

CHAPTER 97

INSURANCE OTHER THAN LIFE. INUREMENT OF POLICIES

H. F. 119

AN ACT to amend section eighty-nine hundred forty (8940), code, 1931, by striking out certain provisions relating to the inurement of policies of insurance to the benefit of one who has obtained a judgment against the insured, to repeal section nine thousand seventy-one (9071) of said code, and to enact a substitute for such stricken and repealed provisions, and to provide the time in which an action to enforce such inurement may be brought.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Inurement of policy. All policies insuring the legal
2 liability of the insured, issued in this state by any company, association
3 or reciprocal exchange shall, notwithstanding any other provision of
4 the statutes, contain a provision providing that, in event an execution
5 on a judgment against the insured be returned unsatisfied in an action
6 by a person who is injured or whose property is damaged, the judgment
7 creditor shall have a right of action against the insurer to the same
8 extent that such insured could have enforced his claim against such
9 insurer had such insured paid such judgment.

1 SEC. 2. Settlement. No settlement between said insurer and in-
2 sured, after loss, shall bar said action unless consented to by said judg-
3 ment plaintiff.

1 SEC. 3. Limitation on action. Said action may be brought against
2 said insurer within one hundred eighty days from the entry of judg-
3 ment in case no appeal is taken, and, in case of appeal, within one hun-
4 dred eighty days after the judgment is affirmed on appeal, anything in
5 the policy or statutes to the contrary notwithstanding.

1 SEC. 4. Paragraph five (5) of section eighty-nine hundred forty
2 (8940), code, 1931, is amended as follows:

3 1. By striking from subparagraph b of said paragraph five (5),
4 lines 10 to 15, inclusive.

5 2. By striking from subparagraph e of said paragraph five (5)
6 all parts of said subparagraph following the word "mortgages" in line
7 17 of said subparagraph.

8 3. By striking from paragraph nine (9) of said section, all parts of
9 said paragraph following the word "person" in line 22 of said paragraph.

1 SEC. 5. Section nine thousand seventy-one (9071), code, 1931, is
2 hereby repealed.

House File 119. Approved May 2, 1935.