

## A BILL

FOR AN ACT TO REGULATE THE PAYMENT OF LOSSES BY INSURANCE COMPANIES.

SECTION 1. *Be it enacted by the General Assembly of the State of Iowa,* Any person, company or association hereafter insuring any building, or structure, against loss or damage by fire or lightning, by a renewal of a policy heretofore issued, or otherwise, shall cause such building or structure to be examined by an agent of the insurer, and a full description thereof to be made and the insurable value thereof to be fixed by such agent. In the absence of any change, increasing the risk without the consent of the insurers, and also of intentional fraud on the part of the insured, in case of total loss, the whole amount mentioned in the policy or renewal, upon which the insurers receive a premium, shall be paid; and in case of a partial loss, the full amount of the partial loss shall be paid; and in case there are two or more policies upon the property, each policy shall contribute to the payment of the whole or the partial loss in proportion to the amount of insurance mentioned in each policy; but in no case shall the insurer be required to pay more than the amount mentioned in its policy.

SEC. 2. A person who solicits insurance, and procures the application therefor, shall be held to be the agent of the party hereafter issuing a policy upon such application, or a renewal thereof, anything in the application or policy to the contrary notwithstanding.

G. R. STRUBLE, from the Committee on Insurance, submitted the following report:

MR. SPEAKER:

Your Committee on Insurance, to whom was referred house file No. 145, a bill for an act to regulate the payment of losses by insurance companies, beg leave to report that they have had the same under consideration, and have instructed me to report the same back to the house with the recommendation that the substitute of the committee be adopted, and when adopted that it do pass.

G. R. STRUBLE, *Chairman.*

Ordered passed on file.

SUBSTITUTE FOR HOUSE FILE NO. 145.]

## A BILL

FOR AN ACT AMENDATORY OF SECTION 1146, OF THE CODE OF 1873.

SECTION 1. *Be it enacted by the General Assembly of the State of Iowa, That section 1146*

2 of the Code be and is hereby amended by inserting in the ninth line thereof, after the word  
3 “notes,” the words “or obligations”; and by adding thereto, after the word “insurance,” in  
4 the last line thereof, the following: “Such notes or obligations shall be and remain subject  
5 to all defenses the maker thereof may or could have against the original payee, in whosoever  
6 hands the same may be, and if any such insurance company or corporation shall take any  
7 such notes or obligations not so stating on their face that they have been taken for insurance,  
8 it shall be the duty of the auditor of state to revoke the authority of such company or cor-  
9 poration to do business in this state.”

SEC. 2. Every note or obligation given in payment of any premium for any policy of in-  
2 surance issued by any fire insurance corporation shall, if before the expiration of such policy  
3 such corporation shall become insolvent or bankrupt, become utterly void, in whosoever  
4 hands the same may be, so far as the premium for which the same was given was unearned  
5 at the time of such insolvency or bankruptcy.