

CHAPTER 286.

MUTUAL INSURANCE CORPORATIONS FOR PHYSICIANS, DRUGGISTS, ETC.

H. F. 197.

AN ACT providing for the organizing, admitting from other states, licensing and regulating of mutual insurance corporations, organized among physicians, druggists, dentists and graduate nurses for their protection against loss in actions for alleged error, mistake or negligence; requiring such organizations to be incorporated; providing for fees, taxes, licenses, reports, cancellations, supervision and other regulations thereof and repealing all acts and parts of acts in conflict therewith.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. Insurance corporations for physicians, etc.—plan—policies — provisions. Any number of physicians, druggists, dentists and graduate nurses, licensed to practice their profession in the state of Iowa, may, by complying with the provisions of this chapter and without regard to other statutory provisions, enter into contracts with each other for the purpose of protecting themselves by insurance against loss by reason of actions at law on account of their alleged error, mistake, negligence or carelessness in the treatment and care of patients, including the performance of surgical operations, or in the prescribing and dispensing of drugs and medicines, or for loss by reason of damages in other respects, and to reimburse any member in case of such loss. All corporations, organized for the purpose of transacting such insurance business under the provisions of this act, shall incorporate under the provisions of chapter 1, title IX of the code, as amended, and be known as mutual corporations; and are hereby empowered to collect such assessments, or premium payments, provided for in their articles of incorporation or by-laws, as are required to pay losses and expenses incurred in the conduct of their business. Such mutual insurance corporations may issue certificates of membership, or policies; and may provide that all assessments, or premium payments, payable thereunder, be made in cash, or on the installment, or assessment plan.

Any policy issued by any such company shall contain a provision so that said policy shall inure to the benefit of any person obtaining a judgment against the insured to the extent of the insurance carried and for the purpose for which the insurance was issued.

SEC. 2. Articles — approval — certificate — requirements of commissioner. The articles of such mutual insurance corporations shall be submitted to, and approved by, the attorney general and the commissioner of insurance before being filed with the secretary of state, and no such mutual insurance corporation shall issue membership certificates, or policies, until its form of certificate, or policy, shall have been submitted to, and approved by, the commissioner of insurance and until it has secured from such commissioner of insurance a certificate authorizing it to transact such an insurance business. No such certificate shall be issued by the commissioner of insurance until two hundred fifty (250) applications have been received, representing, in the aggregate, one million (\$1,000,000) dollars of insurance, nor until the commissioner of insurance has satisfied himself that such mutual insurance corporation has bona-fide applications repre-

14 sending the number of applicants and the amount of insurance herein
15 required, and that there is in the possession of such mutual insurance
16 corporation cash assets amounting to not less than ten thousand
17 (\$10,000) dollars.

1 **SEC. 3. Annual report to commissioner of insurance.** Such mutual
2 insurance corporations doing business under the provision of this
3 chapter shall, annually, in the month of January, report to the com-
4 missioner of insurance, upon blanks furnished by him, the same facts,
5 so far as applicable, as are required to be furnished by mutual insur-
6 ance associations under the statute of Iowa, which report shall be
7 tabulated by the commissioner of insurance and published by him in
8 the annual report on insurance.

1 **SEC. 4. Reinsurance reserve — use and restoration.** Such mutual
2 insurance corporations shall, annually, set aside and maintain as a
3 reinsurance reserve, an amount equal to ten per cent of the receipts
4 from assessments, or premium payments, during the year until the
5 total amount thus accumulated shall equal forty per cent, but not to
6 exceed fifty per cent of the amount of the annual assessment, or pre-
7 mium payment, at the rate charged for such insurance on all policies
8 in force. The reserve thus accumulated may be used for the payment
9 of losses and expenses, and when so used shall be restored and main-
10 tained in like manner as originally accumulated.

1 **SEC. 5. Certificate or policy — cancellation.** Any certificate of
2 membership, or policy, issued by such a mutual insurance corporation
3 may be cancelled by the corporation by giving five days' written notice
4 thereof to the insured; or such cancellation may be upon demand of
5 the insured; and such cancellation, when so made, either by the corpo-
6 ration or by the insured, shall be upon a pro-rata basis, and the cancel-
7 lation of such certificate or policy shall release the member from all
8 other future obligations to such corporation.

1 **SEC. 6. Admission into state — fees — expiration of certificate —**
2 **control by commissioner, etc.** Such a mutual insurance corporation
3 shall pay the same fees for admission into the state, for annual reports
4 and for annual certificates of authority as are required to be paid by
5 domestic mutual companies organized and doing business under chap-
6 ter 4, title IX of the code of Iowa, as amended; such certificate shall
7 expire March first of the year following the date of its issue. The
8 commissioner of insurance shall have and exercise the same control
9 over such corporations as he now has over mutual assessment insur-
10 ance associations organized and doing business under the provisions
11 of chapter 5, title IX of the code of Iowa. The provisions as to maxi-
12 mum liability of members to assessments when assets are insufficient
13 and to assessments when the corporation is insolvent, found in sec-
14 tions 1759-j, 1759-k and 1759-l, supplement to the code, 1913, shall
15 apply to all mutual insurance corporations organized under the pro-
visions of this act.

1 **SEC. 7. Corporations of other states — requirements.** Any mutual
2 insurance association organized under the laws of any other state, for
3 the purpose of transacting the kind of business described in section
4 1 of this act, and which has been in business not less than one year,
5 and has on hand cash assets in an amount of not less than ten thousand
6 (\$10,000) dollars, and has not less than three hundred (300) mem-

7 bers, shall upon application, be admitted to do business in this state;
 8 and shall thereafter make all reports and be subject to taxation, exam-
 9 ination and supervision by the commissioner of insurance to the same
 10 extent and in the same manner as are domestic corporations organ-
 11 ized under the provisions of this act.

1 SEC. 8. **Acts in conflict.** All acts, or parts of acts, in conflict here-
 2 with shall be so construed as not to include corporations regulated by
 3 this act.

1 SEC. 9. **Publication clause.** This act being deemed of immediate
 2 importance shall be in full force and effect on and after its passage
 3 and publication in The Des Moines Register, and the Des Moines Capi-
 4 tal, newspapers published in the city of Des Moines, Iowa, all without
 5 expense to the state.

Approved April 22, A. D. 1919.

I hereby certify that the foregoing act was published in the Des Moines Register
 April 28, 1919 and in the Des Moines Capital April 30, 1919.

W. S. ALLEN, *Secretary of State.*

CHAPTER 287.

CONTAGIOUS AND INFECTIOUS DISEASES OF DOMESTIC ANIMALS.

H. F. 335.

AN ACT to provide for the control and suppression of dangerous, contagious and infec-
 tious diseases of domestic animals, and for the inspection of live stock imported into
 the state of Iowa for breeding, work or dairy purposes; also to provide for the payment
 of indemnity in co-operation with the federal government, and making an appropria-
 tion therefor.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. **Domestic animals — diseases — commission of animal**
 1 **health — duties.** That it shall be the duty of the Commission of
 2 Animal Health to protect the health of the domestic animals of the
 3 state; to determine and employ the most efficient and practical means
 4 for the prevention, suppression, control and eradication of dangerous,
 5 contagious or infectious diseases among the domestic animals; and
 6 for these purposes it is hereby authorized and empowered to estab-
 7 lish, maintain, enforce and regulate such quarantine and other meas-
 8 ures relating to the movements and care of animals and their
 9 products, the disinfection of suspected yards, buildings and articles
 10 and the destruction of animals, as it may deem necessary; and to
 11 adopt, from time to time, all such regulations as may be necessary
 12 and proper for carrying out the purposes of this act, provided that
 13 the Commission of Animal Health shall enact such rules and regula-
 14 tions only regarding interstate shipments of live stock as are in har-
 15 mony with the rules and regulations of the Federal Bureau of Animal
 16 Industry, except in case there shall be an outbreak of a malignant or