

30 14. By inserting in section nine (9), line eight (8), after the word "phar-
31 maceutical" the words "or optometric".

32 15. By inserting in section nine (9), line eleven (11), after the word "phar-
33 maceutical" the words "or optometric".

1 SEC. 2. Section five hundred fourteen point one (514.1), Code 1966,
2 is hereby amended by inserting in line two (2) after the figures "504" the
3 following: "or chapter five hundred four A (504A)".

1 SEC. 3. Section five hundred fourteen point two (514.2), Code 1966, is
2 hereby amended by inserting in line five (5) after the figures "504" the
3 following: "or chapter five hundred four A (504A)".

Approved June 5, 1969.

CHAPTER 272

RIOT REINSURANCE PROGRAM

H. F. 680

AN ACT relating to the state's share of the funding of the department of housing and urban development riot reinsurance program.

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

1 SECTION 1. As used in this Act, unless the context requires otherwise:

2 1. "The secretary" means the secretary of the United States department
3 of housing and urban development.

4 2. "Farm property" means the residence, personal effects, other farm
5 buildings and other personal property used in conjunction with a farming
6 operation.

7 3. "The Act" means Section 1223 of the Housing and Urban Develop-
8 ment Act of 1968, Public Law 90-448, 90th Congress approved August 1,
9 1968.

10 4. "The fund" or "fund" means the federal riot reinsurance reimburse-
11 ment fund referred to in this Act.

12 5. "Commissioner" means the commissioner of insurance.

1 SEC. 2. There is hereby created the federal riot reinsurance reimburse-
2 ment fund in the office of the treasurer of state which shall be operated
3 under the joint control of the director of revenue and the commissioner.
4 The fund shall consist of all payments made by insurers in accordance
5 with the provisions of this Act. The director of revenue shall have the
6 same power to enforce the collection of the assessments provided here-
7 under as any other obligation due the state.

1 SEC. 3. The commissioner shall reimburse the secretary in an amount
2 up to five percent of the aggregate property, except farm property insur-
3 ance premiums earned in this state during the calendar year immediately
4 preceding the calendar year with respect to which the secretary paid losses
5 on lines of insurance reinsured by him in this state during that year and
6 for which he claims reimbursement from the fund in accordance with the
7 Act.

1 SEC. 4. Whenever the secretary shall, in accordance with the Act,
2 present to the state a request for reimbursement under the Act, the com-
3 missioner shall immediately assess all insurers which, during the calendar
4 year with respect to which reimbursement is requested by the secretary,
5 were licensed to write and engaged in writing property insurance business,
6 including the property insurance components of multiperil policies on a di-
7 rect basis, in this state. The amount of each such insurer's assessment shall
8 be calculated by multiplying the amount of the reimbursement requested
9 by the secretary by a fraction the numerator of which is the insurer's
10 premium actually written in this state in that calendar year on habitation-
11 al and commercial property, except farm property, risks and the denomina-
12 tor of which is the aggregate premiums written by all licensed insurers on
13 such property risks. In no event shall any insurer's assessment be less than
14 one hundred dollars.

1 SEC. 5. The secretary shall be reimbursed up to the amount requested
2 by warrants issued against the fund by the state comptroller upon vouch-
3 ers approved by the director of revenue and the commissioner. If the
4 assessment produces a fund greater than the amount requested by the
5 secretary, the overage shall be placed in a special fund in the office of the
6 treasurer of state under the control of the commissioner and the director
7 of revenue and shall be applied to any subsequent requests by the secre-
8 tary for reimbursement of losses paid on lines of insurance reinsured by
9 him in this state in accordance with the Act.

10 In the event that the provisions of this Act and the assessments made
11 thereunder are no longer needed in order to effectuate the program for
12 which they were intended, the amounts remaining in the special fund
13 shall inure to the general fund of the state.

1 SEC. 6. In the event any insurer fails, by reason of insolvency, to
2 pay any assessment, the commissioner shall cause the reimbursement ratios
3 computed under section four (4) to be immediately recalculated excluding
4 therefrom the insolvent insurer, so that its assessment is in effect assumed
5 and redistributed among the remaining insurers.

1 SEC. 7. Insurers shall include in filings submitted pursuant to chapter
2 five hundred fifteen A (515A) of the Code, a factor, applicable to the line
3 or lines of insurance on which the assessment is levied, sufficient to re-
4 cover within not more than three (3) years after the date of assessment
5 any amounts so assessed under Section 4 of this Act during the preceding
6 calendar year together with the amount of costs and expenses reasonably
7 attributable to such assessment and recovery thereof.

Approved June 6, 1969.