

CHAPTER 168

INSURANCE COMPANY SALE FOLLOWING DISSOLUTION

H.F. 170

AN ACT to authorize the sale of the corporate shell of an insolvent insurance company and providing an effective date.

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

Section 1. Section 507C.20, Code 1987, is amended to read as follows:
507C.20 DISSOLUTION OF INSURER.

The commissioner may petition for an order dissolving the corporate existence of a domestic insurer or the United States branch of an alien insurer domiciled in this state at the time the commissioner applies for a liquidation order. The court shall order dissolution of the corporation upon petition by the commissioner upon or after the granting of a liquidation order. If the dissolution has not previously been ordered, it shall be effected by operation of law upon the discharge of the liquidator if the insurer is insolvent. However, dissolution may be ordered by the court upon the discharge of the liquidator if the insurer is under a liquidation order for some other reason. Notwithstanding the above, upon application by the commissioner and following notice as prescribed by the court and a hearing, the court may sell the corporation as an entity, together with any of its licenses to do business, despite the entry of an order of liquidation. The sale may be made on terms and conditions the court deems appropriate including, but not limited to, the placing of the proceeds of the sale of the corporate entity and licenses into a trust for the benefit of policyholders and creditors with proceeds to be distributed in the manner set forth in section 507C.42.

Sec. 2. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 29, 1987

CHAPTER 169

AGRICULTURAL ASSISTANCE

H.F. 626

AN ACT relating to agriculture, by expanding certain definitions, providing requirements for certain farmers to participate in certain programs, providing programs to assist eligible beef cattle producers, maintaining certain tax credits to school districts, providing for certain tax exemptions, providing refunds for claims related to dairy or livestock implements, equipment or machinery, providing for a property tax exemption for certain cattle facilities, and providing an effective date.

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

DIVISION I

Section 1. Section 175.2, subsection 3, Code 1987, is amended to read as follows:

3. "Agricultural producer" means a person engaged or intending to engage in the business of producing and marketing agricultural produce in this state.

Sec. 2. Section 175.4, Code 1987, is amended by adding the following new subsections:

NEW SUBSECTION. 19. The decline in the number of beef cattle production operations is a serious problem within the state, resulting in the conversion of land used for pasture to row crop production, which threatens to destroy a significant part of Iowa's agricultural base and damage the economic viability of the state.