

CHAPTER 216

INSURANCE COMPANIES OTHER THAN LIFE

H. F. 510

AN ACT to require insurance associations organized and operating under chapter four hundred six (406) of the code of Iowa, 1935, to maintain a reserve for unearned premiums, but excepting county mutuals and associations operating on a post loss basis and not charging advance assessments.

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

1 SECTION 1. Every association organized and operating under the
 2 provisions of chapter four hundred six (406) of title XX of the code
 3 of Iowa, 1935, except county mutual assessment associations, re-in-
 4 surance associations for county mutual associations, and associations
 5 operating on a post loss basis and not charging any advance assess-
 6 ments or premiums, shall hold as reserve for unearned premiums or
 7 assessments an amount equal to at least forty per cent (40%) of the
 8 aggregate gross premiums or assessments in force, on all policies or
 9 contracts running one year or less, less deductions for re-insurance
 10 in force in authorized companies or associations. On all policies or
 11 contracts running more than one year, there shall be maintained such
 12 a reserve in an amount equal to at least forty per cent (40%) of the
 13 amount of the aggregate gross premiums in force for any current year
 14 and one hundred per cent (100%) of the amount of the aggregate
 15 gross premiums in force for each succeeding year of said terms, less
 16 deductions for reinsurance in authorized companies or associations.

1 SEC. 2. Every association heretofore organized and operating, and
 2 to which the provisions of section one hereof apply, shall not be re-
 3 quired to maintain the unearned premium reserve required in said
 4 section until December 31, 1940. However, such associations must
 5 have established by December 31, 1937, a reserve equal to at least one-
 6 fourth of the reserve required by section one hereof; by December
 7 31, 1938, at least one-half of such reserve and by December 31, 1939,
 8 at least three-fourths of such reserve.

1 SEC. 3. That all acts or parts of acts in conflict with the provisions
 2 of this act are hereby repealed.

House File 510. Approved May 1, 1937.

CHAPTER 217

LIFE, HEALTH AND ACCIDENT INSURANCE COMPANIES

S. F. 137

AN ACT to prohibit certain life, health, and accident insurance companies or associations which issue contracts, the performance of which is contingent upon the payment of assessments of calls made upon their members, from doing business within this state.

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

1 SECTION 1. **Assessment associations prohibited.** No life, health,
 2 or accident insurance company or association, other than fraternal
 3 beneficiary associations, which issues contracts, the performance of