

January 24, 1951.
Insurance.

House File 172
By SCHWENGEL, SLOANE, TATE
and McFARLANE.

Passed House, Date

Vote: Ayes..... Nays.....

Passed Senate, Date

Vote: Ayes..... Nays.....

Approved :

A BILL FOR

An Act to amend section five hundred twenty-two point one (522.1), Code 1946, relating to the qualifying, licensing and supervision of life insurance agents.

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

1 Section 1. Section five hundred twenty-two point one
2 (522.1), Code 1946 is amended by adding thereto the following:

3 1. No license shall be issued to a first time appointee
4 as agent in receiving or procuring applications for life
5 insurance and annuities, or life, health and accident insurance,
6 until such agent shall have qualified by reasonable written
7 examination as to his competency to act as such agent. The
8 fee for such examination shall be five (5.00) dollars.

9 2. The applicant applying for a license shall be certified,
10 on forms furnished by the commissioner of insurance, by an
11 officer or properly authorized representative of the insurer,
12 stating that the insurer has investigated the character and
13 background of the applicant and is satisfied that he is trust-
14 worthy and qualified to act as its agent to represent it in
15 this state.

16 3. No examination shall be required as a prerequisite to
17 the issuance of a license to any ticket selling agent of a
18 railroad company, steamship company, fraternal insurance
19 society, carrier by air or public bus carrier, who shall act
20 thereunder as agent of any company subject to this section
21 only in reference to the issuance of accident insurance tickets.

22 4. No examination shall be required of those agents who at
23 the time of the passage of this bill are licensed to procure
24 applications for life insurance for companies duly qualified to
25 do business in the State of Iowa.

26 5. The commissioner may issue a temporary life insurance
27 agent's license to any person acting as a debit agent in
28 servicing policies of industrial life insurance without
29 requiring the applicant to pass a written examination, but no
30 such temporary license shall be effective for more than ninety
31 (90) days.

32 6. A regular salaried officer or employee of an insurer
33 authorized to do business in this state shall not be deemed to
34 be a "life insurance agent" by reason of rendering assistance
35 to, or on behalf of a licensed life insurance agent, provided
36 that such salaried officer or employee devotes substantially
37 all of his time to activities other than the solicitation of
38 applications for life insurance or annuity contracts and receives
39 no commission or other compensation directly dependent upon the
40 amount of business he obtains.

41 7. The department of insurance shall establish and promulgate

42 reasonable rules and regulations for carrying out the provisions
43 of this act, and, with the approval of the state insurance
44 commission, shall make, establish and publish a list of questions
45 from which examination questions shall be chosen, together with
46 rules, regulations and procedures with respect to the scope,
47 type and conduct of the written examinations required by this
48 act, and the times and places within the state wherein they
49 shall be held, provided that applicants shall be permitted to
50 take such examinations at least once each week on the second
51 day of each week at the principal office of the commissioner
52 of insurance.

53 8. If any clause, sentence, paragraph or part of this act
54 shall for any reason be adjudged by any court of competent
55 jurisdiction to be invalid, such judgment shall not affect,
56 impair or invalidate the remainder of this act.

EXPLANATION OF H. F. 172

This is a bill to provide for the supervision and licensing of life insurance agents.