraiser

1 or umpire whose license has been revoked or suspended by order,  
2 or who forfeited a license in connection with a disciplinary  
3 matter, may apply to the commissioner for reinstatement or  
4 reissuance in accordance with the terms of the order of  
5 revocation or suspension, or the order accepting the forfeiture,  
6 and submit to a criminal history check under section 522B.5A.

7     b. (1) Proceedings for reinstatement or reissuance shall be  
8 initiated by the applicant who shall file with the commissioner  
9 an application for reinstatement or reissuance after disciplinary  
10 action.

11     (2) An appraiser shall not be eligible for reinstatement or  
12 reissuance until the appraiser satisfies the requirements under  
13 section 522F.3 and pays any required fees. An appraiser may be  
14 required to submit a new or renewal appraiser application under  
15 section 522F.5.

16     (3) An umpire shall not be eligible for reinstatement or  
17 reissuance until the umpire satisfies the requirements under  
18 section 522F.8 and pays any required fees. An umpire may be  
19 required to submit a new or renewal umpire application under  
20 section 522F.10.

21     c. An application for reinstatement or reissuance shall  
22 allege facts which, if established, are sufficient to enable  
23 the commissioner to determine that the basis of revocation,  
24 suspension, or forfeiture of the applicant's license no longer  
25 exists, and must disclose if the applicant has engaged in any  
26 conduct listed as a cause for licensing action that was not  
27 included in the order for suspension, revocation, or forfeiture.

28     d. An application for reinstatement or reissuance shall  
29 allege facts which, if established, are sufficient to enable the  
30 commissioner to determine that it is in the public interest for  
31 the application to be granted. The commissioner may determine  
32 that it is not in the public interest if the applicant has  
33 engaged in any conduct listed as a cause for licensing action  
34 that was not included in the order for suspension, revocation, or  
35 forfeiture, or if the applicant does not have the character and

1 fitness to be a licensed appraiser or umpire in this state.

2 e. The burden of proof to establish facts identified in  
3 paragraphs "c" and "d" shall be on the applicant.

4 f. A person licensed as an appraiser or an umpire may request  
5 reinstatement of a suspended license prior to the end of the  
6 suspension term.

7 g. Unless otherwise provided by law, if an order of  
8 revocation or suspension did not establish terms upon which  
9 reinstatement or reissuance may occur, or if the license was  
10 forfeited, an initial application for reinstatement or reissuance  
11 shall not be made until at least one year from the date of  
12 the order of the suspension, revocation, or acceptance of the  
13 forfeiture of a license.

14 2. All proceedings upon the application for reinstatement or  
15 reissuance, including preliminary and ancillary matters, shall be  
16 held in accordance with chapter 17A. The application shall be  
17 docketed in the original case in which the original license was  
18 suspended, revoked, or forfeited, if the case exists.

19 3. An order of reinstatement or reissuance shall be based  
20 on a written decision which incorporates findings of fact  
21 and conclusions of law. An order granting an application  
22 for reinstatement or reissuance may impose such terms and  
23 conditions as the commissioner or the commissioner's designee  
24 deems appropriate, which may include one or more penalties  
25 provided under this chapter. The order shall be a public record  
26 and may be disseminated in compliance with chapter 22.

27 4. If an appraiser's or umpire's ordered suspension period  
28 ends prior to the appraiser's or umpire's license expiration  
29 date and the appraiser or umpire applies for reinstatement  
30 prior to the license expiration date and meets all applicable  
31 requirements, the division shall reinstate the license as soon as  
32 practicable but no earlier than the end of the suspension period  
33 if the division, after a complete review, determines the license  
34 should be reinstated.

35 5. If an appraiser's or umpire's license is suspended beyond

1 the appraiser's or umpire's license expiration date, whether due  
2 to an ordered suspension time period or failure to apply for  
3 reinstatement prior to expiration, the appraiser or umpire must  
4 apply for reissuance.

5 6. A submission of voluntary forfeiture of a license shall  
6 be made in writing to the commissioner. Forfeiture of a license  
7 is effective upon the date of submission unless a contested case  
8 proceeding is pending on the date of submission. If a contested  
9 case proceeding is pending, the forfeiture shall become effective  
10 upon conditions as required by order of the commissioner.  
11 A forfeiture made during the pendency of a contested case  
12 proceeding shall be considered a disciplinary action and shall be  
13 published in the same manner as is applicable to any other form  
14 of disciplinary order.

15 7. The commissioner shall not be prohibited from denying  
16 an application for reinstatement or reissuance, or bringing  
17 an additional immediate action, if an appraiser or umpire has  
18 engaged in an additional violation of chapter 507B or this  
19 chapter or otherwise failed to meet all applicable requirements.

20 8. This section shall not apply to reinstatement of an  
21 expired license or issuance of a new license that is not in  
22 connection with a disciplinary matter.

23 **Sec. 78. NEW SECTION. 522F.23 Suspension for failure to pay**  
24 **child support or state debt.**

25 1. The commissioner shall deny an appraiser's or umpire's  
26 application for license issuance, renewal, reinstatement, or  
27 reissuance; suspend a current license; or revoke a currently  
28 suspended license upon receipt of a certificate of noncompliance  
29 from the child support recovery unit pursuant to chapter 252J,  
30 or upon receipt of a certificate of noncompliance from the  
31 centralized collection unit of the department of revenue pursuant  
32 to chapter 272D.

33 2. Upon receipt of a certificate of noncompliance under  
34 subsection 1, the commissioner shall issue a notice to  
35 the appraiser or umpire that the division will, unless

1 the certificate of noncompliance is withdrawn, deny the  
2 appraiser's or umpire's application for license issuance,  
3 renewal, reinstatement, or reissuance, suspend the appraiser's or  
4 umpire's current license, or revoke the appraiser's or umpire's  
5 currently suspended license, thirty calendar days after the date  
6 the notice is mailed. Notice shall be sent to the appraiser's or  
7 umpire's last known address by restricted certified mail, return  
8 receipt requested, or in accordance with the division's rules for  
9 service. The notice shall contain all of the following:

10 a. A statement that the commissioner intends to deny  
11 the appraiser's or umpire's application for license issuance,  
12 renewal, reinstatement, or reissuance; suspend the appraiser's or  
13 umpire's current license; or revoke the appraiser's or umpire's  
14 currently suspended license in thirty calendar days unless the  
15 certificate of noncompliance is withdrawn.

16 b. A statement that the appraiser or umpire must contact the  
17 agency that issued the certificate of noncompliance to request a  
18 withdrawal.

19 c. A statement that the appraiser or umpire does not have a  
20 right to a hearing before the division, but that the appraiser  
21 or umpire may file an application for a hearing in district court  
22 pursuant to section 252J.9 or 272D.9, as applicable, and that the  
23 filing of an application by the appraiser or umpire will stay the  
24 proceedings of the division.

25 d. A copy of the certificate of noncompliance.

26 3. An appraiser or umpire shall keep the commissioner  
27 informed of all actions taken by the district court or the  
28 issuing agency in connection with a certificate of noncompliance.  
29 An appraiser or umpire shall provide to the commissioner,  
30 within seven calendar days of filing or issuance, a copy of  
31 all applications filed with the district court pursuant to an  
32 application or hearing, all court orders entered in such action,  
33 and all withdrawals of a certificate of noncompliance.

34 4. If an applicant, appraiser, or umpire timely files an  
35 application for hearing in district court and the division is

1 notified of the filing, the commissioner's denial, suspension,  
2 or revocation proceedings shall be stayed until the division is  
3 notified by the district court, the issuing agency, the licensee,  
4 or the applicant of the resolution of the application. Upon  
5 receipt of a court order lifting the stay or otherwise directing  
6 the commissioner to proceed, the commissioner shall continue with  
7 the intended action described in the notice.

8 5. If the commissioner does not receive a withdrawal of the  
9 certificate of noncompliance from the issuing agency, or a notice  
10 from a clerk of court, the issuing agency, the appraiser, the  
11 umpire, or the applicant that an application for hearing has been  
12 filed within thirty calendar days after the notice is issued, the  
13 commissioner shall deny the applicant's, appraiser's, or umpire's  
14 application for license issuance, renewal, reinstatement, or  
15 reissuance; suspend a current license; or revoke a currently  
16 suspended license.

17 6. Upon receipt of a withdrawal of a certificate of  
18 noncompliance from the issuing agency, suspension or revocation  
19 proceedings shall halt and the named appraiser or umpire shall  
20 be notified that the proceedings have halted. If the appraiser's  
21 or umpire's license has already been suspended, the appraiser or  
22 umpire must apply for reinstatement in accordance with section  
23 522F.22, and the license shall be reinstated if the appraiser  
24 or umpire is otherwise in compliance with this chapter. If the  
25 appraiser's or umpire's application for licensure was stayed,  
26 application processing shall resume. All fees required for  
27 license renewal, reinstatement, or reissuance must be paid by an  
28 appraiser or umpire, and all continuing education requirements  
29 shall be satisfied, before the appraiser's or umpire's license  
30 is renewed or reinstated after a license suspension or revocation  
31 under this chapter.

32 7. The commissioner shall notify an appraiser or umpire in  
33 writing through regular first class mail, or such other means  
34 as the commissioner deems appropriate under the circumstances,  
35 within ten calendar days of the effective date of the suspension

1 or revocation of the appraiser's or umpire's license, and shall  
2 also notify the appraiser or umpire when the appraiser's or  
3 umpire's license is reinstated following the commissioner's  
4 receipt of a withdrawal of the certificate of noncompliance.

5 8. Notwithstanding any provision of law to the contrary, the  
6 division may share information with the child support recovery  
7 unit or the centralized collection unit of the department of  
8 revenue for the sole purpose of identifying appraisers or umpires  
9 subject to enforcement under chapter 252J or 272D.

10 Sec. 79. NEW SECTION. **522F.24 Severability.**

11 If any provision of this chapter or the application thereof to  
12 any person or circumstance is held invalid, the invalidity does  
13 not affect other provisions or applications of this chapter which  
14 can be given effect without the invalid provision or application,  
15 and to this end the provisions of this chapter are severable.

16 Sec. 80. CODE EDITOR DIRECTIVE. The Code editor shall divide  
17 chapter 522F into subchapters and shall designate sections 522F.1  
18 through 522F.2, as enacted in this division of this Act, as  
19 subchapter I entitled "General Provisions", sections 522F.3  
20 through 522F.7, as enacted in this division of this Act, as  
21 subchapter II entitled "Appraisers", sections 522F.8 through  
22 522F.13, as enacted in this division of this Act, as subchapter  
23 III entitled "Umpires", sections 522F.14 through 522F.16, as  
24 enacted in this division of this Act, as subchapter IV entitled  
25 "Appraisals", sections 522F.17 through 522F.18, as enacted in  
26 this division of this Act, as subchapter V entitled "Duties of  
27 Licensees", and sections 522F.19 through 522F.23, as enacted in  
28 this division of this Act, as subchapter VI entitled "Hearings  
29 and Penalties".

30 DIVISION VII

31 IOWA ECONOMIC EMERGENCY FUND — PROCLAMATION OF DISASTER  
32 EMERGENCY

33 Sec. 81. Section 8.55, subsection 3, paragraph a, Code 2025,  
34 is amended to read as follows:

35 a. Except as provided in paragraphs "b", "c", and "d", and

1 "f", the moneys in the Iowa economic emergency fund shall only be  
2 used pursuant to an appropriation made by the general assembly.  
3 An appropriation shall only be made for the fiscal year in which  
4 the appropriation is made. The moneys shall only be appropriated  
5 by the general assembly for emergency expenditures.

6 Sec. 82. Section 8.55, subsection 3, Code 2025, is amended by  
7 adding the following new paragraph:

8 NEW PARAGRAPH. *f.* (1) For the fiscal year beginning July 1,  
9 2026, and each fiscal year thereafter, there is appropriated from  
10 the Iowa economic emergency fund to the department of management  
11 ten percent of the maximum balance of the Iowa economic emergency  
12 fund as calculated for the immediately preceding fiscal year,  
13 or so much thereof as is necessary, to be used for disaster  
14 response, disaster recovery activities, or disaster aid to  
15 citizens.

16 (2) The appropriation in this paragraph is contingent upon  
17 all of the following:

18 (a) The issuance of a proclamation of disaster emergency by  
19 the governor under section 29C.6 during the fiscal year, which  
20 proclamation covers the disaster for which the moneys will be  
21 used.

22 (b) The appropriation occurs at the direction of the  
23 governor, with the approval of the executive council.

24 (3) Subject to the approval of the governor, the department  
25 of management may provide for an interdepartmental transfer of  
26 moneys appropriated in this paragraph to another state entity for  
27 the purposes specified in this paragraph, subject to the approval  
28 of the governor, notwithstanding the limitations and requirements  
29 of section 8.39.

30 (4) Moneys appropriated in this paragraph shall not supplant  
31 other appropriated moneys.

32 Sec. 83. Section 29C.6, Code 2025, is amended by adding the  
33 following new subsection:

34 NEW SUBSECTION. 18. Direct an appropriation under section  
35 8.55, subsection 3, paragraph "f", with the approval of the

1 executive council.

2 DIVISION VIII

3 IOWA ECONOMIC EMERGENCY FUND — APPROPRIATIONS

4 Sec. 84. NUISANCE PROPERTY REMEDIATION ASSISTANCE FUND — FY  
5 2024-2025. There is appropriated from the Iowa economic  
6 emergency fund created in section 8.55 to the economic  
7 development authority for the fiscal year beginning July 1, 2024,  
8 and ending June 30, 2025, the following amount, or so much  
9 thereof as is necessary, to be used for the purposes designated:

10 For deposit in the nuisance property remediation assistance  
11 fund established in section 15.338:

12 ..... \$ 2,000,000

13 Notwithstanding section 8.33, moneys appropriated in this  
14 section that remain unencumbered or unobligated at the close of  
15 the fiscal year shall not revert but shall remain available for  
16 expenditure for the purposes designated until the close of the  
17 succeeding fiscal year.

18 Sec. 85. DISASTER RECOVERY HOUSING ASSISTANCE FUND — FY  
19 2024-2025. There is appropriated from the Iowa economic  
20 emergency fund created in section 8.55 to the Iowa finance  
21 authority for the fiscal year beginning July 1, 2024, and ending  
22 June 30, 2025, the following amount, or so much thereof as is  
23 necessary, to be used for the purposes designated:

24 For deposit in the disaster recovery housing assistance fund  
25 created in section 16.57B:

26 ..... \$ 11,600,000

27 Notwithstanding section 8.33, moneys appropriated in this  
28 section that remain unencumbered or unobligated at the close of  
29 the fiscal year shall not revert but shall remain available for  
30 expenditure for the purposes designated until the close of the  
31 succeeding fiscal year.

32 Sec. 86. EFFECTIVE DATE. This division of this Act, being  
33 deemed of immediate importance, takes effect upon enactment.

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 the natural hazard mitigation financing  
3 program, the disaster recovery housing assistance program, the  
4 disaster recovery new housing program, post-loss assignments  
5 of benefits, and the licensing and regulation of adjusters,  
6 appraisers and umpires.

7       DIVISION I — NATURAL HAZARD MITIGATION FINANCING PROGRAM. The  
8 bill creates the natural hazard mitigation financing program  
9 (program) for the purpose of making loans available to eligible  
10 entities to finance all or part of the costs of a project.  
11 "Eligible entity" and "project" are defined in the bill. The  
12 program shall be a joint and cooperative undertaking of the  
13 department of homeland security and emergency management (HSEMD)  
14 and the Iowa finance authority (IFA).

15       The bill creates a natural hazard mitigation revolving loan  
16 fund (fund) under the control of HSEMD, in consultation with IFA,  
17 consisting of moneys and program funding as detailed in the bill.

18       HSEMD, in consultation with IFA, may establish and maintain  
19 funds or accounts necessary to carry out the purposes of the  
20 bill. Any moneys appropriated to HSEMD and IFA for purposes of  
21 paying the costs and expenses associated with the program shall  
22 be administered as determined by IFA. The funds or accounts are  
23 separate dedicated funds and accounts under the administration  
24 and control of IFA, and shall not be considered part of the  
25 general fund of the state, are not subject to appropriation for  
26 any other purpose by the general assembly, and in determining a  
27 general fund balance shall not be included in the general fund of  
28 the state, but shall remain in the funds and accounts maintained  
29 by HSEMD or IFA. IFA may provide for the issuance of bonds or  
30 notes as detailed in the bill.

31       The duties of the director of HSEMD (director) are detailed in  
32 the bill.

33       For the fiscal year beginning July 1, 2025, and each fiscal  
34 year thereafter, HSEMD may prepare and deliver intended use plans  
35 to, and enter into capitalization grant agreements with, the

1 administrator of the United States federal emergency management  
2 agency and may accept capitalization grants for the fund. HSEMD,  
3 in consultation with IFA, shall establish fiscal controls and  
4 accounting procedures for the fund.

5 HSEMD and IFA shall review each loan application to determine  
6 if the applicant is an eligible entity and qualifies for a loan.  
7 IFA, in cooperation with HSEMD, shall determine the interest rate  
8 and repayment terms for each loan under the program and shall  
9 enter into a loan agreement with each loan recipient. IFA may  
10 charge loan recipients fees and assess costs as necessary.

11 Moneys in the fund shall be used for the primary purpose of  
12 making loans to eligible entities to finance eligible costs of  
13 projects in accordance with the intended use plans. The loan  
14 recipients and the purpose and amount of the loans shall be  
15 determined by the director.

16 HSEMD, in consultation with IFA, shall adopt rules pursuant to  
17 Code chapter 17A to administer the division of the bill.

18 The bill makes a conforming change to Code section 422.7.

19 DIVISION II — DISASTER RECOVERY HOUSING ASSISTANCE  
20 PROGRAM. The bill requires a state of disaster emergency  
21 proclamation by the governor that authorizes disaster recovery  
22 housing assistance to specify if disaster recovery housing  
23 assistance is available to homeowners, renters, or both  
24 homeowners and renters.

25 The bill defines "financial assistance" as assistance provided  
26 only from the funds, rights, and assets legally available to IFA  
27 and includes but is not limited to assistance in the form of  
28 grants, loans, and forgivable loans.

29 Under the bill, IFA shall not use more than 5 percent of the  
30 moneys deposited into the disaster recovery housing assistance  
31 fund for administrative and program costs.

32 Under current law, to be considered for financial assistance  
33 under the disaster recovery housing assistance program, a  
34 homeowner or renter must register for the disaster case advocacy  
35 program. Under the bill, a homeowner or renter is not

1 required to register for the advocacy program to be considered  
2 for financial assistance under the disaster recovery housing  
3 assistance program.

4 The bill makes conforming changes to Code section 16.57B.

5 DIVISION III — DISASTER RECOVERY NEW HOUSING PROGRAM. The  
6 bill defines "qualifying state disaster recovery new housing  
7 grant" (grant) as an award of a state disaster recovery new  
8 housing grant that was applied for between August 20, 2024,  
9 and December 31, 2024, and approved and issued by the economic  
10 development authority. A grant shall not be included in the  
11 computation of net income for federal income tax purposes.

12 Code section 422.7, subsection 45, and Code section 422.35,  
13 subsection 14, are repealed January 1, 2028.

14 The division takes effect upon enactment and applies  
15 retroactively to tax years beginning on or after January 1, 2024.

16 DIVISION IV — POST-LOSS ASSIGNMENT OF BENEFITS — RESIDENTIAL  
17 CONTRACTOR. Under the bill, a violation of Code section 515.137  
18 is an unfair method of competition and unfair or deceptive  
19 act or practice in the business of insurance. The bill  
20 defines "post-loss assignment" (assignment). The assignment  
21 must only assign the insurance proceeds a named insured is  
22 entitled to receive from the named insured's insurer for the  
23 repair, replacement construction, or reconstruction of the named  
24 insured's property.

25 A residential contractor (contractor) shall not engage in  
26 conduct prohibited by the bill under an assignment by a named  
27 insured to the contractor under a property and casualty insurance  
28 policy.

29 An assignment must include an itemized description containing  
30 the information detailed in the bill.

31 An assignment shall not impair the interest of a mortgagee,  
32 and all mortgagees shall be named as a co-payee for the payment  
33 of benefits. An assignment shall only authorize a contractor  
34 to be named as a co-payee, along with the named insured and all  
35 mortgagees, for the payment of benefits. An assignment shall not

1 prevent or inhibit an insurer from communicating with the named  
2 insured or a mortgagee.

3 An electronic copy of a fully executed assignment shall  
4 be provided to a named insured and all mortgagees of the  
5 damaged residential real estate within five business days after  
6 execution. A contractor named in an assignment must cooperate  
7 with the insurer in a claim investigation.

8 A named insured shall have the right to cancel an assignment  
9 without penalty or fee under the circumstances detailed in the  
10 bill.

11 Any written contract, repair estimate, or work order prepared  
12 by a contractor to provide goods or services pursuant to an  
13 assignment shall include notice as provided in the bill which  
14 shall be signed by the named insured and sent to the named  
15 insured's insurer prior to payment.

16 For at least 72 hours following a catastrophic disaster, a  
17 residential contractor shall not enter into a contract with  
18 an insured that includes an assignment. If the severity of  
19 the catastrophic disaster has placed people under duress, as  
20 determined by the commissioner, the commissioner shall dispatch  
21 the consumer advocate and personnel to provide consumer guidance.  
22 The commissioner may extend the 72-hour period by an additional  
23 72 hours after public hearing.

24 An assignment entered into with a contractor shall be void if  
25 the contractor violates the bill.

26 DIVISION V — PUBLIC, INDEPENDENT, AND STAFF ADJUSTERS. The  
27 bill makes conforming changes to Code sections 522B.5A and  
28 522C.1.

29 Under current law, the commissioner of insurance  
30 (commissioner) shall adopt rules as necessary to administer and  
31 enforce Code chapter 522C. Under the bill, the commissioner may  
32 adopt such rules.

33 Under the bill, a person shall not act as, or represent that  
34 the person is, a public adjuster or an independent adjuster  
35 unless the person is licensed. A license as an adjuster is not

1 required for a staff adjuster, an attorney when acting within  
2 their professional capacity as an attorney, or a person employed  
3 only for the purpose of obtaining facts surrounding a loss or to  
4 furnish technical assistance to a licensed adjuster. A person  
5 applying for an adjuster license shall complete an application as  
6 described in the bill. The commissioner may require a criminal  
7 history check for the applicant.

8 Prior to approving an application for a resident adjuster  
9 license, a nonresident adjuster license, or a business entity's  
10 or nonresident business entity's application for a license for  
11 a resident public adjuster or resident independent adjuster, the  
12 commissioner shall find that the applicant meets the requirements  
13 detailed in the bill.

14 If the commissioner does not renew a license or denies an  
15 application for a license, the commissioner shall notify the  
16 applicant or licensee and advise of the reason for the nonrenewal  
17 or denial. Within 30 calendar days of the date of the notice,  
18 the licensee or applicant may request a hearing on the nonrenewal  
19 or denial.

20 Application fees for a license as an adjuster are detailed in  
21 the bill. The fee for an examination may be set by a third-party  
22 testing service and must be approved by the division of insurance  
23 (division).

24 Prior to issuance of a license, an applicant shall secure  
25 evidence of financial responsibility (responsibility) through  
26 a surety bond (bond) as prescribed by the commissioner. The  
27 bond shall be executed and issued by an insurer authorized  
28 to issue bonds, and must meet the requirements of the bill.  
29 The division may request that an adjuster provide evidence  
30 of responsibility at any time. An adjuster shall immediately  
31 notify the division if the adjuster's evidence of responsibility  
32 terminates or becomes impaired, and the adjuster's license shall  
33 become inactive.

34 An individual applying for a license shall pass a written  
35 examination, unless exempt, as described in the bill. An

1 individual who concurrently applies for an adjuster license and  
2 an appraiser license may choose to take a joint examination as  
3 detailed in the bill. An individual who successfully passes a  
4 joint examination and meets the licensure requirements shall be  
5 licensed as both an adjuster and an appraiser.

6 A public adjuster shall not provide services to an insured  
7 until a written contract with the insured has been executed. The  
8 contract must meet all of the requirements detailed in the bill.  
9 No provisions in the contract shall be redacted in a copy of the  
10 contract submitted to the commissioner.

11 If the insurer, no later than five calendar days after the  
12 date on which the insured's loss is reported, either pays or  
13 commits in writing to pay the policy limits, the public adjuster  
14 shall inform the insured that the total amount of loss claimed by  
15 the insured may not be paid by the insured, and the adjuster is  
16 only entitled to reasonable compensation from the insured. Prior  
17 to execution of a contract, the public adjuster shall review the  
18 terms of the contract with the insured and provide a separate  
19 disclosure document that meets the requirements detailed in the  
20 bill.

21 An original copy of a completed contract shall be provided  
22 to the public adjuster and kept by the insured. A contract may  
23 be executed electronically if done so in compliance with Code  
24 chapter 554D. Within 72 hours of entering a contract with an  
25 insured, the public adjuster shall provide the insured's insurer  
26 a notification letter. A contract between a public adjuster  
27 and an insured executed in violation of the bill shall not be  
28 enforceable.

29 The required standards of conduct for, and duties of, an  
30 adjuster are detailed in the bill. An adjuster who fails  
31 to comply with the standards and duties shall be subject to  
32 penalties.

33 The division may place on probation, suspend, revoke, or  
34 refuse to issue or renew an adjuster's license, and may levy a  
35 civil penalty for any of the reasons enumerated in the bill.

1 If the commissioner does not renew a license or denies an  
2 application for a license, the commissioner shall notify the  
3 adjuster or applicant and advise of the reason for the nonrenewal  
4 or denial. The adjuster or applicant may request a hearing  
5 within 30 days from the date of the notice.

6 The commissioner may conduct an investigation of any suspected  
7 violation of the bill and may impose a penalty or remedy against  
8 any person who is under investigation for, or charged with, a  
9 violation even if the person's license has been surrendered or  
10 has lapsed by operation of law.

11 All complaint files, investigation files, other investigation  
12 reports, and other investigative information in the possession  
13 of the commissioner that relates to adjuster discipline are  
14 privileged and confidential, and may only be disclosed as  
15 described in the bill. On appeal by the adjuster, the  
16 commissioner shall transmit the entire record of the contested  
17 case to the reviewing court.

18 Upon a determination by the commissioner, after a hearing,  
19 that an adjuster has violated a provision of the bill, the  
20 commissioner shall reduce the findings of the hearing to writing  
21 and deliver a copy to the adjuster. Upon a determination by the  
22 commissioner that an adjuster has engaged in any act or practice  
23 constituting a violation of the bill, the commissioner may take  
24 any of the civil actions described in the bill.

25 A person acting as an adjuster without proper licensure, or an  
26 adjuster who willfully violates any provision of, or order issued  
27 under, Code chapter 522C is guilty of a class "D" felony. When  
28 the violation results in a loss of more than \$10,000, the person  
29 or adjuster is guilty of a class "C" felony.

30 An adjuster who steals, converts, or misappropriates funds  
31 that should be held in trust in a fiduciary capacity is guilty  
32 of a class "D" felony. When the violation results in a loss of  
33 more than \$10,000, the adjuster is guilty of a class "C" felony.

34 A class "D" felony is punishable by confinement for no more  
35 than five years and a fine of at least \$1,025 but not more than

1 \$10,245. A class "C" felony is punishable by confinement for no  
2 more than 10 years and a fine of at least \$1,370 but not more  
3 than \$13,660.

4 The commissioner may refer evidence concerning violations of  
5 the bill to the attorney general or the county attorney who may  
6 institute criminal proceedings.

7 Any contract that is entered into by an insured with a person  
8 who is not a licensed public adjuster shall be void, and the  
9 insured is not liable for the payment of any past or future  
10 services by the person under that contract or otherwise.

11 An adjuster whose license has been revoked or suspended,  
12 or who forfeited a license, may apply to the commissioner for  
13 reinstatement or reissuance and submit to a criminal history  
14 check. An applicant shall not be eligible for reinstatement  
15 or reissuance until the applicant satisfies the requirements  
16 detailed in the bill.

17 An application for reinstatement or reissuance shall allege  
18 facts as required by the bill, and the burden of proof is on  
19 the adjuster to establish such facts. An adjuster may request  
20 reinstatement of a suspended license prior to the end of the  
21 suspension term. If an order of revocation or suspension did  
22 not establish terms on which reinstatement or reissuance may  
23 occur, or if the license was forfeited, an initial application  
24 for reinstatement or reissuance shall not be made until at least  
25 one year from the date of the order. All proceedings on the  
26 application for reinstatement or reissuance shall be held in  
27 accordance with Code chapter 17A.

28 If an adjuster's ordered suspension period ends prior to the  
29 adjuster's license expiration date, and the adjuster applies  
30 for reinstatement and meets all requirements, the division shall  
31 reinstate the license as soon as practicable but no earlier than  
32 the end of the suspension period. If an adjuster's license  
33 is suspended beyond the adjuster's license expiration date, the  
34 adjuster must apply for reissuance. A submission of voluntary  
35 forfeiture of a license shall be made to the commissioner

1 pursuant to the requirements detailed in the bill.

2 The commissioner may deny an application for reinstatement  
3 or reissuance, or bring an additional immediate action, if an  
4 adjuster has engaged in an additional violation of Code chapter  
5 507B or 522C.

6 The commissioner shall deny an adjuster's application for  
7 license issuance, renewal, reinstatement, or reissuance; suspend  
8 a current license; or revoke a currently suspended license,  
9 upon receipt of a certificate of noncompliance from the child  
10 support recovery unit or the centralized collection unit of the  
11 department of revenue.

12 The license and examination requirements of Code chapter 522C  
13 in this division of the bill apply three months after the  
14 enactment date of this division of the bill to a person currently  
15 doing business as an independent or staff adjuster as of January  
16 1, 2025.

17 DIVISION VI — LICENSING AND REGULATION OF APPRAISERS AND  
18 UMPIRES. Under the bill, the commissioner may require a criminal  
19 history check on an applicant that applies for an initial license  
20 as an appraiser, or an umpire; or a renewal, reinstatement, or  
21 reissuance of a license if the license of an appraiser or an  
22 umpire has been revoked or suspended. The commissioner may adopt  
23 rules to administer this division of the bill.

24 Under the bill, a person shall not act as, or represent that  
25 the person is, an appraiser or an umpire unless the person is  
26 licensed.

27 A person applying for an appraiser or umpire license shall  
28 submit an application prescribed by the commissioner. To be  
29 eligible for licensure under the bill, a person shall meet all  
30 of the criteria detailed in the bill. A person who meets the  
31 requirements for licensure, unless otherwise denied licensure  
32 pursuant to the bill, shall be issued an appraiser license or an  
33 umpire license that is valid for two years. Applicable fees are  
34 detailed in the bill.

35 An individual who concurrently applies for an adjuster license

1 and an appraiser license may choose to take a joint examination  
2 as detailed in the bill. An individual who successfully passes  
3 a joint examination and meets the licensure requirements shall be  
4 licensed as both an adjuster and an appraiser.

5 An appraiser's license and an umpire's license shall contain  
6 the information described in the bill. An appraiser and  
7 an umpire shall be required to complete continuing education  
8 requirements, as prescribed by the division, to be eligible for  
9 license renewal or reinstatement.

10 An appraiser and an umpire shall inform the division of a  
11 change of legal name or business address within 30 calendar days  
12 of the change. Failure to timely inform the division may result  
13 in a penalty.

14 The division shall publish an appraiser list and an umpire  
15 list on the division's internet site, and include all required  
16 information as detailed in the bill.

17 Prior to approving a business entity's application for a  
18 license as an appraiser, the commissioner shall find that  
19 the business entity has designated an individual appraiser to  
20 be responsible for the business entity's compliance with the  
21 insurance laws and rules.

22 An appraiser or an umpire may apply for reinstatement of an  
23 expired license up to one year after the license expiration date  
24 by meeting the requirements of the bill. An appraiser or an  
25 umpire who fails to apply for license reinstatement within one  
26 year must apply for a new license. An appraiser or an umpire who  
27 surrendered a license and stated an intent to exit the appraiser  
28 business may file a request to reactivate the license within 90  
29 calendar days of the date the license was placed on inactive  
30 status.

31 Each party to an appraisal shall be responsible for the  
32 party's own appraiser's fees and expenses, an equal share of all  
33 reasonable and necessary fees and expenses incurred by an umpire,  
34 and an equal share of all reasonable and necessary costs incurred  
35 in the course of conducting the appraisal. An appraiser or an

1 umpire shall not charge any party on a basis dependent on the  
2 outcome of the written itemized award, or charge in a manner  
3 that relies on a barter arrangement, gift, favor, or in-kind  
4 exchange. Prior to the conclusion of an appraisal process, an  
5 appraiser or umpire shall not require, demand, or accept any fee  
6 unless the loss is being handled by the appraiser or umpire on a  
7 time-plus-expense basis. An appraiser or umpire shall not charge  
8 a fee if the appraiser or umpire abandons the appraisal prior to  
9 the umpire issuing a written itemized award.

10 The required standards of conduct for, and duties of, an  
11 appraiser and an umpire are detailed in the bill. An appraiser  
12 or umpire who fails to comply with the standards and duties shall  
13 be subject to penalties.

14 The process for an appraisal is detailed in the bill. The  
15 claimant and the insurer must both provide the other party with  
16 a list stating separately the actual cash value and the amount  
17 of claimed loss for each item at issue. Within 20 calendar days  
18 of receipt of a written demand for an appraisal, the claimant  
19 and the insurer shall each select an appraiser from the appraiser  
20 list. Upon selection, the appraiser shall attest that the  
21 appraiser is competent and disinterested with regards to the  
22 appraisal.

23 Within 15 calendar days of the selection of appraisers, both  
24 appraisers shall agree on an umpire from the umpire list. A  
25 party or an appraiser may object to the umpire for good cause no  
26 later than five business days after the umpire has been selected.  
27 A replacement umpire shall then be selected by both appraisers  
28 from the umpire list. If both appraisers fail to agree on an  
29 umpire, the division shall randomly select an umpire from the  
30 umpire list and notify the parties. If either appraiser requests  
31 that an umpire be selected by a judge, a judge shall give  
32 deference to the randomly selected umpire from the umpire list by  
33 the division unless either the claimant or the insurer provides  
34 good cause for the judge to make an alternative selection.

35 Within 45 calendar days from the date the umpire is

1 selected, both appraisers shall appraise the loss and submit  
2 the appraiser's actual cash value and amount of loss of each  
3 item to the umpire. Each appraiser shall also submit written  
4 authorization for the umpire to commence work. No later than 45  
5 calendar days after receipt of the actual cash value and amount  
6 of loss, the umpire shall prepare and provide to the parties and  
7 each appraiser a written itemized award showing the actual cash  
8 value and amount of loss.

9 All property insurance policies delivered, issued for  
10 delivery, continued, or renewed in this state on or after January  
11 1, 2026, shall contain an appraisal clause that complies with the  
12 bill.

13 An appraiser and umpire shall act with due diligence in  
14 achieving an appraisal award. An insurer's payment of an  
15 appraisal award to an insured shall be subject to applicable  
16 policy terms and conditions, limits, and deductibles. The  
17 insurer shall provide the insured with a written explanation of  
18 the payment of the settlement, including an explanation of any  
19 item that is specifically denied under the terms of the policy.  
20 Unless otherwise agreed on by the parties, an appraisal award  
21 shall be binding and paid by the insurer within 60 calendar days  
22 of the award being submitted to the insurer.

23 An appraiser or umpire shall report to the commissioner any  
24 administrative action taken against the appraiser or umpire  
25 within 30 calendar days of the final disposition. Within  
26 30 calendar days of the initial pretrial hearing date, an  
27 appraiser or umpire shall report to the commissioner any criminal  
28 prosecution of the appraiser or umpire. An appraiser or umpire  
29 who willfully fails to comply with such requirements is subject  
30 to penalty.

31 An appraiser or umpire has a continuing duty and obligation  
32 to keep usual and customary records pertaining to appraisals in  
33 accordance with the requirements of the bill. An appraiser or  
34 umpire who willfully fails to comply with such requirements is  
35 subject to penalty.

1 Whenever the commissioner believes that a person has been  
2 engaged or is engaging in a violation of the bill, and that a  
3 proceeding by the commissioner would be in the public interest,  
4 the commissioner shall issue and serve a statement of the charges  
5 and a notice of a hearing.

6 The division may place on probation, suspend, revoke, or  
7 refuse to issue or renew an appraiser's license or an umpire's  
8 license, and may levy a civil penalty for any of the causes  
9 detailed in the bill. If the commissioner does not renew a  
10 license or denies an application for a license, the commissioner  
11 shall notify the applicant, appraiser, or umpire and advise of  
12 the reason for nonrenewal or denial. The applicant, appraiser,  
13 or umpire may request a hearing within 30 calendar days from  
14 the date of the notice. A hearing shall be conducted pursuant  
15 to the requirements detailed in the bill. The license of  
16 an umpire, an appraiser, or an appraiser business entity may  
17 be suspended, revoked, placed on probation, or refused if the  
18 commissioner finds that an umpire's, appraiser's, or appraiser  
19 business entity's violation was known or should have been known  
20 by a partner, officer, or manager of the business entity and  
21 the violation was not reported to the commissioner and corrective  
22 action was not taken.

23 In addition to, or in lieu of, denial, probation, suspension,  
24 or revocation of a license, an appraiser or umpire may be  
25 subject to a civil penalty. The commissioner may conduct an  
26 investigation and may enforce the provisions of the bill.

27 All investigative information in the possession of the  
28 commissioner that relates to appraiser or umpire discipline  
29 is privileged and confidential, and may only be disclosed as  
30 described in the bill. On appeal by the appraiser or umpire, the  
31 commissioner shall transmit the entire record of the contested  
32 case to the reviewing court. Upon a determination by the  
33 commissioner, after hearing, that an appraiser or umpire has  
34 violated a provision of the bill, the commissioner shall reduce  
35 the findings of the hearing to writing and deliver a copy of the

1 findings to the appraiser or umpire, and the commissioner may  
2 take any of the actions described in the bill.

3 A person acting as an appraiser or an umpire without proper  
4 licensure, or an appraiser or an umpire who willfully violates  
5 any provision of, or an order issued under, the bill is guilty  
6 of a class "D" felony. When the violation results in a loss of  
7 more than \$10,000, the person or adjuster is guilty of a class  
8 "C" felony.

9 A class "D" felony is punishable by confinement for no more  
10 than five years and a fine of at least \$1,025 but not more than  
11 \$10,245. A class "C" felony is punishable by confinement for no  
12 more than 10 years and a fine of at least \$1,370 but not more  
13 than \$13,660.

14 The commissioner may refer such evidence concerning violations  
15 of the bill, or of the failure of a person to comply with the  
16 licensing requirements under the bill, to the attorney general or  
17 the district attorney who may institute criminal proceedings.

18 An appraiser or an umpire whose license has been revoked or  
19 suspended by order, or who forfeited a license, may apply to  
20 the commissioner for reinstatement or reissuance, and submit to  
21 a criminal history check.

22 All proceedings on the application for reinstatement or  
23 reissuance shall be held in accordance with Code chapter 17A.  
24 An order of reinstatement or reissuance shall be based on a  
25 written decision, and may impose such terms and conditions as the  
26 commissioner deems appropriate.

27 If an appraiser's or an umpire's ordered suspension period  
28 ends prior to the appraiser's or umpire's license expiration  
29 date and the adjuster applies for reinstatement and meets  
30 all applicable requirements, the division shall reinstate the  
31 license as soon as practicable but no earlier than the end  
32 of the suspension period. If an appraiser's or an umpire's  
33 license is suspended beyond the license expiration date, the  
34 appraiser or umpire must apply for reissuance. A submission of  
35 voluntary forfeiture of a license shall be made in writing to the

1 commissioner.

2 The commissioner may deny an application for reinstatement  
3 or reissuance, or bring an additional immediate action, if an  
4 appraiser or an umpire has engaged in additional violations.

5 The commissioner shall deny an appraiser's or umpire's  
6 application for license issuance, renewal, reinstatement, or  
7 reissuance; suspend a current license; or revoke a currently  
8 suspended license, upon receipt of a certificate of noncompliance  
9 from the child support recovery unit or the centralized  
10 collection unit of the department of revenue.

11 DIVISION VII — IOWA ECONOMIC EMERGENCY FUND PROCLAMATION  
12 OF DISASTER EMERGENCY. Under current law, moneys in the Iowa  
13 economic emergency fund may only be used pursuant to an  
14 appropriation by the general assembly, including for purposes of  
15 reducing or preventing an overdraft on or deficit in the general  
16 fund of the state. Each fiscal year, the bill appropriates up to  
17 10 percent of the maximum balance of the Iowa economic emergency  
18 fund, as calculated for the immediately preceding fiscal year,  
19 to the department of management (DOM) for disaster response,  
20 disaster recovery activities, or disaster aid to citizens, at the  
21 direction of the governor, with the approval of the executive  
22 council, following a proclamation of disaster emergency. The  
23 bill allows DOM, subject to approval of the governor, to provide  
24 for an interdepartmental transfer of the moneys to another  
25 state entity for the purposes specified, notwithstanding the  
26 limitations and requirements of Code section 8.39, including  
27 notification of the general assembly.

28 DIVISION VIII — IOWA ECONOMIC EMERGENCY FUND —  
29 APPROPRIATIONS. For FY 2024-2025, there is appropriated from  
30 the Iowa economic emergency fund to the economic development  
31 authority for deposit in the nuisance property remediation  
32 assistance fund \$2 million. For FY 2024-2025, there is  
33 appropriated from the Iowa economic emergency fund to the Iowa  
34 finance authority for deposit in the disaster recovery housing  
35 assistance program fund \$11.6 million. This division of the bill

1 takes effect upon enactment.

unofficial