

When a person is detained for questioning or arrested for an alleged violation of a law or ordinance and there is reason to believe that the person is hearing impaired, the peace officer making the arrest or taking the person into custody or any other officer detaining the person shall determine if the person is a hearing impaired person as defined in section 622B.1. If the officer so determines, the officer, at the earliest possible time and prior to commencing any custodial interrogation of the person, shall procure a qualified interpreter in accordance with section 622B.2 and the rules adopted by the supreme court under section 622B.1 unless the hearing impaired person knowingly, voluntarily, and intelligently waives the right to an interpreter in writing by executing a form prescribed by the Iowa department of public health human rights and the Iowa county attorneys association. The interpreter shall interpret the officer's warnings of constitutional rights and protections and all other warnings, statements, and questions spoken or written by any officer, attorney, or other person present and all statements and questions communicated in sign language by the hearing impaired person.

Sec. 116. Sections 80.28, 185.4, 185C.4, 351.15, and 351.16, Code 1987, are repealed.

Approved April 28, 1988

CHAPTER 1135

UNALLOCATED ANNUITY CONTRACT COVERAGE UNDER GUARANTY ASSOCIATION

H.F. 2296

AN ACT providing coverage under the Iowa life and health guaranty association to the holders of unallocated annuity contracts.

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

Section 1. Section 508C.3, subsection 2, Code Supplement 1987, is amended to read as follows:

2. This chapter shall provide coverage to the persons specified in subsection 1 under direct life insurance policies, health insurance policies, annuity contracts, supplemental contracts, and certificates under group policies or contracts, and unallocated annuity contracts issued by member insurers.

Sec. 2. Section 508C.3, subsection 3, paragraph d, Code Supplement 1987, is amended by striking the paragraph and inserting in lieu thereof the following:

d. An unallocated annuity contract issued to an employee benefit plan protected under the federal pension benefit guaranty corporation, which is not issued to or in connection with a specific employee, union, or association of natural persons, or any portion of a financial guarantee.

Sec. 3. Section 508C.3, subsection 3, Code Supplement 1987, is amended by adding the following new paragraph:

NEW PARAGRAPH. h. An annuity contract issued to a government lottery or to a liability insurer in connection with a structured settlement.

Sec. 4. Section 508C.5, subsection 1, Code Supplement 1987, is amended to read as follows:

1. "Account" means any of the ~~three~~ four accounts created under section 508C.6.

Sec. 5. Section 508C.5, subsection 10, Code Supplement 1987, is amended to read as follows:

10. "Premiums" means direct gross insurance premiums and annuity considerations received on covered policies, less return insurance premiums and annuity considerations and dividends paid or credited to policyholders on the direct business. "Premiums" do not include premiums

and considerations on contracts between insurers and reinsurers, or amounts received and held by a member insurer in an account or fund unless and until the amounts are applied by the member insurer to the purchase of an annuity or other benefit for a specific person.

Sec. 6. Section 508C.5, Code Supplement 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 13. "Unallocated annuity contract" means a guaranteed investment contract, deposit administration contract, unallocated funding agreement, or any other annuity contract which is not issued to and owned by an individual, except to the extent of any annuity benefits guaranteed to an individual by an insurer under such a contract or certificate.

Sec. 7. Section 508C.6, subsection 1, paragraph c, Code Supplement 1987, is amended to read as follows:

c. An annuity account. A plan established under section 403(b) of the United States Internal Revenue Code shall be covered by the annuity account.

Sec. 8. Section 508C.6, subsection 1, Code Supplement 1987, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. d. An unallocated annuity contract account.

Sec. 9. Section 508C.8, subsection 8, Code Supplement 1987, is amended to read as follows:

8. The contractual obligations of the insolvent insurer, for which the association becomes or may become liable, are as great as but not greater than the contractual obligations of the insolvent insurer would have been in the absence of an insolvency, unless the obligations are reduced as permitted in this chapter. However, with respect to any one life, the aggregate liability of the association shall not exceed one hundred thousand dollars in cash and termination values, or three hundred thousand dollars for all benefits, including cash and termination values, death benefits, annuity payments, accident and health benefits, and all other amounts payable under all policies or contracts of the insolvent insurer. With respect to any one holder of an unallocated annuity contract, the aggregate liability of the association shall not exceed one million dollars of contract benefits, irrespective of the number of contracts held by the contract holder.

Sec. 10. Section 508C.9, subsection 5, Code Supplement 1987, is amended to read as follows:

5. a. The total of all assessments upon a member insurer for each account shall not in any one calendar year exceed two percent of the insurer's premiums received in this state during the calendar year preceding the assessment on the policies related to that account. If the maximum assessment for any account, together with the other assets of the association in either the account, does not provide in any one year in either the account an amount sufficient to carry out the responsibilities of the association, the necessary additional funds shall be assessed for the account as soon thereafter in succeeding years as permitted by this chapter.

b. If the maximum assessment under paragraph "a" for any account, other than the health insurance account, does not provide an amount sufficient to carry out the responsibilities of the association in any succeeding year, the board, pursuant to subsection 3, paragraph "a", shall assess the necessary additional amount and allocate the amount for assessment among the accounts, other than the health insurance account, in the following sequence: from the life insurance account, to the annuity account, to the unallocated annuity contract account; from the annuity account, to the unallocated annuity contract account, to the life insurance account; from the unallocated annuity contract account, to the annuity account, to the life insurance account; provided that no amount shall be allocated to an account for assessment until the maximum amount has been allocated to the preceding account.