

Senate File 619 - Reprinted

SENATE FILE 619
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 591)
(SUCCESSOR TO SSB 1188)

(As Amended and Passed by the Senate April 16, 2025)

A BILL FOR

1 An Act relating to the natural hazard mitigation financing
2 program, the disaster recovery housing assistance
3 program, the disaster recovery new housing program,
4 post-loss assignment of benefits, the licensing and
5 regulation of adjusters, appraisers, and umpires, and the
6 Iowa economic emergency fund, and providing penalties,
7 making appropriations, and including effective date and
8 applicability provisions.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

NATURAL HAZARD MITIGATION FINANCING PROGRAM

Section 1. NEW SECTION. 16.230 **Definitions.**

1. "*Department*" means the department of homeland security and emergency management.
2. "*Fund*" means the natural hazard mitigation revolving loan fund created in section 29D.4.
3. "*Loan recipient*" means the same as defined in section 29D.2.
4. "*Program*" means the natural hazard mitigation financing program created in section 29D.3.
5. "*Project*" means the same as defined in section 29D.2.

Sec. 2. NEW SECTION. 16.231 **Funds and accounts — program funds and accounts not part of state general fund.**

1. The department, in consultation with the authority, may establish and maintain funds or accounts determined to be necessary to carry out the purposes of chapter 29D and shall provide for the funding, administration, investment, restrictions, and disposition of the funds and accounts. Any moneys appropriated to the department and the authority for purposes of paying the costs and expenses associated with the administration of the program shall be administered as determined by the department in consultation with the authority.
2. The funds or accounts held by the department or the authority, or a trustee acting on behalf of the department or the authority pursuant to a trust agreement related to the program, shall not be considered part of the general fund of the state, are not subject to appropriation for any other purpose by the general assembly, and in determining a general fund balance shall not be included in the general fund of the state, but shall remain in the funds and accounts maintained by the department or the authority, or a trustee pursuant to a trust agreement. Funds and accounts held by the department or the authority, or a trustee acting on behalf of the department

1 or the authority pursuant to a trust agreement related to the
2 program, are separate dedicated funds and accounts under the
3 administration and control of the department in consultation
4 with the authority.

5 Sec. 3. NEW SECTION. 16.232 Program funding — bonds and
6 notes.

7 1. The authority shall cooperate with the department in the
8 creation, administration, and financing of the program.

9 2. The authority may issue bonds and notes for the purpose
10 of funding the fund and the state matching funds required
11 pursuant to the federal Robert T. Stafford Disaster Relief
12 and Emergency Assistance Act, Pub. L. No. 93-288, as amended,
13 42 U.S.C. §5121 et seq. The authority may enter into one or
14 more loan agreements or purchase agreements with one or more
15 bondholders or noteholders containing the terms and conditions
16 of the repayment of, and the security for, each bond or note.
17 The authority and each bondholder or noteholder, or a trustee
18 agent designated by the authority, may enter into an agreement
19 to provide for any of the following:

20 *a.* That the proceeds of the bond or note and the investments
21 of the proceeds may be received, held, and disbursed by the
22 authority or by a trustee or agent designated by the authority.

23 *b.* That the bondholder or noteholder, or a trustee or
24 agent designated by the authority, may collect, invest, and
25 apply the amount payable under the loan agreement or any other
26 instruments securing the debt obligations under the loan
27 agreement.

28 *c.* That the bondholder or noteholder may enforce the
29 remedies provided in the loan agreement or other instruments on
30 the bondholder's or noteholder's behalf without the appointment
31 or designation of a trustee. If there is a default in the
32 principal of, or interest on, the bond or note or in the
33 performance of any agreement contained in the loan agreement or
34 other instrument, the payment or performance may be enforced in
35 accordance with the loan agreement or other instrument.

1 *d.* Other terms and conditions as deemed necessary or
2 appropriate by the authority.

3 3. Chapter 16, except to the extent inconsistent with this
4 section, shall apply to bonds or notes issued, and powers
5 granted to the authority, under this section. Section 16.28,
6 subsection 4, shall not apply to this section.

7 4. All bonds or notes issued by the authority in connection
8 with the program are exempt from taxation by this state and the
9 interest on the bonds or notes is exempt from state income tax.

10 Sec. 4. NEW SECTION. 16.233 **Security — reserve funds —**
11 **pledges — nonliability.**

12 1. The authority may provide in the resolution, trust
13 agreement, or other instrument authorizing the issuance of
14 bonds or notes pursuant to chapter 29D that the principal of,
15 premium, and interest on the bonds or notes are payable from
16 any of the following and may pledge the same to the authority's
17 bonds or notes:

18 *a.* The income and receipts or other moneys derived from the
19 projects financed with the proceeds of the bonds or notes.

20 *b.* The income and receipts or other moneys derived from
21 designated projects whether or not the projects are financed in
22 whole or in part with the proceeds of the bonds or notes.

23 *c.* The amounts on deposit in the fund.

24 *d.* The amounts payable to the authority by loan recipients
25 pursuant to loan agreements with loan recipients.

26 *e.* Any other funds or accounts established by the authority
27 in connection with the program or the sale and issuance of the
28 authority's bonds or notes.

29 2. The authority may establish reserve funds to secure
30 one or more issues of its bonds or notes. The authority may
31 deposit in a reserve fund established under this subsection
32 the proceeds of the sale of the authority's bonds or notes and
33 other moneys which are made available from any other source.

34 3. It is the intention of the general assembly that a pledge
35 made in respect of bonds or notes shall be valid and binding

1 from the time the pledge is made, that the moneys or property
2 so pledged and received after the pledge by the authority
3 shall immediately be subject to the lien of the pledge without
4 physical delivery or further act, and that the lien of the
5 pledge shall be valid and binding as against all parties having
6 claims of any kind in tort, contract, or otherwise against
7 the authority whether or not the parties have notice of the
8 lien. Neither the resolution, trust agreement, nor any other
9 instrument by which a pledge is created needs to be recorded or
10 filed under the Iowa uniform commercial code, chapter 554, to
11 be valid, binding, or effective against the parties.

12 4. Neither the members of the authority nor persons
13 executing the bonds or notes are liable personally on the bonds
14 or notes or are subject to personal liability or accountability
15 by reason of the issuance of the bonds or notes.

16 5. The bonds or notes issued by the authority are not
17 an indebtedness or other liability of the state or of a
18 political subdivision of the state within the meaning of any
19 constitutional or statutory debt limitations but are special
20 obligations of the authority, and are payable solely from
21 the income and receipts or other funds or property of the
22 authority, and the amounts on deposit in the revolving loan
23 funds, and the amounts payable to the authority under the
24 authority's loan agreements with loan recipients to the extent
25 that the amounts are designated in the resolution, trust
26 agreement, or other instrument of the authority authorizing the
27 issuance of the bonds or notes as being available as security
28 for such bonds or notes. The authority shall not pledge the
29 faith or credit of the state or of a political subdivision of
30 the state to the payment of any bonds or notes. The issuance
31 of any bonds or notes by the authority does not directly,
32 indirectly, or contingently obligate the state or a political
33 subdivision of the state to apply moneys from, or levy or
34 pledge any form of taxation to the payment of the bonds or
35 notes.

1 Sec. 5. NEW SECTION. **29D.1 Short title.**

2 This chapter shall be known and may be cited as the "*Natural*
3 *Hazard Mitigation Financing Program*".

4 Sec. 6. NEW SECTION. **29D.2 Definitions.**

5 As used in this chapter, unless the context otherwise
6 requires:

7 1. "*Authority*" means the Iowa finance authority created in
8 section 16.1A.

9 2. "*Cost*" means all costs or indebtedness incurred by a loan
10 recipient and determined by the department as reasonable and
11 necessary for carrying out all work necessary or incidental to
12 the accomplishment of a project.

13 3. "*Department*" means the department of homeland security
14 and emergency management.

15 4. "*Director*" means the director of the department of
16 homeland security and emergency management.

17 5. "*Eligible entity*" means a person that is eligible under
18 the STORM Act to receive a loan under the program.

19 6. "*Fund*" means the natural hazard mitigation revolving loan
20 fund created in section 29D.4.

21 7. "*Loan recipient*" means an eligible entity that has
22 received a loan from the fund.

23 8. "*Municipality*" means a city, county, sanitary district,
24 state agency, or other governmental body or corporation, or any
25 combination of two or more governmental bodies or corporations
26 acting jointly, in connection with a project.

27 9. "*Private entity*" means a corporation, limited liability
28 company, trust, estate, partnership, association, or any
29 other legal entity or a legal representative, agent, officer,
30 employee, or assignee of such entity. "*Private entity*" does not
31 include any of the following:

32 a. An individual, municipality, or city utility as that term
33 is defined in section 362.2.

34 b. A public water supply system as defined in section
35 455B.171.

1 c. A qualified entity as defined in section 384.84,
2 subsection 2.

3 10. "Program" means the natural hazard mitigation financing
4 program created in section 29D.3.

5 11. a. "Project" means an activity or set of activities,
6 in accordance with the limitations set forth in the STORM Act,
7 that mitigate the impact of natural hazards, including but not
8 limited to:

9 (1) Drought and prolonged episodes of intense heat.

10 (2) Severe storms, including tornadoes, windstorms, and
11 severe winter storms.

12 (3) Wildfires.

13 (4) Earthquakes.

14 (5) Flooding.

15 (6) Shoreline erosion.

16 (7) High water levels.

17 (8) Storm surges.

18 b. "Project" may include but is not limited to any of the
19 following:

20 (1) The construction, repair, or replacement of a
21 nonfederal levee or other flood control structure, provided
22 that the administrator of the federal emergency management
23 agency, in consultation with the United States army corps of
24 engineers, if appropriate, requires an eligible entity to
25 determine that such levee or other flood control structure is
26 designed, constructed, and maintained in accordance with sound
27 engineering practices and standards equivalent to the purpose
28 for which such levee or structure is intended.

29 (2) Zoning and land use planning changes.

30 (3) Establishing and enforcing building codes.

31 12. "Safeguarding tomorrow through ongoing risk mitigation
32 Act", or "STORM Act", means the federal Robert T. Stafford
33 Disaster Relief and Emergency Assistance Act, Pub. L. No.
34 93-288, as amended, 42 U.S.C. §5121 et seq.

35 Sec. 7. NEW SECTION. 29D.3 Natural hazard mitigation

1 **financing program.**

2 1. The natural hazard mitigation financing program is
3 created for the purpose of making loans available to eligible
4 entities to finance all or part of the costs of a project.

5 2. The program shall be a joint and cooperative undertaking
6 of the department and the authority. The department and
7 the authority may enter into any agreements, documents,
8 instruments, certificates, data, or information as necessary
9 for the operation, administration, and financing of the program
10 consistent with this chapter, chapter 16, subchapter X, part
11 11, the STORM Act, the rules promulgated under chapter 17A by
12 the department in consultation with the authority, and any
13 other applicable federal or state laws. The authority and the
14 department may act to conform the program to the applicable
15 guidance and regulations adopted by the federal emergency
16 management agency.

17 **Sec. 8. NEW SECTION. 29D.4 Natural hazard mitigation**
18 **revolving loan fund.**

19 1. A natural hazard mitigation revolving loan fund is
20 created in the state treasury under the control of the
21 department in consultation with the authority. The revolving
22 loan fund is a separate dedicated fund under the administration
23 and control of the department in consultation with the
24 authority and shall be subject to section 16.31. Moneys
25 on deposit in the revolving loan fund shall be invested by
26 the treasurer of state in cooperation with the department,
27 in consultation with the authority, and the income from the
28 investments shall be credited to and deposited in the revolving
29 loan fund.

30 2. *a.* The fund shall consist of moneys appropriated by
31 the general assembly, moneys received by the fund through the
32 federal emergency management agency and the STORM Act, moneys
33 received as repayment of loan principal and interest from loans
34 paid for by the fund, and all other moneys received by the fund
35 from any other source. Notwithstanding section 8.33, moneys in

1 the fund that remain unencumbered or unobligated at the close
2 of the fiscal year shall not revert but shall remain available
3 for expenditure for the purposes designated. Notwithstanding
4 section 12C.7, subsection 2, interest or earnings on moneys in
5 the fund shall be credited to the fund.

6 *b.* Moneys in the fund are appropriated to the department to
7 provide loans to eligible entities pursuant to section 29D.9,
8 and for administration of the program as permitted under the
9 STORM Act. Moneys in the fund shall not be used to provide a
10 loan to a private entity for the acquisition of real property.
11 Moneys in the fund shall not be considered part of the general
12 fund of the state subject to appropriation for any other
13 purpose by the general assembly, and in determining a general
14 fund balance, shall not be included in the general fund of
15 the state subject to section 16.31, insofar as section 16.31
16 complies with the STORM Act.

17 Sec. 9. NEW SECTION. 29D.5 Director — powers and duties.

18 The director shall do all of the following:

19 1. Process and review each intended use plan application
20 to determine if the intended use plan application meets the
21 eligibility requirements promulgated by the department by rule,
22 and approve or deny the application.

23 2. Process and review all documents relating to the
24 planning, design, construction, and operation of each project.

25 3. Prepare and process, in coordination with the authority,
26 documents relating to the administration of the program.

27 4. Prepare an annual budget for administration of the
28 program.

29 5. Receive program fees as determined in conjunction with
30 the authority.

31 6. Perform other acts and assume other duties and
32 responsibilities necessary for the administration of the
33 program and compliance with the STORM Act.

34 Sec. 10. NEW SECTION. 29D.6 Intended use plans —
35 capitalization grants — accounting.

1 1. For the fiscal year beginning July 1, 2025, and each
2 fiscal year thereafter, the department may prepare and deliver
3 intended use plans to, and enter into capitalization grant
4 agreements with, the administrator of the federal emergency
5 management agency under the terms and conditions set forth
6 in the STORM Act and federal regulations adopted pursuant to
7 the STORM Act, and may accept capitalization grants for the
8 fund in accordance with payment schedules established by the
9 administrator. All payments from the administrator shall be
10 deposited into the fund.

11 2. The department, in consultation with the authority,
12 shall establish fiscal controls and accounting procedures
13 during appropriate accounting periods for payments received for
14 deposit into, and disbursements made from, the fund, and to
15 fund balances at the beginning and end of an accounting period.

16 Sec. 11. NEW SECTION. 29D.7 Authority — loan application
17 review and approval.

18 1. The department and the authority shall review each
19 loan application to determine if the applicant is an eligible
20 entity and qualifies for a loan pursuant to eligibility
21 requirements established by rule promulgated by the department
22 and the authority, and in accordance with the intended use plan
23 applications approved by the director under section 29D.6.

24 2. The authority, in cooperation with the department, shall
25 determine the interest rate and repayment terms for each loan
26 made under the program and the authority shall enter into a
27 loan agreement with each loan recipient in compliance with
28 the Clean Water Act as defined in section 455B.291, the Safe
29 Drinking Water Act as defined in section 455B.291, the STORM
30 Act, and any other applicable state or federal law.

31 3. The authority may charge loan recipients fees and assess
32 costs as deemed necessary by the authority for the continued
33 operation of the program. Fees and costs collected pursuant
34 to this subsection shall be deposited in the fund described in
35 section 29D.4.

1 Sec. 12. NEW SECTION. **29D.8 Loans to eligible entities.**

2 1. Moneys deposited in the fund shall be used for the
3 primary purpose of making loans to eligible entities to finance
4 eligible costs of projects in accordance with the intended
5 use plans prepared and delivered to the administrator of the
6 federal emergency management system by the department under
7 section 29D.6. The loan recipients and the purpose and amount
8 of the loans shall be determined by the director, in compliance
9 with the STORM Act and other applicable federal law, and any
10 resolution, agreement, indenture, or other document of the
11 authority, and rules adopted by the authority relating to any
12 bonds, notes, or other obligations issued for the program which
13 may be applicable to the loan.

14 2. Notwithstanding any provision of this chapter to the
15 contrary, moneys received under the federal American Recovery
16 and Reinvestment Act of 2009, Pub. L. No. 111-5, and deposited
17 in the fund may be used in any manner permitted or required by
18 applicable federal law.

19 Sec. 13. NEW SECTION. **29D.9 Rules.**

20 The department, in consultation with the authority, shall
21 adopt rules pursuant to chapter 17A to administer this chapter.

22 Sec. 14. Section 422.7, subsection 2, Code 2025, is amended
23 by adding the following new paragraph:

24 NEW PARAGRAPH. *u.* Natural hazard mitigation financing
25 program bonds pursuant to section 16.232, subsection 4.

26 Sec. 15. CODE EDITOR DIRECTIVE. The Code editor shall
27 designate sections 16.230 through 16.233, as enacted in this
28 division of this Act, as part 11 of chapter 16, subchapter X,
29 entitled "Natural Hazard Mitigation Financing Program".

30 DIVISION II

31 DISASTER RECOVERY HOUSING ASSISTANCE PROGRAM

32 Sec. 16. Section 16.57B, subsection 1, paragraph a, Code
33 2025, is amended to read as follows:

34 *a.* "*Disaster-affected home*" means a primary residence
35 that is destroyed or damaged due to a natural disaster that

1 occurs on or after June 16, 2021, and the primary residence
2 is located in a county that is the subject of a state of
3 disaster emergency proclamation by the governor that authorizes
4 disaster recovery housing assistance. The state of disaster
5 emergency proclamation shall specify if disaster recovery
6 housing assistance is available to homeowners, renters, or both
7 homeowners and renters.

8 Sec. 17. Section 16.57B, subsection 1, Code 2025, is amended
9 by adding the following new paragraph:

10 NEW PARAGRAPH. *Ob.* "*Financial assistance*" means assistance
11 provided only from the funds, rights, and assets legally
12 available to the authority pursuant to this chapter and
13 includes but is not limited to assistance in the form of
14 grants, loans, and forgivable loans.

15 Sec. 18. Section 16.57B, subsection 2, paragraph a,
16 subparagraph (1), Code 2025, is amended to read as follows:

17 (1) A disaster recovery housing assistance fund is created
18 within the authority. The moneys in the fund shall be used by
19 the authority ~~for the development and operation of a forgivable~~
20 ~~loan and grant program for~~ to award financial assistance to
21 homeowners and renters with disaster-affected homes, and for
22 the eviction prevention program pursuant to [section 16.57C](#).

23 Sec. 19. Section 16.57B, subsection 2, paragraph c, Code
24 2025, is amended to read as follows:

25 *c.* The authority shall not use more than five percent of the
26 moneys in deposited into the fund ~~on July 1 of a fiscal year~~
27 under paragraph "b" for purposes of administrative costs and
28 other program support ~~during the fiscal year.~~

29 Sec. 20. Section 16.57B, subsection 3, paragraph a, Code
30 2025, is amended to read as follows:

31 *a.* The authority shall establish and administer a disaster
32 recovery housing assistance program and shall use moneys in the
33 fund to award ~~forgivable loans~~ financial assistance to eligible
34 homeowners and ~~grants to~~ eligible renters of disaster-affected
35 homes. Moneys in the fund may be expended following a state

1 of disaster emergency proclamation by the governor pursuant
2 to [section 29C.6](#) that authorizes disaster recovery housing
3 assistance. The governor, by state of disaster emergency
4 proclamation, shall specify if disaster recovery housing
5 assistance is available to homeowners, renters, or both
6 homeowners and renters.

7 Sec. 21. Section 16.57B, subsections 4, 5, 6, and 7, Code
8 2025, are amended to read as follows:

9 4. *Registration required.* ~~To be considered for a forgivable~~
10 ~~loan or grant under the program, a~~ A homeowner or renter must
11 may register for the disaster case advocacy program established
12 pursuant to [section 29C.20B](#). The disaster case manager may
13 refer the homeowner or renter to the appropriate local program
14 administrator.

15 5. *Homeowners.*

16 a. ~~To be eligible for a forgivable loan~~ financial assistance
17 under the program, all of the following requirements shall
18 apply:

19 (1) The homeowner's disaster-affected home must have
20 sustained damage greater than the damage that is covered by the
21 homeowner's property and casualty insurance policy insuring the
22 home plus any other state or federal disaster-related financial
23 assistance that the homeowner is eligible to receive.

24 (2) A local official must either deem the disaster-affected
25 home suitable for rehabilitation or damaged beyond reasonable
26 repair.

27 (3) The disaster-affected home is not eligible for buyout by
28 the county or city where the disaster-affected home is located,
29 or the disaster-affected home is eligible for a buyout by the
30 county or city where the disaster-affected home is located,
31 but the homeowner is requesting a ~~forgivable loan~~ financial
32 assistance for the repair or rehabilitation of the homeowner's
33 disaster-affected home in lieu of a buyout.

34 (4) ~~Assistance~~ Financial assistance under the program must
35 not duplicate benefits provided by any local, state, or federal

1 disaster recovery assistance program.

2 ~~b. If a homeowner is referred to the authority or to a~~
3 ~~local program administrator by the disaster case manager of~~
4 ~~the homeowner, the~~ The authority may award a ~~forgivable loan~~
5 financial assistance to the eligible homeowner for any of the
6 following purposes:

7 (1) Repair or rehabilitation of the disaster-affected home.
8 The disaster-affected home to be repaired or rehabilitated
9 shall not be located in a one-hundred-year floodplain.

10 (2) (a) Down payment assistance on the purchase of
11 replacement housing, and the cost of reasonable repairs to be
12 performed on the replacement housing to render the replacement
13 housing decent, safe, sanitary, and in good repair.

14 (b) Replacement housing shall not be located in a
15 one-hundred-year floodplain.

16 (c) For purposes of this subparagraph, "*decent, safe,*
17 *sanitary, and in good repair*" means the same as described in 24
18 C.F.R. §5.703.

19 c. The authority shall determine the interest rate for ~~the~~
20 any financial assistance awarded in the form of a loan or a
21 forgivable loan.

22 d. If a homeowner who has been awarded a loan or a
23 forgivable loan sells a disaster-affected home or replacement
24 housing for which the homeowner received the loan or forgivable
25 loan prior to the end of the loan term, the remaining principal
26 on the loan or forgivable loan shall be due and payable
27 pursuant to rules adopted by the authority.

28 6. *Renters.*

29 a. To be eligible for a ~~grant~~ financial assistance under the
30 program, all of the following requirements shall apply:

31 (1) A local program administrator either deems
32 the disaster-affected home of the renter suitable for
33 rehabilitation but unsuitable for current short-term
34 habitation, or the disaster-affected home is damaged beyond
35 reasonable repair.

1 (2) ~~Assistance~~ Financial assistance under the program must
2 not duplicate benefits provided by any local, state, or federal
3 disaster recovery assistance program.

4 ~~b. If a renter is referred to the authority or to a~~
5 ~~local program administrator by the disaster case manager of~~
6 ~~the renter, the~~ The authority may award a grant financial
7 assistance to the eligible renter to provide short-term
8 financial assistance for the payment of rent for replacement
9 housing.

10 7. *Report.* On or before January 31 of each year, or as part
11 of the annual report under section 16.7, the authority shall
12 submit a report to the general assembly that identifies all of
13 the following for the calendar year immediately preceding the
14 year of the report:

15 a. The date of each state of disaster emergency proclamation
16 by the governor that authorized disaster recovery housing
17 assistance under this section, and if disaster recovery housing
18 assistance was made available to homeowners, renters, or both
19 homeowners and renters.

20 b. The total number of ~~forgivable loans and grants~~ financial
21 assistance awards awarded.

22 c. The total number of ~~forgivable loans~~ financial assistance
23 awards, and the amount of each ~~loan~~ financial assistance award
24 awarded for repair or rehabilitation.

25 d. The total number of ~~forgivable loans~~ financial assistance
26 awards, and the amount of each ~~loan~~ financial assistance
27 award, awarded for down payment assistance on the purchase of
28 replacement housing and the cost of reasonable repairs to be
29 performed on the replacement housing to render the replacement
30 housing decent, safe, sanitary, and in good repair.

31 e. The total number of grants, and the amount of each grant,
32 awarded for rental assistance.

33 f. The total number of loans, forgivable loans, and grants
34 awarded in each county in which at least one homeowner or
35 renter has been awarded a loan, forgivable loan, or grant.

1 g. Each local program administrator involved in the
2 administration of the program.

3 h. The total amount of loan and forgivable loan principal
4 repaid.

5 Sec. 22. Section 16.57D, subsections 1 and 2, Code 2025, are
6 amended to read as follows:

7 1. Establish the maximum loan, forgivable loan, and grant
8 amounts awarded under the program.

9 2. Establish the terms of any loan or forgivable loan
10 provided under the program.

11 DIVISION III

12 DISASTER RECOVERY NEW HOUSING PROGRAM

13 Sec. 23. Section 422.7, Code 2025, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 45. a. Subtract, to the extent included,
16 the amount of any qualifying state disaster recovery new
17 housing grant issued to an individual or business by the
18 economic development authority.

19 b. For purposes of this subsection, "*qualifying state*
20 *disaster recovery new housing grant*" means an award of a state
21 disaster recovery new housing grant that was applied for
22 between August 20, 2024, and December 31, 2024, and approved
23 and issued by the economic development authority.

24 c. This subsection is repealed January 1, 2028.

25 Sec. 24. Section 422.35, Code 2025, is amended by adding the
26 following new subsection:

27 NEW SUBSECTION. 14. a. Subtract, to the extent included,
28 the amount of any qualifying state disaster recovery new
29 housing grant issued to a business by the economic development
30 authority.

31 b. For purposes of this subsection, "*qualifying state*
32 *disaster recovery new housing grant*" means an award of a state
33 disaster recovery new housing grant that was applied for
34 between August 20, 2024, and December 31, 2024, and approved
35 and issued by the economic development authority.

1 c. This subsection is repealed January 1, 2028.

2 Sec. 25. EFFECTIVE DATE. This division of this Act, being
3 deemed of immediate importance, takes effect upon enactment.

4 Sec. 26. RETROACTIVE APPLICABILITY. This division of this
5 Act applies retroactively to tax years beginning on or after
6 January 1, 2024.

7 DIVISION IV

8 POST-LOSS ASSIGNMENT OF BENEFITS — RESIDENTIAL CONTRACTOR

9 Sec. 27. Section 507B.4, subsection 3, Code 2025, is amended
10 by adding the following new paragraph:

11 NEW PARAGRAPH. *v. Post-loss assignment of benefits.* Any
12 violation of section 515.137A by a residential contractor.

13 Sec. 28. Section 515.137A, subsection 2, Code 2025, is
14 amended by adding the following new paragraphs:

15 NEW PARAGRAPH. *0b. "Catastrophic disaster"* includes a major
16 disaster declaration by the president of the United States or a
17 state of disaster emergency proclamation by the governor.

18 NEW PARAGRAPH. *00b. "Consumer advocate"* means a consumer
19 advocate appointed pursuant to section 505.8, subsection 6,
20 paragraph "b", subparagraph (1).

21 NEW PARAGRAPH. *000b. "Post-loss assignment"* means any
22 instrument by which post-loss benefits, rights, or duties of
23 a named insured under a residential property and casualty
24 insurance policy are assigned or transferred to a residential
25 contractor. The post-loss assignment must only assign the
26 insurance proceeds a named insured is entitled to receive
27 from the named insured's insurer for the repair, replacement
28 construction, or reconstruction of the named insured's
29 property.

30 Sec. 29. Section 515.137A, subsections 3, 4, and 5, Code
31 2025, are amended by striking the subsections and inserting in
32 lieu thereof the following:

33 3. A residential contractor shall be prohibited from all of
34 the following under a post-loss assignment by a named insured
35 to the residential contractor:

1 *a.* Rebating or offering to rebate any portion of the named
2 insured's insurance deductible as an inducement for the named
3 insured to purchase a good or service.

4 *b.* Imposing an administrative fee on the named insured
5 for canceling the post-loss assignment, or imposing a fee to
6 process the insurance check or to interact with the named
7 insured's mortgage company.

8 *c.* Acting as a public adjuster without being licensed under
9 chapter 522C.

10 *d.* Receiving payments from the named insured's insurer
11 that are unrelated to the repair, replacement construction,
12 or reconstruction work on the covered insured's property,
13 including but not limited to all of the following:

14 (1) Additional living expenses.

15 (2) Loss of use.

16 (3) Loss of business income.

17 4. *a.* A post-loss assignment must include all of the
18 following:

19 (1) An itemized description of the work to be performed.

20 (2) An itemized description of the materials, labor, and
21 fees for the work to be performed.

22 (3) A total itemized amount to be paid for the work to be
23 performed.

24 (4) A statement that the residential contractor has made
25 no assurances that the claimed loss will be fully covered by
26 the named insured's insurance contract and shall include the
27 following notice in capitalized fourteen point type:

28 YOU ARE AGREEING TO GIVE UP CERTAIN RIGHTS YOU HAVE UNDER
29 YOUR INSURANCE POLICY. PLEASE READ AND UNDERSTAND THIS
30 DOCUMENT BEFORE SIGNING.

31 THE ITEMIZED DESCRIPTION OF THE WORK TO BE DONE SHOWN IN THIS
32 ASSIGNMENT FORM HAS NOT BEEN AGREED TO BY THE INSURER. THE
33 INSURER HAS THE RIGHT TO PAY ONLY FOR THE COST TO REPAIR OR
34 REPLACE DAMAGED PROPERTY CAUSED BY A COVERED PERIL. POST-LOSS
35 ASSIGNMENTS ARE SUBJECT TO THE AUTHORITY OF THE IOWA INSURANCE

1 DIVISION. YOU MAY FILE A COMPLAINT WITH THE DIVISION ON THE
2 DIVISION'S INTERNET SITE AT IID.IOWA.GOV OR CALL THE DIVISION
3 AT (877) 955-1212.

4 (5) In capitalized fourteen point type and located in the
5 immediate proximity of the space reserved in the assignment for
6 the signature of the named insured, the following notice:

7 YOU MAY CANCEL THIS POST-LOSS ASSIGNMENT FOR ANY REASON
8 WITHOUT PENALTY WITHIN FIVE (5) BUSINESS DAYS FROM THE LATER OF
9 THE DATE THE POST-LOSS ASSIGNMENT IS FULLY EXECUTED OR THE DATE
10 ON WHICH YOU RECEIVE A COPY OF THE FULLY EXECUTED POST-LOSS
11 ASSIGNMENT. IF MAILED, THE CANCELLATION MUST BE POSTMARKED
12 BEFORE THE FIVE (5) BUSINESS DAY DEADLINE.

13 YOU MUST CANCEL THE POST-LOSS ASSIGNMENT IN WRITING AND
14 THE CANCELLATION MUST BE DELIVERED TO (name and address
15 of residential contractor as provided by the residential
16 contractor). IF THE ASSIGNEE HAS NOT BEGUN SUBSTANTIALLY
17 PERFORMING WORK ON THE PROPERTY, YOU MAY CANCEL THIS POST-LOSS
18 ASSIGNMENT WITHOUT PENALTY AFTER AT LEAST THIRTY (30) CALENDAR
19 DAYS AFTER THE DATE WORK ON THE PROPERTY IS SCHEDULED TO
20 COMMENCE, OR AFTER AT LEAST THIRTY (30) CALENDAR DAYS AFTER
21 THE POST-LOSS ASSIGNMENT IS FULLY EXECUTED IF THE POST-LOSS
22 ASSIGNMENT DOES NOT CONTAIN A COMMENCEMENT DATE.

23 IF YOU CANCEL THIS POST-LOSS ASSIGNMENT, THE RESIDENTIAL
24 CONTRACTOR HAS UP TO TEN (10) BUSINESS DAYS TO RETURN TO YOU
25 ALL PAYMENTS OR DEPOSITS YOU HAVE MADE.

26 (6) A provision that requires the assignee to indemnify and
27 hold harmless the assignor from liabilities, damages, losses,
28 and costs, including but not limited to attorney fees related
29 to the loss claim.

30 *b.* A post-loss assignment shall not impair the interest of
31 a mortgagee listed on the declarations page of the property and
32 casualty insurance policy that is the subject of the post-loss
33 assignment. All mortgagees shall be named as a co-payee for
34 the payment of benefits under a property and casualty insurance
35 policy covering residential real estate.

1 *c.* A post-loss assignment shall only authorize a residential
2 contractor to be named as a co-payee, along with the named
3 insured and all mortgagees, for the payment of benefits under
4 a property and casualty insurance policy covering residential
5 real estate.

6 *d.* A post-loss assignment shall not prevent or inhibit
7 an insurer from communicating with the named insured or a
8 mortgagee listed on the declarations page of the property and
9 casualty insurance policy that is the subject of the post-loss
10 assignment.

11 *e.* An electronic copy of the fully executed post-loss
12 assignment shall be provided to the insurer of the residential
13 real estate, the named insured, and all mortgagees of the
14 damaged residential real estate within five business days after
15 execution of the post-loss assignment. A paper copy shall be
16 provided to the insurer, a named insured, and any mortgagee of
17 the damaged residential real estate within five business days
18 of a request by the insurer, the named insured, or a mortgagee.

19 *f.* A residential contractor named in a post-loss assignment
20 must cooperate with the insurer of the damaged residential
21 real estate in a claim investigation by providing documents
22 and records requested by the insurer and complying with each
23 post-loss duty included in the named insured's insurance
24 policy.

25 5. *a.* A named insured shall have the right to cancel a
26 post-loss assignment without penalty or fee under all of the
27 following circumstances:

28 (1) For any reason within five business days from the
29 date on which the named insured receives a copy of the fully
30 executed post-loss agreement.

31 (2) The assignee has not substantially performed work on
32 the property that is the subject of the post-loss assignment at
33 least thirty calendar days after the date work on the property
34 was scheduled to commence.

35 (3) The assignee has not begun substantial work on the

1 property that is the subject of the post-loss assignment at
2 least thirty calendar days after the date the insured received
3 a fully executed copy of the executed post-loss assignment and
4 the post-loss assignment does not contain a commencement date.

5 *b.* The cancellation shall be made in writing. Within ten
6 business days of the date of the written cancellation, the
7 residential contractor shall tender to the named insured, the
8 landowner, or the possessor of the real estate, all payments,
9 partial payments, or deposits that have been made by such
10 person.

11 6. Any written contract, repair estimate, or work order
12 prepared by a residential contractor to provide goods or
13 services to be paid from the proceeds of a property and
14 casualty insurance policy pursuant to a post-loss assignment
15 shall include, in capitalized fourteen point type, the notice
16 as provided in section 103A.71, subsection 4, paragraph "a",
17 which shall be signed by the named insured, and sent to the
18 named insured's insurer prior to payment to the residential
19 contractor of proceeds under the applicable insurance policy.

20 7. For a minimum of seventy-two hours following a
21 catastrophic disaster, a residential contractor shall
22 not enter into a contract with an insured that includes a
23 post-loss assignment. If the commissioner deems the severity
24 of the catastrophic disaster to have placed people under
25 duress, the commissioner shall immediately dispatch the
26 consumer advocate and other personnel to the disaster area to
27 provide consumer guidance. If, after a public hearing, the
28 commissioner determines that, due to the scope and severity
29 of the catastrophic disaster, additional time is necessary to
30 safely deploy additional consumer protection resources, the
31 commissioner may extend the time period that a residential
32 contractor shall not enter into a contract with an insured that
33 includes a post-loss assignment for an additional seventy-two
34 hours.

35 8. A post-loss assignment entered into with a residential

1 contractor shall be void if the residential contractor violates
2 this section.

3 9. A violation of this section by a residential contractor
4 shall be an unfair practice pursuant to chapter 507B.

5 10. If any provision of this section or the application
6 thereof to any person or circumstance is held invalid, the
7 invalidity does not affect other provisions or applications
8 of this section which can be given effect without the invalid
9 provision or application, and to this end the provisions of
10 this section are severable.

11 DIVISION V

12 PUBLIC, INDEPENDENT, AND STAFF ADJUSTERS

13 Sec. 30. Section 522B.5A, subsection 2, paragraphs c and e,
14 Code 2025, are amended to read as follows:

15 c. A renewal, reinstatement, or reissuance of a license
16 if the license of a producer has been revoked or suspended
17 pursuant to [section 522B.11](#), the license of a ~~public~~ an
18 adjuster has been revoked or suspended pursuant to section
19 ~~522C.6~~ 522C.13, or the license of a viatical settlement
20 provider or viatical settlement broker has been revoked or
21 suspended pursuant to [section 508E.4](#).

22 e. An initial license as a ~~public~~ an adjuster in this state.

23 Sec. 31. Section 522C.1, Code 2025, is amended to read as
24 follows:

25 **522C.1 Purpose.**

26 The purpose of [this chapter](#) is to govern the qualifications
27 and procedures for licensing ~~public~~ adjusters in this state,
28 and to specify the duties of and restrictions on public
29 adjusters, including limitation of such licensure to assisting
30 insureds only with first-party claims.

31 Sec. 32. Section 522C.2, Code 2025, is amended by striking
32 the section and inserting in lieu thereof the following:

33 **522C.2 Definitions.**

34 As used in this chapter, unless the context otherwise
35 requires:

1 1. "*Adjuster*" means a public adjuster, an independent
2 adjuster, or a licensed staff adjuster. A person that acts as
3 an adjuster solely for a crop hail insurance or a multiperil
4 crop insurance claim shall not be subject to this chapter.

5 2. "*Amount of loss*" means the monetary amount determined
6 to be necessary to properly repair or replace damage related
7 to the scope of loss for a covered peril, and is limited to
8 all applicable coverages for covered items associated with the
9 claim.

10 3. "*Business entity*" means a corporation, association,
11 partnership, limited liability company, limited liability
12 partnership, or any other legal entity.

13 4. *a.* "*Catastrophic disaster*" means an event that results
14 in all of the following:

15 (1) A large number of deaths or injuries.

16 (2) Extensive damage or destruction of facilities that
17 provide and sustain human needs.

18 (3) An overwhelming demand on state and local response
19 resources and mechanisms.

20 (4) A severe long-term effect on general economic activity.

21 (5) A severe effect on state, local, and private sector
22 capabilities to commence and sustain disaster response
23 activities.

24 *b.* "*Catastrophic disaster*" includes a major disaster
25 declaration by the president of the United States or a state of
26 disaster emergency proclamation by the governor.

27 5. "*Commissioner*" means the commissioner of insurance.

28 6. "*Consumer advocate*" means a consumer advocate appointed
29 pursuant to section 505.8, subsection 6, paragraph "b",
30 subparagraph (1).

31 7. "*Disciplinary matter*" means but is not limited to a
32 person who is the subject of an investigation, complaint, or
33 pending administrative action in this state or any other state.

34 8. "*Financial interest*" means but is not limited to a fee,
35 commission, or other valuable consideration.

1 9. "*First-party claim*" means a claim filed by a named
2 insured under an insurance policy against which the claim is
3 made.

4 10. "*Home state*" means the District of Columbia, or any
5 state or territory of the United States in which an adjuster
6 maintains the adjuster's principal place of residence or
7 principal place of business.

8 11. "*Independent adjuster*" means a person who does all of
9 the following:

10 a. Contracts, either directly or through a firm or
11 third-party administrator, for compensation with insurers or
12 self-insurers, and is treated by the insurer or self-insurer as
13 an independent contractor and not as an employee as that term
14 is described in 26 C.F.R. §31.3121(d)(1).

15 b. Investigates, negotiates, or settles property,
16 casualty, or workers' compensation claims for insurers or for
17 self-insurers.

18 12. "*Insured*" means a person covered under an insurance
19 policy against which a claim is made.

20 13. "*Insurer*" means the same as defined in section 507A.3.

21 14. "*NAIC*" means the national association of insurance
22 commissioners.

23 15. "*NIPR gateway*" means the communication network developed
24 and operated by the national insurance producer registry that
25 links state insurance regulators with regulated entities to
26 facilitate the electronic exchange of adjuster information,
27 including but not limited to license applications, license
28 renewals, appointments, and terminations.

29 16. "*Person*" means an individual or a business entity.

30 17. "*Producer database*" means the national database of
31 insurance producers maintained by the NAIC.

32 18. "*Public adjuster*" means a person who, for compensation
33 or other thing of value, does any of the following:

34 a. Acts for or aids an insured in negotiating or affecting
35 the settlement of a first-party claim for loss or damage to

1 real or personal property of an insured.

2 **b.** Advertises for employment as a public adjuster of
3 first-party insurance claims or otherwise solicits business or
4 represents to the public that the person is a public adjuster
5 of first-party insurance claims for loss or damage to real or
6 personal property of an insured.

7 **c.** Directly or indirectly solicits business investigating
8 or adjusting losses, or advising an insured about first-party
9 claims for loss or damage to real or personal property of the
10 insured.

11 19. "*Reinstatement*" means the reinstatement of a suspended
12 license which was suspended in connection with a disciplinary
13 matter, and that has not expired or been terminated during the
14 suspension period.

15 20. "*Reissuance*" means the issuance of a new license
16 following the revocation of a license, the suspension and
17 subsequent termination of a license, or the forfeiture of a
18 license in connection with a disciplinary matter.

19 21. "*Staff adjuster*" means a person who is directly employed
20 by an insurer or self-insurer to investigate, negotiate, or
21 settle property, casualty, or workers' compensation claims.

22 22. "*Uniform business entity application*" means the most
23 recent version of NAIC's uniform application for business
24 entity license and registration.

25 23. "*Uniform individual application*" means the most recent
26 version of NAIC's uniform application for individual adjuster
27 or apprentice license and registration.

28 Sec. 33. Section 522C.3, Code 2025, is amended by striking
29 the section and inserting in lieu thereof the following:

30 **522C.3 Authority of the commissioner.**

31 The commissioner may adopt rules pursuant to chapter 17A as
32 necessary to administer and enforce this chapter, which may
33 include but are not limited to all of the following:

34 1. Advertising standards.

35 2. Continuing education requirements for licensees.

- 1 3. Contracts between public adjusters and insureds.
- 2 4. Required disclosures by licensees.
- 3 5. Examinations for licensure.
- 4 6. Exemptions.
- 5 7. License bonds, and errors and omissions insurance
- 6 requirements.
- 7 8. License requirements and exclusions.
- 8 9. Prohibited practices.
- 9 10. Record retention requirements.
- 10 11. Reporting requirements.
- 11 12. Requirements and limitations on fees charged by public
- 12 adjusters.
- 13 13. Standards for reasonableness of payment.
- 14 14. Standards of conduct.
- 15 15. Penalties.

16 Sec. 34. Section 522C.4, Code 2025, is amended by striking
17 the section and inserting in lieu thereof the following:

18 **522C.4 License required.**

19 1. A person shall not act as, or represent that the person
20 is, a public adjuster or an independent adjuster in this state
21 unless the person is licensed under this chapter.

22 2. A license as an adjuster shall not be required of any of
23 the following:

24 a. A staff adjuster; however, staff adjusters shall comply
25 with all other provisions of this chapter not including section
26 522C.7.

27 b. An attorney licensed to practice law in the state when
28 acting within their professional capacity as an attorney.

29 c. A person employed only for the purpose of obtaining facts
30 surrounding a loss, or furnishing technical assistance to a
31 licensed adjuster, including but not limited to a photographer,
32 estimator, private investigator, engineer, and handwriting
33 expert.

34 Sec. 35. Section 522C.5, Code 2025, is amended by striking
35 the section and inserting in lieu thereof the following:

1 **522C.5 Application for license.**

2 1. A person applying for an adjuster license shall complete
3 a uniform individual application or a uniform business entity
4 application through the NIPR gateway or as otherwise prescribed
5 by the commissioner.

6 2. To determine an applicant's eligibility for licensure,
7 the commissioner may require a criminal history check pursuant
8 to section 522B.5A.

9 Sec. 36. NEW SECTION. **522C.5A Individual applicants —**
10 **resident adjuster.**

11 Prior to approving an individual's application for a
12 resident adjuster license, the commissioner shall find that the
13 applicant meets all of the following requirements:

14 1. This state is the applicant's home state.

15 2. The applicant has not committed any act that is a ground
16 for denial, suspension, or revocation of a license under
17 section 522C.13.

18 3. The applicant has the requisite character and competence
19 to be licensed as an adjuster, as may be determined by the
20 commissioner.

21 4. The applicant is financially responsible pursuant to
22 section 522C.7.

23 5. The applicant has paid all fees required under this
24 chapter. An applicant who concurrently applies for both an
25 adjuster license, and a license as an appraiser under chapter
26 522F, shall only be required to pay the fee required under this
27 chapter or the fee required under chapter 522F.

28 6. The applicant maintains an office in the applicant's home
29 state that is available by reasonable appointment or regular
30 business hours.

31 7. The applicant is at least eighteen years of age.

32 8. The applicant successfully passed the adjuster
33 examination pursuant to section 522C.8.

34 9. The applicant for a public adjuster license has submitted
35 contracts and any subsequent contract modification to the

1 commissioner for review and approval prior to use. A contract
2 that has been filed is deemed to be approved unless disapproved
3 or additional information is requested by the commissioner
4 within thirty calendar days of receipt of the filing by the
5 commissioner.

6 10. The applicant has obtained any necessary authority from
7 the secretary of state to transact business in this state.

8 Sec. 37. NEW SECTION. **522C.5B Individual applicants —**
9 **nonresident adjuster.**

10 Before approving a nonresident applicant's application for
11 a nonresident adjuster license, the commissioner shall find
12 that the nonresident applicant meets all of the following
13 requirements:

14 1. The nonresident applicant has not committed any act that
15 is a ground for denial, suspension, or revocation of a license
16 under section 522C.13.

17 2. The nonresident applicant is licensed as a resident
18 adjuster and in good standing in the nonresident applicant's
19 home state. If the nonresident applicant's resident license
20 in the nonresident applicant's home state terminates for any
21 reason, a license issued to a nonresident applicant under this
22 section shall become inactive, unless the termination is due to
23 the nonresident applicant being issued a new resident adjuster
24 license in the nonresident applicant's home state and the home
25 state has reciprocity with this state.

26 3. The nonresident applicant has submitted a request for
27 licensure to the division in a form and manner prescribed by
28 the commissioner.

29 4. The nonresident applicant has the requisite character
30 and competence to be licensed as an adjuster, as may be
31 determined by the commissioner.

32 5. The nonresident applicant is financially responsible
33 pursuant to section 522C.7.

34 6. The nonresident applicant has paid all fees required
35 under this chapter. An applicant who concurrently applies for

1 both an adjuster license, and a license as an appraiser under
2 chapter 522F, shall only be required to pay the fee required
3 under this chapter or the fee required under chapter 522F.

4 7. The nonresident applicant has obtained any necessary
5 authority from the Iowa secretary of state to transact business
6 in this state.

7 8. The nonresident applicant for a public adjuster
8 license has filed contracts with the commissioner for review
9 and approval prior to use. A contract that has been filed
10 is deemed to be approved unless disapproved or additional
11 information is requested by the commissioner within thirty
12 calendar days of receipt of the filing by the commissioner.

13 9. The nonresident applicant successfully passed the
14 adjuster examination pursuant to section 522C.8.

15 10. The nonresident applicant is at least eighteen years of
16 age.

17 11. The nonresident applicant maintains an office in
18 the nonresident applicant's home state that is available by
19 reasonable appointment or regular business hours.

20 Sec. 38. NEW SECTION. **522C.5C Business entity applicants —**
21 **resident public adjuster or independent adjuster.**

22 Prior to approving a business entity's application for a
23 license for a resident public adjuster or resident independent
24 adjuster, the commissioner shall find that the business entity
25 meets all of the following requirements:

26 1. The business entity has designated an individual
27 adjuster licensed in this state to be responsible for the
28 business entity's compliance with the insurance laws and
29 administrative rules of this state.

30 2. The business entity has not committed any act that is a
31 ground for denial, suspension, or revocation of a license under
32 section 522C.13.

33 3. The business entity has the requisite character and
34 competence to be licensed as an adjuster, as may be determined
35 by the commissioner.

1 4. The business entity is financially responsible pursuant
2 to section 522C.7.

3 5. The business entity has paid all fees required under this
4 chapter. An applicant who concurrently applies for both an
5 adjuster license, and a license as an appraiser under chapter
6 522F, shall only be required to pay the fee required under this
7 chapter or the fee required under chapter 522F.

8 6. The business entity maintains an office in the business
9 entity's home state that is available by reasonable appointment
10 or regular business hours.

11 7. The business entity applying for a public adjuster
12 license has submitted contracts and any subsequent contract
13 modification to the commissioner for review and approval prior
14 to use. A contract that has been filed is deemed to be approved
15 unless disapproved or additional information is requested by
16 the commissioner within thirty calendar days of receipt of the
17 filing by the commissioner.

18 8. The business entity has obtained any necessary authority
19 from the Iowa secretary of state to transact business in this
20 state.

21 **Sec. 39. NEW SECTION. 522C.5D Business applicants —**
22 **nonresident business entity.**

23 Before approving a nonresident business entity's application
24 for a nonresident public adjuster license or a nonresident
25 independent adjuster license, the commissioner shall find that
26 the nonresident business entity meets all of the following
27 requirements:

28 1. The nonresident business applicant has designated an
29 individual adjuster licensed in this state to be responsible
30 for the nonresident business applicant's compliance with the
31 insurance laws and administrative rules of this state.

32 2. The nonresident business applicant has not committed any
33 act that is a ground for denial, suspension, or revocation of a
34 license under section 522C.13.

35 3. The nonresident business applicant has the requisite

1 character and competence to be licensed as an adjuster, as may
2 be determined by the commissioner.

3 4. The nonresident business applicant is financially
4 responsible pursuant to section 522C.7.

5 5. The nonresident business applicant has paid all fees
6 required under this chapter.

7 6. The nonresident business applicant maintains an office
8 in the nonresident business applicant's home state that is
9 available by reasonable appointment or regular business hours.

10 7. The nonresident business applicant applying for a
11 public adjuster license has submitted contracts and any
12 subsequent contract modification to the commissioner for review
13 and approval prior to use. A contract that has been filed
14 is deemed to be approved unless disapproved or additional
15 information is requested by the commissioner within thirty
16 calendar days of receipt of the filing by the commissioner.

17 8. The nonresident business applicant has obtained any
18 necessary authority from the Iowa secretary of state to
19 transact business in this state.

20 Sec. 40. Section 522C.6, Code 2025, is amended by striking
21 the section and inserting in lieu thereof the following:

22 **522C.6 Fees — license issuance, renewal, or reinstatement,**
23 **and examination.**

24 Fees for a license as an adjuster shall be as follows:

25 1. Any applicable fee for a criminal history check pursuant
26 to section 522B.5A.

27 2. The fee for issuance or renewal of an adjuster license is
28 fifty dollars for a consecutive twenty-four-month period.

29 3. The fee for reinstatement of an adjuster license is fifty
30 dollars.

31 4. The fee for a reinstatement or reissuance of an adjuster
32 license due to a disciplinary action under section 522C.15 is
33 one hundred dollars.

34 5. The commissioner may charge a reasonable fee for the
35 compilation and production of adjuster licensing records.

1 6. The fee for an examination under section 522C.8 may
2 be set by a third-party testing service under contract with
3 the division to administer the examination. The fee must be
4 approved by the division.

5 7. Fees shall be paid electronically through the NIPR
6 gateway.

7 Sec. 41. NEW SECTION. **522C.7 Financial responsibility.**

8 1. Prior to issuance of a license under section 522C.5A,
9 522C.5B, 522C.5C, or 522C.5D, an applicant shall secure
10 evidence of financial responsibility through a surety bond
11 as prescribed by the commissioner. The surety bond shall be
12 executed and issued by an insurer authorized to issue surety
13 bonds in this state and meet the following requirements:

14 a. The surety bond shall be a minimum of fifty thousand
15 dollars.

16 b. The surety bond shall be in favor of the state and
17 specifically authorize recovery by the commissioner on behalf
18 of any person in this state who sustains damages as the result
19 of an adjuster's erroneous act, failure to act, fraud, or
20 unfair or deceptive act or practice under chapter 507B.

21 c. The surety bond shall not be terminated without prior
22 written notice filed with the division a minimum of thirty
23 calendar days prior to termination.

24 2. The division may request that an adjuster provide
25 evidence of financial responsibility at any time the division
26 deems relevant.

27 3. An adjuster shall immediately notify the division if the
28 adjuster's evidence of financial responsibility terminates in
29 violation of subsection 1, paragraph "c", or becomes impaired,
30 and the adjuster's license shall become inactive until the
31 adjuster provides the division with evidence of financial
32 responsibility.

33 Sec. 42. NEW SECTION. **522C.8 Examination.**

34 1. a. An individual applying for a license under this
35 chapter shall pass a written examination, unless exempt

1 pursuant to section 522C.9. The examination shall test
2 the knowledge of the individual concerning the duties and
3 responsibilities of an adjuster and the insurance laws and
4 administrative rules of this state, and shall be conducted as
5 prescribed by the division.

6 *b.* An individual who concurrently applies for an adjuster
7 license, and a license as an appraiser under chapter 522F, may
8 choose to take a joint examination conducted as prescribed by
9 the division. The joint examination shall test the knowledge
10 of the individual concerning the duties and responsibilities
11 of an adjuster and of an appraiser, and the insurance laws
12 and administrative rules of this state. An individual who
13 successfully passes a joint examination, and who meets all
14 other requirements for licensure as an adjuster, and as an
15 appraiser under chapter 522F, shall be licensed as both an
16 adjuster and as an appraiser.

17 2. Each individual applying for examination shall remit the
18 examination fee under section 522C.6. An individual applying
19 for a joint examination under subsection 1, paragraph "b", shall
20 pay one examination fee for the joint examination.

21 3. An individual who fails to appear for a scheduled
22 examination, or who fails to pass the examination, may reapply
23 for examination and must remit the required fee to be scheduled
24 for another examination.

25 4. The results of an examination shall be valid to submit
26 for licensure for ninety calendar days after the date of the
27 examination.

28 **Sec. 43. NEW SECTION. 522C.9 Examination — exemption.**

29 1. An individual who applies for a nonresident license
30 under this chapter and who was previously a licensed adjuster
31 in another state that required an examination that included
32 Iowa-specific statutes and administrative rules shall not be
33 required to apply for examination under section 522C.8.

34 2. An individual who relocates to this state and who was a
35 licensed adjuster in another state that required an examination

1 that included Iowa-specific statutes and administrative rules
2 shall not be required to apply for examination under section
3 522C.8 if the individual submits an application for a resident
4 adjuster license under section 522C.5A within ninety calendar
5 days of establishing legal residency, and all of the following
6 apply:

7 *a.* The individual is currently a licensed adjuster in the
8 state from which the applicant relocated.

9 *b.* The state from which the applicant relocated issues
10 a certification that the applicant is licensed and in good
11 standing.

12 *c.* The producer database records of the state from which
13 the applicant relocated, or records maintained by the NAIC or
14 a NAIC affiliate or subsidiary, indicate that the adjuster
15 is currently licensed or had been licensed, and is in good
16 standing.

17 Sec. 44. NEW SECTION. 522C.10 Public adjuster and insured
18 — contract for services.

19 1. *a.* A public adjuster shall not provide services to an
20 insured until a written contract with the insured has been
21 executed on a form filed with and approved by the commissioner
22 pursuant to section 522C.5A, subsection 9, section 522C.5B,
23 subsection 8, section 522C.5C, subsection 7, or section
24 522C.5D, subsection 7. The contract must have a heading that
25 indicates the contract is a public adjuster contract and must
26 contain all of the following:

27 (1) The full name, address, telephone number, and license
28 number of the public adjuster presenting and negotiating the
29 contract and, if applicable, the full name, address, telephone
30 number, and license number of the business entity the public
31 adjuster is associated with.

32 (2) The insured's full name, street address, insurance
33 company name, and, if known or upon notification, the insurance
34 policy number and claim number.

35 (3) A description of the insured's loss claim and the

1 address at which the loss is located, if applicable.

2 (4) A description of services to be provided by the public
3 adjuster on behalf of the insured.

4 (5) A signature of the public adjuster and of the insured,
5 and the date the public adjuster and the insured each signed
6 the contract.

7 (6) An attestation that the public adjuster has a surety
8 bond pursuant to section 522C.7.

9 (7) An explanation of the amount payable to the public
10 adjuster, and how the amount is calculated, which may include
11 any of the following:

12 (a) If an hourly rate, the contract shall state the hourly
13 rate and how the rate is applied to the hours of service
14 provided by the public adjuster to calculate the amount
15 payable.

16 (b) If a flat fee, the contract must state the exact amount
17 payable to the public adjuster.

18 (c) If a percentage of settlement, the contract must state
19 the exact percentage applied to the settlement on the claim.

20 (d) If any other consideration, the contract must detail how
21 the amount payable is calculated or determined.

22 (8) A public adjuster may charge a reasonable fee that shall
23 not exceed any of the following:

24 (a) Fifteen percent of all claim payments approved by
25 the insurer for any noncatastrophic disaster insurance claim
26 settlement.

27 (b) Ten percent of all claim payments approved by the
28 insurer for any catastrophic disaster insurance claim
29 settlement.

30 (9) That compensation for any reopened or supplemental
31 claim may not exceed the limitations set forth in the contract.

32 (10) That the insured has the right to agree to or reject
33 a loss settlement even if the public adjuster objects to the
34 insured's decision.

35 (11) The initial expenses of the public adjuster that will

1 be reimbursed from the proceeds of the claim payment shall be
2 specified by expense type, with reimbursement estimates set
3 forth in the contract. Any additional expenses for which the
4 public adjuster requests reimbursement shall be disclosed in
5 writing to the insured, and must be approved by the insured
6 prior to reimbursement.

7 (12) A statement that the public adjuster shall not render
8 services or perform acts that constitute the practice of law.

9 (13) A statement that the public adjuster shall not act on
10 behalf of or aid any person in negotiation or settlement of a
11 claim related to bodily injury, death, or noneconomic damages.

12 (14) The process for rescinding the contract, including
13 the date by which rescission of the contract by the public
14 adjuster or the insured must occur. The public adjuster
15 shall provide notice of the insured's rights under chapter
16 555A, and the insured may rescind the contract as provided in
17 chapter 555A. A contract shall not be construed to prevent an
18 insured from pursuing a civil remedy after the revocation or
19 cancellation period. If the insured rescinds the contract,
20 anything of value given by the insured shall be returned to the
21 insured within fifteen business days following receipt of the
22 cancellation notice by the public adjuster.

23 *b.* A contract provision shall not be redacted in a copy of
24 the contract submitted to the commissioner. Such redaction
25 shall constitute a violation of this chapter, and shall be
26 subject to penalties under sections 522C.13 and 522C.14.

27 2. If the insurer, no later than five calendar days
28 after the date on which the insured's loss is reported to
29 the insurer, either pays or commits in writing to pay to the
30 insured the policy limit of the insured's insurance policy, the
31 public adjuster shall:

32 *a.* Inform the insured that the total amount of loss claimed
33 by the insured may not be agreed to by the insurer.

34 *b.* Only be entitled to reasonable compensation from the
35 insured for services provided on behalf of the insured based on

1 the time spent on the claim, and the expenses incurred by the
2 public adjuster, until the date the insurer pays the claim or
3 provides the insured with a written commitment that the insurer
4 will pay the claim.

5 3. A public adjuster contract shall not contain a provision
6 that does any of the following:

7 a. Allows the public adjuster's percentage of a settlement
8 to be collected if money is still due from an insurer, or that
9 allows the public adjuster to collect the entire percentage
10 of a settlement from any single payment issued by an insurer
11 rather than as a percentage of each payment issued by the
12 insurer.

13 b. Requires or permits the insured to authorize an insurer
14 to issue a check only in the name of the public adjuster.

15 c. Imposes collection costs or late fees prior to an
16 insurance claim payment by an insurer to an insured.

17 d. Allows the public adjuster's compensation to be increased
18 based on the fact that a claim is litigated.

19 e. Precludes either an insured or the public adjuster from
20 pursuing civil remedies.

21 f. Restricts an insured's right to initiate or maintain
22 direct communication with the insured's attorney or insurer,
23 with the insurer's adjuster or attorney, or any other person
24 regarding settlement of the insured's claim.

25 g. Grants the public adjuster power of attorney for the
26 insured. However, a public adjuster may obtain a limited power
27 of attorney for an insured for the sole purpose of depositing
28 claim payments in the insured's name into a fiduciary trust
29 account pursuant to section 522C.11, subsection 26.

30 h. Requires the insured to use a particular business entity
31 or individual for the reconstruction, repair, or restoration of
32 the insured's damaged property.

33 4. Prior to execution of the contract, the public adjuster
34 shall review the terms of the contract with the insured
35 and provide the insured with a separate disclosure document

1 regarding the claim process that shall include the following:

2 DISCLOSURE DOCUMENT

3 REGARDING THE CLAIM PROCESS

4 1. PROPERTY INSURANCE POLICIES OBLIGATE THE INSURED TO
5 PRESENT A CLAIM TO THE INSURED'S INSURER FOR CONSIDERATION.
6 THERE ARE THREE TYPES OF ADJUSTERS THAT MAY BE INVOLVED IN THAT
7 PROCESS. THE THREE TYPES ARE AS FOLLOWS:

8 (A) "STAFF ADJUSTER" IS DEFINED IN IOWA CODE SECTION 522C.2.
9 A STAFF ADJUSTER IS EMPLOYED BY THE INSURER. THEY WILL NOT
10 CHARGE THE INSURED A FEE.

11 (B) "INDEPENDENT ADJUSTER" IS DEFINED IN IOWA CODE SECTION
12 522C.2. AN INDEPENDENT ADJUSTER IS CONTRACTED BY THE INSURER
13 TO REPRESENT THE INSURER. THEY WILL NOT CHARGE THE INSURED A
14 FEE.

15 (C) "PUBLIC ADJUSTER" IS DEFINED IN IOWA CODE SECTION
16 522C.2. A PUBLIC ADJUSTER IS NOT AN EMPLOYEE OR REPRESENTATIVE
17 OF THE INSURER. THEY ARE HIRED BY THE INSURED TO ASSIST IN THE
18 PREPARATION, PRESENTATION, AND SETTLEMENT OF A CLAIM.

19 2. THE INSURED IS NOT REQUIRED TO HIRE A PUBLIC ADJUSTER
20 TO HELP THE INSURED MEET THE INSURED'S OBLIGATIONS UNDER THE
21 INSURED'S POLICY, BUT HAS THE RIGHT TO DO SO.

22 3. THE INSURED HAS THE RIGHT TO INITIATE DIRECT
23 COMMUNICATIONS WITH THE INSURED'S ATTORNEY, THE INSURED'S
24 INSURANCE COMPANY, THE INSURANCE COMPANY'S STAFF ADJUSTER OR
25 INDEPENDENT ADJUSTER, THE INSURANCE COMPANY'S ATTORNEY, OR ANY
26 OTHER PERSON REGARDING THE SETTLEMENT OF THE INSURED'S CLAIM.

27 4. THE INSURED MAY BE RESPONSIBLE FOR ANY AMOUNT PAYABLE TO
28 A PUBLIC ADJUSTER RELATED TO ANY PORTION OF A CLAIM THAT WAS
29 PREVIOUSLY PAID IN PART, IN FULL, OR SETTLED BY THE INSURER
30 PRIOR TO A CONTRACT BEING ENTERED INTO BETWEEN THE PUBLIC
31 ADJUSTER AND THE INSURED.

32 5. THE AMOUNT PAYABLE TO A PUBLIC ADJUSTER, WHICH CAN
33 INCLUDE A SALARY, FEE, COMMISSION, OR OTHER CONSIDERATION AS
34 OUTLINED IN THE CONTRACT, IS THE OBLIGATION OF THE INSURED, NOT
35 THE INSURER.

1 6. THE INSURED MAY FILE A COMPLAINT WITH THE IOWA INSURANCE
2 DIVISION BY CALLING (877) 955-1212 OR VISITING IID.IOWA.GOV.

3 5. An original copy of a completed contract shall be
4 provided to the public adjuster and to the insured. The
5 commissioner may inspect the original contract in possession
6 of the public adjuster at any time without prior notice.
7 A contract may be executed electronically if done so in
8 compliance with chapter 554D.

9 6. Within seventy-two hours of executing a contract with an
10 insured under this section, the public adjuster shall provide
11 the insured's insurer a notification letter, which has been
12 signed by the insured, authorizing the public adjuster to
13 represent the insured's interest. The insurer shall verify
14 that the public adjuster is currently licensed with the
15 division.

16 7. A contract between a public adjuster and an insured
17 executed on a form in violation of subsection 1, paragraph "a",
18 shall not be enforceable in this state.

19 Sec. 45. NEW SECTION. 522C.11 Adjusters — standards of
20 conduct.

21 1. A public adjuster shall serve with objectivity and
22 complete loyalty to the interest of the insured. A public
23 adjuster shall render to the insured in good faith information,
24 counsel, and service, that in the opinion of the public
25 adjuster will best serve the insured's insurance claim needs
26 and interest. These duties extend to the claims process and
27 include providing timely responses to both the insurer and the
28 insured.

29 2. For a minimum of seventy-two hours following a
30 catastrophic disaster, to allow time for the commissioner
31 to safely deploy consumer protection resources, a public
32 adjuster shall not, in person or by telephone, directly offer
33 to contract, attempt to offer to contract, or enter into an
34 adjuster contract with an insured unless the offer to contract,
35 the attempt to offer to contract, or entering into a contract

1 is initiated by a consumer. If the commissioner deems the
2 severity of the catastrophic disaster to have placed people
3 under duress, the commissioner shall immediately dispatch the
4 consumer advocate and other personnel to the disaster area to
5 provide consumer guidance. If, after a public hearing, the
6 commissioner determines that, due to the scope and severity
7 of the catastrophic disaster, additional time is necessary to
8 safely deploy additional consumer protection resources, the
9 commissioner may extend the time period that a public adjuster
10 shall not offer to contract, attempt to offer to contract, or
11 enter into a contract for an additional seventy-two hours.

12 3. A public adjuster shall not solicit between the hours
13 of 8:00 p.m. and 9:00 a.m. Solicitation shall include but is
14 not limited to a door-to-door sale as that term is defined in
15 section 555A.1.

16 4. A public adjuster, or an independent adjuster, shall not
17 permit an unlicensed employee or representative of the public
18 adjuster or independent adjuster, nor any person associated
19 with a claim, to conduct business for which a license is
20 required under this chapter.

21 5. An adjuster shall not have a direct or indirect financial
22 interest in any aspect of a claim other than the amount payable
23 pursuant to the written contract with an insured under section
24 522C.10.

25 6. An adjuster shall not acquire any interest in salvage of
26 property.

27 7. An adjuster shall not undertake the adjustment of any
28 claim if the adjuster is not competent and knowledgeable as
29 to the terms and conditions of the insurance coverage, or if
30 the loss or coverage otherwise exceeds the adjuster's current
31 expertise.

32 8. An adjuster shall maintain all documentation relating to
33 all estimates and coverage determinations for a minimum of five
34 years from the date of completion of a settlement.

35 9. An adjuster shall not knowingly make any false oral or

1 written material statements regarding any person engaged in the
2 business of insurance, or any other adjuster, to an insured who
3 is a client or potential client.

4 10. *a.* An adjuster shall not reasonably act, or fail to
5 act, in any manner that obstructs or prevents an insurer or
6 adjuster from timely conducting an inspection of any part of
7 an insured's property for which there is a claim for loss or
8 damage.

9 *b.* If a public adjuster is unavailable after reasonable
10 request by an insurer, resulting in delay of the insurer's
11 timely inspection of the property, the insured shall allow
12 the insurer to have access to the property without the
13 participation or presence of the public adjuster to facilitate
14 the insurer's prompt inspection of the loss or damage.

15 11. An adjuster shall respond to an inquiry from an insurer
16 or an insured regarding a claim within fifteen business days
17 of the date of the inquiry unless good cause exists for delay.
18 The adjuster shall reply within fifteen business days to all
19 pertinent communications from the insured, the insurer, or a
20 representative of the insured or the insurer that reasonably
21 suggest that a response is expected.

22 12. Upon receiving notification of a claim, an insurer shall
23 provide necessary claim forms, instructions, and reasonable
24 assistance within fifteen business days of notification of the
25 claim so that first-party claimants can comply with the policy
26 conditions and the insurer's reasonable requirements.

27 13. An adjuster shall not act as an appraiser and as an
28 adjuster on the same claim.

29 14. An adjuster shall not act as an umpire and as an
30 adjuster on the same claim.

31 15. A public adjuster shall not enter into a contract that
32 accepts a power of attorney or limited power of attorney for
33 an insured.

34 16. *a.* An independent adjuster shall not act as an
35 independent adjuster and a public adjuster on the same claim.

1 *b.* A public adjuster shall not act as a public adjuster and
2 an independent adjuster on the same claim.

3 17. A staff adjuster may be licensed as a public adjuster
4 or as an independent adjuster, but shall be prohibited from
5 providing services as an independent adjuster or a public
6 adjuster while employed as a staff adjuster.

7 18. A public adjuster shall not agree to, or reject, any
8 loss settlement without the insured's express knowledge and
9 written consent.

10 19. An adjuster shall not engage in any act or practice
11 that is a conflict of interest. A conflict of interest shall
12 include but is not limited to the following:

13 *a.* A direct or indirect financial interest with a person
14 responsible for the reconstruction, repair, or restoration of
15 damaged property that is the subject of a claim, or with a
16 person involved in resolving a claim valuation dispute.

17 *b.* A direct or indirect financial interest, or other
18 valuable consideration regardless of form or amount paid to an
19 adjuster in exchange for referring an insured to an appraiser,
20 umpire, construction company, contractor, salvage company, or
21 attorney.

22 *c.* Being an owner, employee, agent, investor, or having
23 other financial interest in a business entity responsible for
24 the reconstruction, repair, or restoration of damaged property
25 that is the subject of a claim, or having an immediate family
26 member who is an owner, employee, agent, or investor in a
27 business entity responsible for the reconstruction, repair,
28 or restoration of a damaged property that is the subject of a
29 claim.

30 *d.* Entering into a written or verbal contract, or formal
31 or informal agreement, with any person that compromises the
32 adjuster's duty of loyalty to the insured.

33 *e.* Using claim information obtained in the course of a claim
34 investigation for commercial purposes including marketing or
35 advertising for the benefit of the adjuster.

1 20. A public adjuster shall not file a complaint with
2 the division on behalf of an insured without the insured's
3 knowledge and written consent.

4 21. An adjuster shall not represent, directly or
5 indirectly, that damage has occurred at a property unless the
6 adjuster has inspected the damaged areas of the property.

7 22. An adjuster shall produce a detailed written estimate to
8 repair or replace covered damages and provide a copy to both
9 the insured and the insurer in a timely manner.

10 23. A public adjuster shall not offer to pay an insured's
11 deductible, or claim that the insured's deductible will be
12 waived, as an inducement to use the services of the public
13 adjuster.

14 24. An adjuster shall respond reasonably promptly to
15 inquiries by the division.

16 25. A public adjuster shall provide a detailed invoice for
17 completed services to an insured prior to requesting payment
18 for services pursuant to a contract under section 522C.10.

19 26. Funds received or held by a public adjuster on behalf of
20 an insured toward the settlement of a claim shall be:

21 *a.* Held in a fiduciary capacity.

22 *b.* Deposited by the adjuster into one or more separate
23 noninterest-bearing fiduciary trust accounts in a financial
24 institution licensed to do business in this state no later
25 than the close of the fifth business day from the date the
26 public adjuster received the funds, and either deposited in the
27 insured's name or in the name of the public adjuster as trustee
28 for the insured, to be held and administered as a trust account
29 for the benefit and protection of the insured.

30 *c.* Held separately from personal or nonbusiness funds.

31 *d.* Held separately from other business funds.

32 *e.* Listed specifically and separately, by the insured's name
33 and the amount in trust in the book of accounts and records of
34 the public adjuster. The book of accounts and records must
35 indicate the fiduciary nature of the account and any amounts

1 deposited or withdrawn.

2 *f.* Disbursed within thirty calendar days of receipt of an
3 invoice by the public adjuster from a contractor that completed
4 work, if the public adjuster receives approval of the insured
5 that the work was satisfactorily completed.

6 27. A public adjuster shall comply with all applicable local
7 ordinances.

8 28. An adjuster who fails to comply with this section shall
9 be subject to penalties under sections 522C.13 and 522C.14.

10 Sec. 46. NEW SECTION. **522C.12 Adjusters — records.**

11 1. An adjuster shall have a continuing duty to keep, at
12 the adjuster's place of business, usual and customary records
13 pertaining to transactions undertaken by the adjuster. All
14 such records shall be kept available and open for inspection
15 by the division at any time during regular business hours;
16 however, the division is not entitled to inspect any records
17 prepared in anticipation of litigation or that are subject to
18 any privilege recognized in chapter 622. The records shall be
19 maintained for a minimum of five years from the date of the
20 adjuster transaction.

21 2. An adjuster who fails to comply with this section shall
22 be subject to penalties under sections 522C.13 and 522C.14.

23 Sec. 47. NEW SECTION. **522C.13 License denial, nonrenewal,
24 suspension, or revocation.**

25 1. The division may place on probation, suspend, revoke, or
26 refuse to issue or renew an adjuster's license, and may levy a
27 civil penalty as provided in section 522C.14, for one or more
28 of the following causes:

29 *a.* The adjuster provided incorrect, misleading, incomplete,
30 or materially untrue information in a license application.

31 *b.* The adjuster violated an insurance law, regulation,
32 subpoena, or order of the commissioner or of a commissioner of
33 another state.

34 *c.* The adjuster obtained or attempted to obtain a license
35 through misrepresentation or fraud.

- 1 *d.* The adjuster improperly withheld, misappropriated, or
2 converted money or property received in the course of doing
3 business.
- 4 *e.* The adjuster was convicted of a felony.
- 5 *f.* The adjuster admitted to, or was found to have committed,
6 any unfair trade practice or fraud.
- 7 *g.* The adjuster used fraudulent, coercive, or dishonest
8 practices, or demonstrated incompetence, untrustworthiness, or
9 financial irresponsibility, or was a source of injury or loss
10 in the conduct of business in this state or elsewhere.
- 11 *h.* The adjuster had any professional license, or its
12 equivalent, denied, suspended, or revoked in this state or any
13 other state, province, district, or territory.
- 14 *i.* The adjuster forged another's name to any document
15 related to the adjuster's work as an adjuster.
- 16 *j.* The adjuster improperly used notes or any other reference
17 material to complete an examination for an adjuster license.
- 18 *k.* The adjuster knowingly negotiated as an adjuster with an
19 individual or business entity who is not, but is required to
20 be, licensed as an adjuster, appraiser, or umpire.
- 21 *l.* The adjuster failed to comply with an administrative or
22 court order imposing a child support obligation.
- 23 *m.* The adjuster failed to comply with an administrative
24 or court order related to repayment of loans to the college
25 student aid commission.
- 26 *n.* The adjuster failed to pay state income tax or to comply
27 with any administrative or court order directing payment of
28 state income tax.
- 29 *o.* The adjuster failed or refused to cooperate in
30 an investigation conducted by the commissioner or the
31 commissioner's designee.
- 32 *p.* The adjuster intentionally misrepresented the terms of an
33 actual or proposed contract for services.
- 34 2. If the commissioner does not renew an adjuster's license
35 or denies an application for a license, the commissioner shall

1 notify the adjuster or applicant and advise, in writing, of
2 the reason for the nonrenewal of the license or denial of
3 the application for a license. The adjuster or applicant
4 may request a hearing on the nonrenewal or denial by filing
5 a written request for a hearing within thirty calendar days
6 from the date of notice of the nonrenewal or denial. A hearing
7 shall be conducted according to section 522C.15.

8 3. The license of a business entity may be suspended,
9 revoked, placed on probation, or refused if the commissioner
10 finds, after hearing, that an individual adjuster's violation
11 was known or should have been known by a licensed partner,
12 officer, or manager of the business entity and the violation
13 was not reported to the commissioner and corrective action was
14 not taken.

15 4. The license of a nonresident adjuster shall be
16 immediately inactive if the nonresident adjuster is placed on
17 probation, suspended, revoked, refused, or denied licensure in
18 any other state. The nonresident adjuster shall have seven
19 calendar days to alert the commissioner that the nonresident
20 adjuster has been placed on probation, suspended, revoked,
21 refused, nonrenewed, or denied licensure in another state.
22 Failure to meet the reporting deadline shall be a violation of
23 this section.

24 5. In addition to, or in lieu of, denial, probation,
25 suspension, or revocation of a license under this section, an
26 adjuster, after hearing, may be subject to a civil penalty as
27 provided in section 522C.14.

28 6. The commissioner may enforce this chapter, may conduct
29 an investigation of any suspected violation of this chapter,
30 and may impose any penalty or remedy authorized by this chapter
31 against any person who is under investigation for, or charged
32 with, a violation of this chapter even if the person's license
33 has been surrendered or has lapsed by operation of law.

34 7. a. All complaint files, investigation files,
35 investigation reports, and other investigative information

1 in the possession of the commissioner or the commissioner's
2 agents that relates to adjuster discipline shall be privileged
3 and confidential, and shall not be subject to discovery,
4 subpoena, or other means of legal compulsion for release to a
5 person other than the adjuster, and shall not be admissible in
6 evidence in a judicial or administrative proceeding other than
7 a proceeding involving adjuster discipline. A final written
8 decision of the commissioner in a disciplinary proceeding shall
9 be a public record.

10 *b.* Investigative information in the possession of the
11 commissioner or the commissioner's agents that relates to
12 adjuster discipline may be disclosed, at the commissioner's
13 discretion. The commissioner may share documents, materials,
14 or other information, including confidential and privileged
15 documents and materials subject to this subsection, with other
16 state, federal, and international regulatory agencies, with
17 NAIC, its affiliates or subsidiaries, and with state, federal,
18 and international law enforcement authorities, provided
19 that the recipient agrees to maintain the confidentiality
20 and privileged status of the document, material, or other
21 information.

22 *c.* If the investigative information in the possession of the
23 commissioner or the commissioner's agents indicates a crime has
24 been committed, the information shall be reported to the proper
25 law enforcement agency.

26 8. *a.* Pursuant to section 17A.19, subsection 6, upon an
27 appeal by the adjuster, the commissioner shall transmit the
28 entire record of the contested case to the reviewing court.

29 *b.* Notwithstanding section 17A.19, subsection 6, if a
30 waiver of privilege has been involuntary and evidence has been
31 received at a disciplinary hearing, the court shall issue
32 an order to withhold the identity of the individual whose
33 privilege was waived.

34 **Sec. 48. NEW SECTION. 522C.14 Civil and criminal penalties.**

35 1. *a.* Upon a determination by the commissioner after a

1 hearing conducted pursuant to chapter 17A that an adjuster has
2 violated a provision of this chapter, the commissioner shall
3 reduce the findings of the hearing to writing and deliver a
4 copy of the findings to the adjuster.

5 *b.* Upon a determination by the commissioner that an adjuster
6 has engaged, is engaging, or is about to engage in any act or
7 practice constituting a violation of this chapter or a rule
8 adopted or order issued under this chapter, the commissioner
9 may take the following actions:

10 (1) Issue an order requiring the adjuster to cease and
11 desist from engaging in the conduct resulting in the violation.

12 (2) Assess a civil penalty against the adjuster of not more
13 than one thousand dollars for each violation of this chapter,
14 not to exceed an aggregate of ten thousand dollars.

15 (3) If the adjuster knew or reasonably should have known
16 the adjuster was in violation of this chapter, assess a
17 civil penalty of not more than five thousand dollars for each
18 violation of this chapter, not to exceed an aggregate penalty
19 of fifty thousand dollars in any one six-month period.

20 (4) (a) Issue a summary order, including a brief statement
21 of findings of fact, conclusions of law, and policy reasons for
22 the decision, and directing the adjuster to cease and desist
23 from engaging in the act or practice or to take affirmative
24 action as is necessary in the judgment of the commissioner to
25 comply with the requirements of this chapter.

26 (b) An adjuster may contest a summary order by filing,
27 within thirty calendar days from the date of the issuance of
28 the summary order, a written request for a contested case
29 proceeding and hearing as provided in chapter 17A and in
30 accordance with rules adopted by the commissioner. Section
31 17A.18A shall be inapplicable to a summary order issued under
32 this subsection. If a hearing is not requested within thirty
33 calendar days from the date of issuance of the summary order,
34 the summary order shall become final by operation of law. A
35 summary order shall remain effective from the date of issuance

1 until the date the order becomes final by operation of law,
2 or is modified or overturned by a presiding officer or court
3 following a request for hearing.

4 (c) An adjuster violating a summary order issued under this
5 subsection shall be deemed in contempt of the summary order.
6 The commissioner may petition the district court to enforce the
7 order as certified by the commissioner. The district court
8 shall find the adjuster in contempt of the order if the court
9 finds, after conducting a hearing, that the adjuster is not
10 in compliance with the order. The court may assess a civil
11 penalty against the adjuster and may issue further orders as
12 the court deems appropriate.

13 c. In addition to any other penalty under this section,
14 if the commissioner finds that a violation of this chapter
15 was directed, encouraged, condoned, ignored, or ratified by
16 the employer of the adjuster, the commissioner shall assess a
17 penalty to the employer. Penalties under this paragraph may be
18 retained by the commissioner under section 505.7, subsection 9.

19 2. a. A person acting as an adjuster without proper
20 licensure, or an adjuster who willfully violates any provision
21 of this chapter or an order issued under this chapter, is
22 guilty of a class "D" felony. If the violation results in a
23 loss of more than ten thousand dollars, the person or adjuster
24 is guilty of a class "C" felony.

25 b. An adjuster who steals, converts, or misappropriates
26 funds that should be held in trust under section 522C.11, is
27 guilty of a class "D" felony. If the violation results in a
28 loss of more than ten thousand dollars, the adjuster is guilty
29 of a class "C" felony.

30 c. The commissioner may refer such evidence as is available
31 concerning a violation of this chapter, or of any rule adopted
32 or order issued under this chapter, or of the failure of a
33 person to comply with the licensing requirements of this
34 chapter, to the attorney general or the proper county attorney
35 who may institute the appropriate criminal proceedings under

1 this chapter.

2 *d.* This chapter does not limit the power of the state to
3 punish any person for conduct that constitutes a crime under
4 any other statute.

5 3. Any contract regulated by this chapter that is entered
6 into by an insured with a person who is not a licensed public
7 adjuster in this state shall be void. If a contract is void,
8 the insured is not liable for the payment for any past services
9 rendered, or future services to be rendered, by that person.

10 Sec. 49. NEW SECTION. **522C.15 Reinstatement or reissuance**
11 **of a license after disciplinary matters — forfeiture in lieu of**
12 **compliance.**

13 1. *a.* A person licensed as an adjuster under this chapter
14 whose license has been revoked or suspended by order, or who
15 forfeited a license in connection with a disciplinary matter,
16 may apply to the commissioner for reinstatement or reissuance
17 in accordance with the terms of the order of revocation or
18 suspension, or the order accepting the forfeiture, and submit
19 to a criminal history check under section 522B.5A.

20 *b.* Proceedings for reinstatement or reissuance shall be
21 initiated by the applicant who shall file with the commissioner
22 an application for reinstatement or reissuance after
23 disciplinary action. An applicant shall not be eligible for
24 reinstatement or reissuance until the applicant satisfies the
25 requirements under section 522C.5, 522C.5A, 522C.5B, 522C.5C,
26 or 522C.5D, as applicable, and the examination requirements
27 under section 522C.8. An applicant may also be required to
28 submit a new or renewal adjuster application under section
29 522C.5A, 522C.5B, 522C.5C, or 522C.5D, as applicable.

30 *c.* An application for reinstatement or reissuance shall
31 allege facts which, if established, are sufficient to enable
32 the commissioner to determine that the basis of revocation,
33 suspension, or forfeiture of the applicant's license no longer
34 exists, and must disclose if the applicant has engaged in
35 any conduct listed as a cause for licensing action that was

1 not included in the order for suspension, revocation, or
2 forfeiture.

3 *d.* An application for reinstatement or reissuance shall
4 allege facts which, if established, are sufficient to enable
5 the commissioner to determine that it is in the public
6 interest for the application to be granted. The commissioner
7 may determine that it is not in the public interest if the
8 applicant has engaged in any conduct listed as a cause for
9 licensing action that was not included in the order for
10 suspension, revocation, or forfeiture, or if the applicant does
11 not have the character and fitness to be a licensed adjuster
12 in this state.

13 *e.* The burden of proof to establish facts identified in
14 paragraphs "*c*" and "*d*" shall be on the applicant.

15 *f.* An adjuster may request reinstatement of a suspended
16 license prior to the end of the suspension term.

17 *g.* Unless otherwise provided by law, if an order of
18 revocation or suspension did not establish terms on which
19 reinstatement or reissuance may occur, or if the license
20 was forfeited, an initial application for reinstatement or
21 reissuance shall not be made until at least one year from the
22 date of the order of the suspension, revocation, or acceptance
23 of the forfeiture of a license.

24 2. All proceedings on an application for reinstatement or
25 reissuance, including preliminary and ancillary matters, shall
26 be held in accordance with chapter 17A. The application shall
27 be docketed in the original case in which the original license
28 was suspended, revoked, or forfeited, if the case exists.

29 3. An order of reinstatement or reissuance shall be based
30 on a written decision which incorporates findings of fact
31 and conclusions of law. An order granting an application
32 for reinstatement or reissuance may impose such terms and
33 conditions as the commissioner or the commissioner's designee
34 deems appropriate, and may include one or more penalties
35 provided under section 522C.14. The order shall be a public

1 record and may be disseminated in compliance with chapter 22.

2 4. If an adjuster's ordered suspension period ends prior to
3 the adjuster's license expiration date and the adjuster applies
4 for reinstatement prior to the license expiration date and
5 meets all applicable requirements, the division shall reinstate
6 the license as soon as practicable but no earlier than the end
7 of the suspension period if the division, after a complete
8 review, determines the license should be reinstated.

9 5. If an adjuster's license is suspended beyond the
10 adjuster's license expiration date, whether due to an ordered
11 suspension time period or failure to apply for reinstatement
12 prior to expiration, the adjuster must apply for reissuance.

13 6. A submission of voluntary forfeiture of a license
14 shall be made in writing to the commissioner. Forfeiture of
15 a license is effective on the date of submission unless a
16 contested case proceeding is pending on the date of submission.
17 If a contested case proceeding is pending, the forfeiture
18 shall become effective upon conditions as ordered by the
19 commissioner. A forfeiture made during the pendency of a
20 contested case proceeding shall be considered a disciplinary
21 action and shall be published in the same manner as is
22 applicable to any other form of disciplinary order.

23 7. The commissioner shall not be prohibited from denying an
24 application for reinstatement or reissuance, or from bringing
25 an additional immediate action, if an adjuster has engaged in
26 an additional violation of chapter 507B or 522C, or otherwise
27 failed to meet all applicable requirements.

28 8. This section shall not apply to reinstatement of an
29 expired license or issuance of a new license that is not in
30 connection with a disciplinary matter.

31 **Sec. 50. NEW SECTION. 522C.16 Suspension for failure to**
32 **pay child support or state debt.**

33 1. The commissioner shall deny an adjuster's application
34 for license issuance, renewal, reinstatement, or reissuance;
35 suspend a current license; or revoke a currently suspended

1 license, upon receipt of a certificate of noncompliance from
2 the child support recovery unit pursuant to chapter 252J,
3 or upon receipt of a certificate of noncompliance from the
4 centralized collection unit of the department of revenue
5 pursuant to chapter 272D.

6 2. Upon receipt of a certificate of noncompliance under
7 subsection 1, the commissioner shall issue a notice to the
8 adjuster that the division will, unless the certificate of
9 noncompliance is withdrawn, deny the adjuster's application
10 for license issuance, renewal, reinstatement, or reissuance,
11 suspend the adjuster's current license, or revoke the
12 adjuster's currently suspended license, thirty calendar days
13 after the date the notice is mailed. Notice shall be sent
14 to the adjuster's last known address by restricted certified
15 mail, return receipt requested, or in accordance with the
16 division's rules for service. The notice shall contain all of
17 the following:

18 a. A statement that the commissioner intends to deny
19 the adjuster's application for license issuance, renewal,
20 reinstatement, or reissuance; suspend the adjuster's current
21 license; or revoke the adjuster's currently suspended license
22 in thirty calendar days unless the certificate of noncompliance
23 is withdrawn.

24 b. A statement that the adjuster must contact the agency
25 that issued the certificate of noncompliance to request a
26 withdrawal.

27 c. A statement that the adjuster does not have a right to
28 a hearing before the division, but that the adjuster may file
29 an application for a hearing in district court pursuant to
30 section 252J.9 or 272D.9, as applicable, and that the filing
31 of an application by the adjuster will stay the proceedings of
32 the division.

33 d. A copy of the certificate of noncompliance.

34 3. An adjuster shall keep the commissioner informed of all
35 actions taken by the district court or the issuing agency in

1 connection with a certificate of noncompliance. Within seven
2 calendar days of filing or issuance, an adjuster shall provide
3 to the commissioner a copy of all applications filed with the
4 district court pursuant to an application or hearing, all
5 court orders entered in such action, and all withdrawals of a
6 certificate of noncompliance.

7 4. If an applicant or licensed adjuster timely files an
8 application for hearing in district court and the division
9 is notified of the filing, the commissioner's denial,
10 suspension, or revocation proceedings shall be stayed until
11 the division is notified by the district court, the issuing
12 agency, the licensee, or the applicant of the resolution of
13 the application. Upon receipt of a court order lifting the
14 stay or otherwise directing the commissioner to proceed, the
15 commissioner shall continue with the intended action described
16 in the notice.

17 5. If the commissioner does not receive a withdrawal of
18 the certificate of noncompliance from the issuing agency, or a
19 notice from a clerk of court, the issuing agency, the licensee,
20 or the applicant that an application for hearing has been filed
21 within thirty calendar days after the notice is issued, the
22 commissioner shall deny the adjuster's application for license
23 issuance, renewal, reinstatement, or reissuance; suspend a
24 current license; or revoke a currently suspended license.

25 6. Upon receipt of a withdrawal of a certificate of
26 noncompliance from the issuing agency, suspension or revocation
27 proceedings shall halt and the named adjuster shall be notified
28 that the proceedings have halted. If the adjuster's license
29 has already been suspended, the adjuster must apply for
30 reinstatement in accordance with section 522C.15, and the
31 license shall be reinstated if the adjuster is otherwise in
32 compliance with this chapter. If the adjuster's application
33 for licensure was stayed, application processing shall resume.
34 All fees required for license renewal, reinstatement, or
35 reissuance must be paid by the adjuster, and all continuing

1 education requirements shall be satisfied, before the
2 adjuster's license is renewed or reinstated after a license
3 suspension or revocation under this chapter.

4 7. The commissioner shall notify an adjuster in writing
5 through regular first class mail, or such other means as the
6 commissioner deems appropriate under the circumstances, within
7 ten calendar days of the effective date of the suspension or
8 revocation of the adjuster's license, and shall also notify the
9 adjuster when the adjuster's license is reinstated following
10 the commissioner's receipt of a withdrawal of the certificate
11 of noncompliance.

12 8. Notwithstanding any provision of law to the contrary, the
13 division may share information with the child support recovery
14 unit or the centralized collection unit of the department of
15 revenue for the sole purpose of identifying adjusters subject
16 to enforcement under chapter 252J or 272D.

17 Sec. 51. NEW SECTION. 522C.17 Severability.

18 If any provision of this chapter or the application thereof
19 to any person or circumstance is held invalid, the invalidity
20 does not affect other provisions or applications of this
21 chapter which can be given effect without the invalid provision
22 or application, and to this end the provisions of this chapter
23 are severable.

24 Sec. 52. APPLICABILITY. The licensure and examination
25 requirements of chapter 522C in this division of this Act apply
26 three months after the enactment date of this division of this
27 Act to a person currently doing business in this state as an
28 independent adjuster or a staff adjuster as of January 1, 2025.

29 DIVISION VI

30 LICENSING AND REGULATION OF APPRAISERS AND UMPIRES

31 Sec. 53. Section 507B.2, subsection 1, Code 2025, is amended
32 to read as follows:

33 1. "Person" shall mean any individual, corporation,
34 association, partnership, reciprocal exchange, interinsurer,
35 fraternal beneficiary association, and any other legal entity

1 engaged in the business of insurance, including insurance
2 producers, appraisers, umpires, and adjusters. "Person" shall
3 also mean any corporation operating under the provisions of
4 chapter 514 and any benevolent association as defined and
5 operated under chapter 512A. For purposes of this chapter,
6 corporations operating under the provisions of chapter 514 and
7 chapter 512A shall be deemed to be engaged in the business of
8 insurance.

9 Sec. 54. Section 522B.5A, subsection 2, paragraph c, Code
10 2025, is amended to read as follows:

11 c. A renewal, reinstatement, or reissuance of a license
12 if the license of a producer has been revoked or suspended
13 pursuant to section 522B.11, the license of a public adjuster
14 has been revoked or suspended pursuant to section 522C.6
15 522C.13, ~~or~~ the license of a viatical settlement provider
16 or viatical settlement broker has been revoked or suspended
17 pursuant to section 508E.4, or the license of an appraiser or
18 an umpire has been revoked or suspended pursuant to section
19 522F.20.

20 Sec. 55. Section 522B.5A, subsection 2, Code 2025, is
21 amended by adding the following new paragraphs:

22 NEW PARAGRAPH. f. An initial license as an appraiser in
23 this state.

24 NEW PARAGRAPH. g. An initial license as an umpire in this
25 state.

26 Sec. 56. NEW SECTION. 522F.1 Definitions.

27 As used in this chapter, unless the context otherwise
28 requires:

29 1. "Adjuster" means a person licensed pursuant to chapter
30 522C.

31 2. "Amount of loss" means the monetary amount determined
32 to be necessary to properly repair or replace damage related
33 to the scope of a loss for a covered peril, and is limited to
34 all applicable coverages for covered items associated with the
35 claim.

- 1 3. "*Appraiser*" means a person licensed as an appraiser
2 pursuant to section 522F.4.
- 3 4. "*Appraiser list*" means a list, maintained by the
4 division, of all appraisers licensed by the division.
- 5 5. "*Claimant*" means a person who makes a first-party claim
6 under a policy of property and casualty insurance.
- 7 6. "*Commissioner*" means the commissioner of insurance.
- 8 7. "*Disciplinary matter*" means an individual is the subject
9 of an investigation, complaint, pending administrative action,
10 or other such action in any state.
- 11 8. "*First-party claim*" means a claim filed by a named
12 insured under an insurance policy against which a claim is
13 made.
- 14 9. "*Good cause*" means a legally sufficient reason including
15 but not limited to any of the following:
- 16 *a.* A conflict of interest.
- 17 *b.* A lack of independence or an inability to competently or
18 promptly carry out the duties required under this chapter.
- 19 *c.* Any other reason that would reasonably be expected to
20 impair an appraisal.
- 21 10. "*Immediate family*" means an individual's parent,
22 sibling, child, grandchild, spouse, spouses of the individual's
23 children, or parents of the individual's spouse.
- 24 11. "*Insured*" means a person covered under an insurance
25 policy against which a claim is made.
- 26 12. "*Insurer*" means a person engaged in the business of
27 insurance and regulated under chapter 507A, 508, 512B, 515,
28 518, 518A, or 520.
- 29 13. "*NIPR gateway*" means the communication network developed
30 and operated by the national insurance producer registry that
31 links state insurance regulators with regulated entities to
32 facilitate the electronic exchange of adjuster information,
33 including but not limited to license applications, license
34 renewals, appointments, and terminations.
- 35 14. "*Party*" means an insurer or a claimant, including an

1 employee, contractor, and other representative of an insurer
2 or claimant.

3 15. "Person" means an individual or a business entity.

4 16. "Reinstatement" means the reinstatement of a suspended
5 license which was suspended in connection with a disciplinary
6 matter, and that has not expired or been terminated during the
7 suspension period.

8 17. "Reissuance" means the issuance of a new license
9 following the revocation of a license, the suspension and
10 subsequent termination of a license, or the forfeiture of a
11 license in connection with a disciplinary matter.

12 18. "Umpire" means a person licensed as an umpire pursuant
13 to section 522F.9.

14 19. "Umpire list" means a list, maintained by the division,
15 of all umpires licensed by the division.

16 Sec. 57. NEW SECTION. 522F.2 Rules.

17 The commissioner may adopt rules pursuant to chapter 17A to
18 administer this chapter.

19 Sec. 58. NEW SECTION. 522F.3 Appraiser's license —
20 eligibility.

21 1. A person shall not act as, or represent that the person
22 is, an appraiser in this state unless the person is licensed
23 under this chapter. A person that acts as an appraiser in this
24 state solely for a crop hail or multiperil crop insurance claim
25 shall not be subject to this chapter.

26 2. A person applying for an appraiser license shall submit
27 an application on a uniform individual application or a uniform
28 business entity application in the form and manner prescribed
29 by the commissioner.

30 3. To be eligible for licensure under this chapter, a person
31 shall meet all of the following criteria:

32 a. Have experience or training in building construction,
33 repair, or estimating property damage.

34 b. Unless waived by the commissioner based on the person's
35 other professional qualifications, have a minimum of three

1 years' experience as any of the following:

2 (1) A professional engineer licensed under chapter 542B or
3 similarly licensed in another state.

4 (2) An architect licensed under chapter 544A or similarly
5 licensed in another state.

6 (3) An adjuster licensed under chapter 522C or similarly
7 licensed in another state.

8 (4) A residential contractor as defined in section 103A.71.

9 (5) A contractor registered under chapter 91C or similarly
10 registered in another state.

11 c. (1) Pass a written examination as prescribed by
12 the division. The examination shall test the knowledge of
13 a person concerning the appraisal process, the duties and
14 responsibilities of an appraiser, and the insurance laws and
15 rules of this state. Examination results shall be valid for
16 ninety calendar days from the date of examination.

17 (2) An individual who concurrently applies for an appraiser
18 license, and a license as an adjuster under chapter 522C, may
19 choose to take a joint examination conducted as prescribed by
20 the division. The joint examination shall test the knowledge
21 of the individual concerning the duties and responsibilities
22 of an adjuster and of an appraiser, and the insurance laws
23 and administrative rules of this state. An individual who
24 successfully passes a joint examination, and who meets all
25 other requirements for licensure as an appraiser, and as an
26 adjuster under chapter 522C, shall be licensed as both an
27 adjuster and as an appraiser.

28 d. Have the requisite character and competence, as
29 determined by the division.

30 4. To determine an applicant's eligibility for licensure,
31 the commissioner may require a criminal history check pursuant
32 to section 522B.5A.

33 Sec. 59. NEW SECTION. **522F.4 Appraisers — licensure,**
34 **license renewal, and fees.**

35 1. A person who meets the requirements under section 522F.3,

1 unless otherwise denied licensure pursuant to section 522F.20,
2 shall be issued an appraiser license that is valid for two
3 years from the date of issue.

4 2. Any applicable fee for a criminal history check pursuant
5 to section 522B.5A.

6 3. The fee for an initial appraiser license, or renewal of
7 an appraiser license, shall be fifty dollars for a two-year
8 license. An applicant who concurrently applies for both an
9 appraiser license, and a license as an adjuster under chapter
10 522C, shall only be required to pay the fee required under this
11 chapter or the fee required under chapter 522C.

12 4. The fee for reinstatement of an expired appraiser license
13 shall be one hundred dollars.

14 5. The fee for a reinstatement or reissuance of an appraiser
15 license suspended or revoked due to a disciplinary action shall
16 be one hundred dollars.

17 6. An appraiser's license shall contain the licensee's
18 name, business address, appraisal license number, the date of
19 issuance, the expiration date, and any other information the
20 division deems necessary.

21 7. An appraiser licensed under this chapter shall be
22 required to complete continuing education requirements, as
23 prescribed by the division, to be eligible for license renewal
24 or reinstatement.

25 8. An appraiser licensed under this chapter shall inform
26 the division, in the manner and form specified by the division,
27 of a change of legal name or business address within thirty
28 calendar days of the change. Failure to timely inform the
29 division may result in a penalty as specified in section
30 522F.20.

31 9. The division shall publish an appraiser list on the
32 division's internet site in a manner readily available to the
33 public. The appraiser list shall include all of the following
34 information for each licensed appraiser:

35 a. The business telephone number, business mailing address,

1 business email address, and the county and state of residence
2 of the appraiser as provided to the division by the appraiser
3 for licensure.

4 *b.* The appraiser's area of training or expertise.

5 *c.* The date of the appraiser's initial licensure and the
6 date the license expires.

7 10. Prior to approving a business entity's application for
8 a license as an appraiser, the commissioner shall find that the
9 business entity has designated an individual appraiser licensed
10 in this state to be responsible for the business entity's
11 compliance with the insurance laws and rules of this state.

12 **Sec. 60. NEW SECTION. 522F.5 Appraiser license**
13 **reinstatement — not related to disciplinary action.**

14 1. An appraiser may apply for reinstatement of an expired
15 license up to one year after the license expiration date
16 by submitting a request through the NIPR gateway, paying a
17 reinstatement fee and a license renewal fee, and submitting
18 evidence to the division that the appraiser met the continuing
19 education requirements under section 522F.4. An appraiser who
20 fails to apply for license reinstatement within one year of the
21 date of expiration of the appraiser's license must apply for
22 a new license.

23 2. An appraiser who surrendered a license, not in connection
24 with a disciplinary matter, and stated an intent to exit the
25 appraiser business may file a request with the division to
26 reactivate the appraiser license. The request must be received
27 by the division within ninety calendar days of the date the
28 appraiser's license was placed on inactive status. The request
29 shall be granted if the former appraiser is otherwise eligible
30 to receive an appraiser license. If the appraiser's request to
31 reactivate the license is not received within ninety calendar
32 days of the date the appraiser's license was placed on inactive
33 status, the appraiser must apply for a new license.

34 3. An appraiser whose license is suspended, revoked,
35 or forfeited in connection with a disciplinary matter, or

1 forfeited in lieu of compliance, shall not be eligible for
2 reinstatement under this section and must follow the procedures
3 in section 522F.22.

4 Sec. 61. NEW SECTION. 522F.6 Appraisers — payment.

5 1. Each party to an appraisal shall be responsible for the
6 following:

7 a. The party's own appraiser's fees and expenses.

8 b. An equal share of all reasonable and necessary fees and
9 expenses incurred by an umpire, if necessary.

10 c. An equal share of all reasonable and necessary costs
11 incurred in the course of conducting the appraisal.

12 2. An appraiser shall not charge any party on a basis
13 dependent on the outcome of the written itemized award, or
14 charge in a manner that relies on a barter arrangement, gift,
15 favor, or in-kind exchange.

16 3. An appraiser shall not charge, and is not entitled to,
17 a fee, compensation, deposit, or other type of consideration
18 if the appraiser abandons the appraisal prior to the umpire
19 issuing a written itemized award.

20 Sec. 62. NEW SECTION. 522F.7 Appraisers — standards of
21 conduct.

22 1. An appraiser shall act with due diligence, including but
23 not limited to demonstrating accuracy, fairness, and timeliness
24 throughout an appraisal process.

25 2. a. (1) No later than five business days after being
26 hired by a party to an appraisal and before beginning work as
27 an appraiser, an appraiser shall disclose to all parties to the
28 appraisal any potential conflict of interest.

29 (2) An appraiser shall not engage in any act or practice
30 that is a conflict of interest during the appraisal.

31 (3) If a conflict of interest arises after the start of the
32 appraisal process, an appraiser shall disclose the conflict of
33 interest to the parties and shall withdraw from the appraisal
34 process no more than five business days after the conflict of
35 interest arose.

1 *b.* A conflict of interest shall include but is not limited
2 to all of the following:

3 (1) An appraiser is a party to a lawsuit against any party
4 to an appraisal.

5 (2) An appraiser is a party to, or a member or employee
6 of a law firm that represents a party to, a current lawsuit
7 involving an insurer that is a party to the appraisal.

8 (3) An appraiser has personally investigated, prosecuted,
9 or advocated in connection with the appraisal.

10 (4) An appraiser has acted as counsel to any party to
11 an appraisal within the two years immediately preceding the
12 appraisal.

13 (5) An appraiser has a personal financial interest in the
14 outcome of the appraisal or any other significant interest
15 that could be substantially affected by the outcome of the
16 appraisal.

17 (6) A member of an appraiser's immediate family is any of
18 the following:

19 (a) A party to the appraisal, or an officer, director, or
20 trustee of a party.

21 (b) A current employee of an appraiser or an adjuster to the
22 appraisal.

23 (c) A business entity licensed as an adjuster that adjusted
24 the loss at issue in the appraisal.

25 (d) Known to have an interest that could be substantially
26 affected by the outcome of the appraisal.

27 (e) An immediate family member that has a legally sufficient
28 reason that requires the appraiser to withdraw from the
29 appraisal.

30 3. An appraiser shall postpone an appraisal for a reasonable
31 amount of time if any party demonstrates reasonable cause for
32 a postponement. The appraiser shall notify all parties if
33 the appraisal process is postponed. An appraiser's failure
34 to timely notify all parties may result in a penalty under
35 sections 522F.20 and 522F.21.

1 4. In the course of an appraisal, an appraiser shall
2 consider all information provided by the parties and any
3 other reasonably available evidence that is material to the
4 appraisal.

5 5. In the course of an appraisal, an appraiser shall
6 carefully decide all issues submitted for determination of the
7 amount of loss and actual cash value.

8 6. In the course of an appraisal, an appraiser shall provide
9 all parties a fair and reasonable itemized written appraisal
10 detailing the amount of loss and actual cash value.

11 7. In the course of an appraisal, an appraiser shall ensure
12 the appraiser's party is reasonably informed of all updates
13 throughout the appraisal process.

14 8. An appraiser shall not permit outside influence to affect
15 an appraisal.

16 9. An appraiser shall not allow a person other than the
17 umpire for the appraisal to determine differences between the
18 actual cash value and the amount of loss of each item on the
19 appraisal.

20 10. *a.* An appraiser shall not communicate directly or
21 indirectly with any of the following:

22 (1) An opposing party or representative of the opposing
23 party other than the opposing party's appraiser.

24 (2) The umpire, unless reasonable notice and opportunity
25 to participate in the communication is provided to an opposing
26 appraiser.

27 *b.* Notwithstanding paragraph "a", an appraiser may
28 communicate with an opposing party or an umpire in order to do
29 any of the following:

30 (1) Identify the party's counsel or experts.

31 (2) Discuss logistical matters, including the time and
32 place of a meeting or to make arrangements for the conduct
33 of the appraisal. The appraiser initiating contact with the
34 umpire shall promptly inform an opposing appraiser.

35 (3) If an opposing appraiser fails to participate in a

1 meeting or conference call after receiving reasonable notice
2 and opportunity to participate, or if all parties agree
3 in writing in advance of a meeting or conference call, an
4 appraiser may discuss a claim with the umpire.

5 11. An appraiser shall not act as, or have ever acted as, an
6 adjuster or umpire on the same claim.

7 12. An appraiser shall not withdraw or abandon an appraisal
8 unless compelled by unforeseen circumstances that would render
9 it impossible or impracticable for the appraiser to continue.

10 13. During the appraisal process, an appraiser may hire
11 an outside expert to provide subject matter expertise as
12 necessary.

13 Sec. 63. NEW SECTION. 522F.8 Umpire license — eligibility.

14 1. An individual shall not act as, or represent that the
15 individual is, an umpire in this state unless the individual
16 is licensed under this chapter. An individual that acts as an
17 umpire in this state solely for a crop hail or multiperil crop
18 insurance claim shall not be subject to this chapter.

19 2. An individual applying for an umpire license shall submit
20 an application on a uniform individual application in the form
21 and manner prescribed by the commissioner.

22 3. To be eligible for licensure under this chapter, an
23 individual shall meet all of the following criteria:

24 a. Unless waived by the commissioner based on the
25 individual's other professional qualifications, have a minimum
26 of three years' experience as any of the following:

27 (1) A professional engineer licensed under chapter 542B or
28 similarly licensed in another state.

29 (2) An architect licensed under chapter 544A or similarly
30 licensed in another state.

31 (3) An adjuster licensed under chapter 522C or similarly
32 licensed in another state.

33 (4) An appraiser licensed under this chapter or similarly
34 licensed in another state.

35 (5) An attorney licensed in this state, or another state,

1 with experience in first-party property damage litigation.

2 (6) An insurance regulator.

3 b. Pass a written examination as prescribed by the
4 division. The examination shall test the knowledge of the
5 individual concerning the appraisal process, the duties and
6 responsibilities of an umpire, and the insurance laws and rules
7 of this state. Examination results shall be valid for ninety
8 calendar days from the date of examination.

9 c. Have the requisite character and competence, as
10 determined by the division.

11 4. To determine an applicant's eligibility for licensure,
12 the commissioner may require a criminal history check pursuant
13 to section 522B.5A.

14 Sec. 64. NEW SECTION. 522F.9 Umpires — licensure, license
15 renewal, and fees.

16 1. An individual who meets the requirements of section
17 522F.8, unless otherwise denied licensure pursuant to section
18 522F.20, shall be issued an umpire license that is valid for
19 two years from the date of issue.

20 2. Any applicable fee for a criminal history check pursuant
21 to section 522B.5A.

22 3. The fee for an initial umpire license, or renewal of an
23 umpire license, shall be fifty dollars for a two-year license.

24 4. The fee for reinstatement of an expired umpire license
25 shall be one hundred dollars.

26 5. The fee for a reinstatement or reissuance of an umpire
27 license suspended or revoked due to a disciplinary action shall
28 be one hundred dollars.

29 6. An umpire's license shall contain the licensee's name,
30 business address, umpire license number, the date of issuance,
31 the expiration date, and any other information the division
32 deems necessary.

33 7. An umpire licensed under this chapter shall be required
34 to complete continuing education requirements, as prescribed
35 by the division to be eligible for license renewal or

1 reinstatement.

2 8. An umpire licensed under this chapter shall inform the
3 division, in the manner and form specified by the division,
4 of a change of legal name or business address within thirty
5 calendar days of the change. Failure to timely inform the
6 division may result in a penalty as specified in sections
7 522F.20 and 522F.21.

8 9. The division shall publish an umpire list on the
9 division's internet site in a manner that is readily available
10 to the public. The umpire list shall include all of the
11 following information for each licensed umpire:

12 a. The business telephone number, business mailing address,
13 business email address, and the county and state of residence
14 of the umpire as provided to the division by the umpire for
15 licensure.

16 b. The umpire's area of training and expertise.

17 c. The date of the umpire's initial licensure and the date
18 the license expires.

19 Sec. 65. NEW SECTION. 522F.10 Umpire license reinstatement
20 — not related to disciplinary action.

21 1. An umpire may apply for reinstatement of an expired
22 license up to one year after the license expiration date
23 by submitting a request through the NIPR gateway, paying a
24 reinstatement fee, and submitting evidence to the division that
25 the umpire met the continuing education requirements under
26 section 522F.9. An umpire who fails to apply for license
27 reinstatement within one year of the date of expiration of the
28 umpire's license must apply for a new license.

29 2. An umpire who surrendered a license, not in connection
30 with a disciplinary matter, and stated an intent to exit the
31 umpire business, may file a request with the division to
32 reactivate the umpire license. The request must be received
33 by the division within ninety calendar days of the date the
34 umpire's license was placed on inactive status. The request
35 shall be granted if the former umpire is otherwise eligible

1 to receive an umpire license. If the umpire's request to
2 reactivate the umpire's license is not received within ninety
3 calendar days of the date the license was placed on inactive
4 status, the umpire must apply for a new license.

5 3. An umpire whose license is suspended, revoked, or
6 forfeited in connection with a disciplinary matter, or
7 forfeited in lieu of compliance, shall not be eligible for
8 reinstatement under this section and must follow the procedures
9 in section 522F.22.

10 Sec. 66. NEW SECTION. 522F.11 Umpires — payment.

11 1. In addition to the costs each party is responsible
12 for under section 522F.6, each party to an appraisal that
13 requires an umpire shall be responsible for an equal share of
14 all reasonable and necessary fees and expenses incurred by the
15 umpire.

16 2. If the parties settle before the appraisers direct the
17 umpire to begin work, the umpire shall not charge a fee.

18 3. An umpire shall not charge any party on a basis dependent
19 on the outcome of the written itemized award, or charge in a
20 manner that relies on a barter arrangement, gift, favor, or
21 in-kind exchange.

22 4. Prior to the conclusion of an appraisal process via
23 final settlement, or issuance of a written itemized award by
24 an umpire, an umpire shall not require, demand, or accept
25 any fee, retainer, compensation, deposit, or other type of
26 consideration, unless the loss is being handled by the umpire
27 on a time-plus-expense basis.

28 5. An umpire shall not charge, and is not entitled to, a
29 fee, compensation, deposit, or other type of consideration if
30 the umpire abandons the appraisal prior to the umpire issuing a
31 written itemized award.

32 Sec. 67. NEW SECTION. 522F.12 Umpires — objections.

33 A party or appraiser that objects for good cause to a
34 selected umpire within the time limit specified in section
35 522F.14, subsection 3, paragraph "b", shall send the objection

1 to all parties involved in the appraisal and, if applicable, to
2 the judge who appointed the umpire from the umpire list under
3 section 522F.14, subsection 3, paragraph "d". A copy of the
4 objection shall be sent to the division electronically in the
5 form and manner prescribed by the commissioner. The objection
6 shall include all of the following information:

- 7 1. The names of all parties involved in the dispute.
- 8 2. The name of the person submitting the objection.
- 9 3. The insurer's claim number.
- 10 4. The name of the umpire that the party or appraiser
11 objects to.
- 12 5. An explanation of the good cause basis for the objection.

13 **Sec. 68. NEW SECTION. 522F.13 Umpires — standards of**
14 **conduct.**

15 1. An umpire shall act with due diligence, including but
16 not limited to demonstrating accuracy, fairness, and timeliness
17 throughout an appraisal process.

18 2. *a.* (1) No later than three business days after being
19 hired by the parties to an appraisal and before beginning work
20 as an umpire to the appraisal, an umpire shall disclose to all
21 parties to the appraisal any potential conflict of interest.
22 If a conflict of interest exists, the umpire shall withdraw
23 from the appraisal.

24 (2) An umpire shall not engage in any act or practice that
25 is a conflict of interest during the appraisal.

26 (3) If a conflict of interest arises after the start of an
27 appraisal process, an umpire shall disclose the conflict of
28 interest to the parties and shall withdraw from the appraisal
29 process.

30 *b.* A conflict of interest shall include but is not limited
31 to the following:

32 (1) An umpire is a party to a lawsuit against any party to
33 an appraisal.

34 (2) An umpire is a party to, or a member or employee of
35 a law firm that represents a party to, a current lawsuit

1 involving an insurer that is party to the appraisal.

2 (3) An umpire has a personal open claim involving an insurer
3 that is a party to the appraisal.

4 (4) An umpire has a personal bias or prejudice against a
5 party.

6 (5) An umpire has personally investigated, prosecuted, or
7 advocated in connection with the appraisal.

8 (6) An umpire has acted as counsel to any party to an
9 appraisal within the two years immediately preceding the
10 appraisal.

11 (7) An umpire has a personal financial interest in the
12 outcome of the appraisal or any other significant interest
13 that could be substantially affected by the outcome of the
14 appraisal.

15 (8) A member of an umpire's immediate family is any of the
16 following:

17 (a) A party to the appraisal, or an officer, director, or
18 trustee of a party.

19 (b) A current employee of an appraiser or an adjuster to the
20 appraisal.

21 (c) A business entity licensed as an adjuster that adjusted
22 the loss at issue in the appraisal.

23 (d) Known to have an interest that could be substantially
24 affected by the outcome of the appraisal.

25 (e) An immediate family member that has a legally sufficient
26 reason that requires the umpire to withdraw from the appraisal.

27 3. Prior to beginning work as an umpire, an umpire shall
28 enter into a written contract with all parties to the appraisal
29 that requires the parties and the umpire to comply with this
30 section, and provides that each party shall pay costs as
31 required under section 522F.11.

32 4. An umpire shall not begin work on a claim until the
33 umpire receives each appraiser's differences in actual cash
34 value and amount of loss of each item of the claim, and written
35 approval from the parties for the umpire to begin work.

1 5. No later than three business days after receiving notice
2 of selection for an appraisal, an umpire shall send notice
3 to the parties and the appraisers that includes all of the
4 following:

5 a. A statement informing each party if the umpire is insured
6 by an insurer.

7 b. A statement informing each party of the party's
8 respective right to object to the umpire under section 522F.12.

9 6. An umpire shall address only issues in an appraisal that
10 the appraisers disagree on.

11 7. An umpire shall review all information submitted by the
12 appraisers and parties related to the dispute, including but
13 not limited to the itemized appraisals or estimates, supporting
14 documents, photographs, and diagrams. The umpire shall review
15 the differences between what each appraiser submitted and seek
16 agreement by the appraisers regarding the disputed issues.

17 8. An umpire shall allow each appraiser to a claim a fair
18 opportunity to present evidence and arguments regarding the
19 appraisal.

20 9. An umpire shall ask questions, or request documents or
21 other evidence, as the umpire deems necessary in the course of
22 an appraisal.

23 10. An umpire may accept either appraiser's scope,
24 quantity, value, or cost regarding an item in dispute, or
25 develop an independent decision on each item in dispute.

26 11. An umpire shall decide all matters in an appraisal
27 fairly, and shall exercise independent judgment and integrity.

28 12. An umpire shall prepare and distribute a written
29 itemized award pursuant to section 522F.16.

30 13. An umpire shall not visit the claimant's damaged
31 property without consent from all appraisers.

32 14. An umpire shall not withdraw or abandon an appraisal
33 unless compelled by unforeseen circumstances that would render
34 it impossible or impracticable for the umpire to continue on a
35 claim.

1 15. An umpire shall not attend or participate in settlement
2 discussions unless requested to do so by all parties.

3 16. An umpire shall not permit outside influences to affect
4 an appraisal.

5 17. An umpire shall not delegate the umpire's duty to decide
6 a claim to any other person.

7 18. Unless reasonable notice and opportunity to participate
8 in a communication is provided to an opposing party and the
9 opposing party's appraiser, an umpire shall not communicate,
10 directly or indirectly, with any party or appraiser regarding a
11 pending appraisal.

12 19. Unless reasonable notice and opportunity to participate
13 in a communication is provided to all parties, an umpire shall
14 not communicate, directly or indirectly, with any party, a
15 representative of any party, or any other person with a direct
16 or indirect interest in the claim, regarding an issue of fact
17 or law in the appraisal.

18 20. An umpire shall not act as, or have ever acted as, an
19 adjuster or appraiser on the same claim.

20 Sec. 69. NEW SECTION. 522F.14 **Appraisal process.**

21 1. This section provides for the appraisal process if all
22 of the following apply:

23 a. The claimant's insurance policy is delivered, issued for
24 delivery, or renewed in this state.

25 b. The property that is the subject of the claimant's
26 claim is located in this state, or the dispute is subject to
27 jurisdiction in this state.

28 c. A claimant gave proper notice to the claimant's insurer
29 of a loss claim, and the claimant and insurer dispute the
30 actual cash value of the scope of loss, or the amount of loss
31 the insurer will pay, for the claimant's claim under the
32 claimant's policy. The claimant and the insurer must both
33 provide the other party with a scope of loss of a covered
34 peril, including a list stating separately the actual cash
35 value and the amount of claimed loss for each item.

1 *d.* The claimant or insurer demands in writing an appraisal.

2 2. Within twenty calendar days following either the
3 claimant's or insurer's receipt of the other party's written
4 demand for an appraisal, the claimant and the insurer
5 shall each select an appraiser from the appraiser list.
6 Upon selection, the appraiser shall attest in writing to
7 the selecting party that the appraiser is competent and
8 disinterested with regards to the appraisal in question.

9 3. *a.* Within fifteen calendar days of the selection of
10 appraisers pursuant to subsection 2, both appraisers shall
11 agree on an umpire from the umpire list.

12 *b.* A party or an appraiser may object to the agreed-upon
13 umpire for good cause pursuant to section 522F.12 no later
14 than five business days after the umpire has been selected. A
15 replacement umpire from the umpire list shall then be agreed
16 upon by both appraisers.

17 *c.* If both appraisers fail to agree on an umpire, either the
18 claimant or insurer shall immediately provide written notice
19 to the division, in the form and manner prescribed by the
20 division, and the division shall randomly select an umpire from
21 the umpire list and notify the parties.

22 *d.* If either appraiser requests that an umpire be selected
23 by a judge in the state in which the property that is the
24 subject of the claim is located, a judge shall give deference
25 to the randomly selected umpire from the umpire list by the
26 division unless either the claimant or the insurer provides
27 good cause for the judge to make an alternative selection from
28 the umpire list.

29 4. Within forty-five calendar days from the date the
30 umpire is selected, both appraisers shall appraise the loss,
31 stating separately the actual cash value and the amount of
32 loss for each item. Each appraiser shall submit separately
33 the appraiser's actual cash value and amount of loss of each
34 item, along with any supporting information, to the umpire.
35 Each appraiser shall also submit written authorization for the

1 umpire to commence the umpire's work.

2 5. No later than forty-five calendar days after receipt of
3 the actual cash value and amount of loss under subsection 4,
4 the umpire shall prepare and provide to the parties and each
5 appraiser a written itemized award showing the actual cash
6 value and amount of loss. The written itemized award shall
7 include but is not limited to all of the following:

8 a. Contact information for each appraiser and the umpire.

9 b. The insured's policy number and the insured's claim
10 number.

11 c. The date of the insured's loss.

12 d. The type of covered peril that caused the loss.

13 e. The date the umpire commenced work.

14 f. The legal name of the insurer.

15 g. The physical address of the property on which the insured
16 made a claim.

17 h. The date of the umpire's written itemized award.

18 i. (1) A description and itemization of the final written
19 itemized award by coverage type, including but not limited to:

20 (a) Coverage A — dwelling.

21 (b) Coverage B — other structures.

22 (c) Coverage C — personal property.

23 (2) The description and itemization by coverage type shall
24 include contested items that have been resolved, sublimits,
25 and other disputed items. Items, including but not limited
26 to items with sublimits, shall be separately noted to avoid
27 ambiguity in the final written itemized award.

28 j. The signature of the umpire and at least one appraiser.

29 6. Prior to the umpire issuing the written itemized award,
30 the parties may agree to conclude the appraisal process when
31 the parties reach a final settlement.

32 Sec. 70. NEW SECTION. 522F.15 Appraisal clause.

33 All property insurance policies delivered, issued for
34 delivery, continued, or renewed in this state on or after
35 January 1, 2026, shall contain an appraisal clause that

1 complies with this chapter.

2 Sec. 71. NEW SECTION. 522F.16 Appraisal award.

3 1. An appraiser and umpire shall act with due diligence in
4 achieving an appraisal award.

5 2. An insurer's payment of an appraisal award to an insured
6 shall be subject to the limits of coverage, and other terms and
7 conditions of the insured's policy, including reductions for
8 deductibles and prior payments. The insurer shall provide the
9 insured with an itemized and detailed written explanation of
10 the payment of the settlement, including an explanation of any
11 item that is specifically denied under the terms of the policy.
12 Unless otherwise agreed upon by the parties in writing, an
13 appraisal award shall be binding and paid by the insurer
14 within sixty calendar days of the written itemized award being
15 submitted to the insurer.

16 3. An insurer's motion to vacate an appraisal award for good
17 cause shall be filed within thirty calendar days from the date
18 the insurer receives the written itemized award in the court
19 of record.

20 Sec. 72. NEW SECTION. 522F.17 Reporting of actions.

21 1. An appraiser or umpire shall report to the commissioner
22 any administrative action taken against the appraiser or umpire
23 in another jurisdiction or by another administrative agency in
24 this state within thirty calendar days of the final disposition
25 of the matter. This report shall include a copy of the order,
26 consent to the order, and other relevant legal documents.

27 2. Within thirty calendar days of the initial pretrial
28 hearing date, an appraiser or umpire shall report to the
29 commissioner any criminal prosecution of the appraiser or
30 umpire taken in any jurisdiction. The report shall include a
31 copy of the initial complaint filed, the order resulting from
32 the hearing, and any other relevant legal documents.

33 3. An appraiser or umpire who willfully fails to comply with
34 this section is subject to penalty under section 522F.20.

35 Sec. 73. NEW SECTION. 522F.18 Records — appraisers and

1 **umpires.**

2 1. An appraiser or umpire shall have a continuing duty and
3 obligation to keep, at the appraiser's or umpire's place of
4 business, usual and customary records pertaining to appraisals
5 undertaken by the appraiser or umpire. All such records
6 shall be kept available for inspection by the commissioner or
7 the commissioner's agent during regular business hours. The
8 commissioner or the commissioner's agent shall not be entitled
9 to inspect any records prepared in anticipation of litigation
10 or that are subject to any privilege recognized in chapter 622.
11 Such records shall be maintained for a minimum of three years
12 following the date of final claim resolution.

13 2. An appraiser or umpire who willfully fails to comply with
14 this section is subject to penalty under section 522F.20.

15 **Sec. 74. NEW SECTION. 522F.19 Hearings — service of**
16 **process, attendance of witnesses, and production of documents.**

17 1. Whenever the commissioner believes that a person has
18 been engaged, or is engaging, in a violation of this chapter
19 or a rule adopted or an order issued under this chapter, and
20 that a proceeding by the commissioner would be in the public
21 interest, the commissioner shall issue and serve upon the
22 person a statement of the charges and a notice of a hearing on
23 the charges to be held at the time and place set in the notice,
24 which shall not be less than ten business days after the date
25 of service of such notice.

26 2. At the time and place of such hearing, the person shall
27 have an opportunity to be heard and to show cause why an order
28 should not be made by the commissioner requiring the person to
29 cease and desist from the violation of the chapter, rule, or
30 order. Upon a showing of good cause, the commissioner shall
31 permit any person, by counsel or in person, to intervene,
32 appear, and be heard at such hearing.

33 3. A hearing under this section shall not be required to
34 observe formal rules of pleading or evidence.

35 4. The commissioner, at a hearing under this section, may

1 administer oaths, examine and cross-examine witnesses, receive
 2 oral and documentary evidence, and may subpoena witnesses,
 3 compel their attendance, and require the production of books,
 4 papers, records, correspondence, or other documents which the
 5 commissioner deems relevant. The commissioner may, and upon
 6 the request of any party shall, cause to be made a stenographic
 7 record of the evidence and proceedings of a hearing under this
 8 section. If no stenographic record is made and if a judicial
 9 review is sought, the commissioner shall prepare a statement
 10 of the evidence and proceeding for use on review. If a person
 11 refuses to comply with a subpoena issued under this section,
 12 or to testify to a matter for which the person may lawfully be
 13 interrogated, the district court of Polk county or the district
 14 court of the county where the person resides, on application of
 15 the commissioner, may issue an order requiring such person to
 16 comply with such subpoena or to testify. Failure of a person
 17 to obey such order of the court may be punished by the court as
 18 contempt.

19 5. Statements of charges, notices, orders, subpoenas, and
 20 other processes of the commissioner under this chapter may be
 21 served by anyone authorized by the commissioner, either in the
 22 manner provided by law for service of process in civil actions,
 23 or by mailing a copy by restricted certified mail to the person
 24 affected by the statement, notice, order, subpoena, or other
 25 process at the person's residence or principal office or place
 26 of business. The verified return by the person serving the
 27 statement, notice, order, subpoena, or other process, setting
 28 forth the manner of such service, shall be proof of service,
 29 and the return receipt for the statement, notice, order,
 30 subpoena, or other process, mailed by restricted certified
 31 mail, shall be proof of the service.

32 **Sec. 75. NEW SECTION. 522F.20 License denial, nonrenewal,**
 33 **or revocation — penalties.**

34 1. The division may place on probation, suspend, revoke, or
 35 refuse to issue or renew an appraiser's license or an umpire's

1 license, and may levy a civil penalty against an appraiser or
2 umpire as provided in section 522F.21, for one or more of the
3 following causes:

4 *a.* The appraiser or umpire provided incorrect, misleading,
5 incomplete, or materially untrue information in a license
6 application.

7 *b.* The appraiser or umpire violated an insurance law,
8 regulation, subpoena, or order of the commissioner or of a
9 commissioner of another state.

10 *c.* The appraiser or umpire obtained or attempted to obtain a
11 license through misrepresentation or fraud.

12 *d.* The appraiser or umpire improperly withheld,
13 misappropriated, or converted money or property received from
14 an insured in the course of doing business.

15 *e.* The appraiser or umpire was convicted of a felony.

16 *f.* The appraiser or umpire committed, or was found to have
17 committed, any unfair trade practice or fraud.

18 *g.* The appraiser or umpire used fraudulent, coercive,
19 or dishonest practices, or demonstrated incompetence,
20 untrustworthiness, or financial irresponsibility in the conduct
21 of business.

22 *h.* The appraiser or umpire had any professional license, or
23 its equivalent, denied, suspended, or revoked in this state or
24 any other state, province, district, or territory.

25 *i.* The appraiser or umpire forged another's name to any
26 document related to an appraisal.

27 *j.* The appraiser or umpire improperly used notes or any
28 other reference material to complete an examination for an
29 appraisal license or umpire license.

30 *k.* The appraiser knowingly negotiated as an appraiser with
31 an individual who is not, but is required to be, licensed as an
32 appraiser during an appraisal.

33 *l.* The umpire knowingly acted as an umpire during the
34 conduct of an appraisal with an individual who is not, but is
35 required to be, licensed as an appraiser during an appraisal.

1 *m.* The appraiser or umpire failed to comply with an
2 administrative or court order related to repayment of loans to
3 the college student aid commission.

4 *n.* The appraiser or umpire failed to pay state income tax or
5 comply with any administrative or court order directing payment
6 of state income tax.

7 *o.* The appraiser or umpire failed to comply with an
8 administrative or court order imposing a child support
9 obligation.

10 *p.* The appraiser or umpire failed or refused to cooperate
11 in an investigation conducted by the commissioner or the
12 commissioner's designee.

13 *q.* The appraiser or umpire used an appraiser license
14 or umpire license for the principal purpose of procuring,
15 receiving, or forwarding appraisals, or placing or affecting
16 such appraisals, directly or indirectly, on or in connection
17 with the property of the licensee or the property of a
18 relative, employer, or employee of the licensee, or upon or in
19 connection with property for which the licensee or a relative,
20 employer, or employee of the licensee is an agent, custodian,
21 vendor, bailee, trustee, or payee.

22 2. If the commissioner does not renew a license or denies an
23 application for a license, the commissioner shall notify the
24 applicant, appraiser, or umpire in writing of the reason for
25 the nonrenewal of the license or denial of the application for
26 a license. The applicant, appraiser, or umpire may request a
27 hearing on the nonrenewal or denial. The applicant, appraiser,
28 or umpire shall have thirty calendar days from the date of
29 receipt of the notice to file a written request for a hearing.
30 A hearing shall be conducted according to section 522F.19.

31 3. The license of an umpire, an appraiser, or an appraiser
32 business entity may be suspended, revoked, placed on probation,
33 or refused if the commissioner finds, after hearing, that an
34 umpire's, appraiser's, or appraiser business entity's violation
35 was known or should have been known by a partner, officer,

1 or manager of the business entity and the violation was not
2 reported to the commissioner and corrective action was not
3 taken.

4 4. In addition to, or in lieu of, denial, probation,
5 suspension, or revocation of a license under this section, an
6 appraiser or umpire, after hearing, may be subject to a civil
7 penalty as provided in section 522F.21.

8 5. The commissioner may enforce this chapter, may conduct
9 an investigation of any suspected violation of this chapter,
10 and may impose any penalty or remedy authorized by this chapter
11 against any person who is under investigation for, or charged
12 with, a violation of this chapter even if the person's license
13 has been surrendered or has lapsed by operation of law.

14 6. *a.* All complaint files, investigation files,
15 investigation reports, and other investigative information
16 in the possession of the commissioner or the commissioner's
17 agents that relates to appraiser or umpire discipline shall
18 be privileged and confidential, and shall not be subject
19 to discovery, subpoena, or other means of legal compulsion
20 for release to a person other than the appraiser or umpire,
21 and shall not be admissible in evidence in a judicial or
22 administrative proceeding other than the proceeding involving
23 the appraiser or umpire discipline. A final written decision
24 of the commissioner in a disciplinary proceeding shall be a
25 public record.

26 *b.* Investigative information in the possession of the
27 commissioner or the commissioner's agent that relates to
28 appraiser or umpire discipline may be disclosed at the
29 discretion of the commissioner. The commissioner may
30 share documents, materials, or other information, including
31 confidential and privileged documents, materials, or
32 information under this subsection with other state, federal,
33 and international regulatory agencies, with NAIC and its
34 affiliates or subsidiaries, and with state, federal, and
35 international law enforcement authorities, provided that the

1 recipient agrees to maintain the confidentiality and privileged
2 status of the document, material, or other information.

3 *c.* If the investigative information in the possession of the
4 commissioner or the commissioner's agents indicates a crime has
5 been committed, the information shall be reported to the proper
6 law enforcement agency.

7 7. *a.* Pursuant to section 17A.19, subsection 6, upon an
8 appeal by the appraiser or umpire, the commissioner shall
9 transmit the entire record of the contested case to the
10 reviewing court.

11 *b.* Notwithstanding section 17A.19, subsection 6, if a
12 waiver of privilege has been involuntary and evidence has been
13 received at a disciplinary hearing, the court shall issue
14 an order to withhold the identity of the individual whose
15 privilege was waived.

16 Sec. 76. NEW SECTION. 522F.21 **Civil and criminal penalties.**

17 1. *a.* Upon a determination by the commissioner, after
18 a hearing conducted pursuant to chapter 17A, that a person
19 violated this chapter, the commissioner shall reduce the
20 findings of the hearing to writing and deliver a copy of the
21 findings to the person.

22 *b.* Upon a determination by the commissioner that a person
23 has engaged, is engaging, or is about to engage in any act or
24 practice constituting a violation of this chapter or a rule
25 adopted or order issued under this chapter, the commissioner
26 may take the following actions:

27 (1) Issue an order requiring the person to cease and desist
28 from engaging in the conduct resulting in the violation.

29 (2) Assess a civil penalty against the person of not more
30 than one thousand dollars for each violation not to exceed an
31 aggregate of ten thousand dollars.

32 (3) If the person knew or reasonably should have known the
33 person was in violation of this chapter, assess a civil penalty
34 of not more than five thousand dollars for each violation
35 of this chapter not to exceed an aggregate penalty of fifty

1 thousand dollars in any one six-month period.

2 (4) (a) Issue a summary order, including a brief statement
3 of findings of fact, conclusions of law, and policy reasons for
4 the decision, and directing the person to cease and desist from
5 engaging in the act or practice or to take affirmative action
6 as is necessary in the judgment of the commissioner to comply
7 with the requirements of this chapter.

8 (b) A person may contest a summary order by filing,
9 within thirty calendar days from the date of the issuance of
10 the summary order, a written request for a contested case
11 proceeding and hearing as provided in chapter 17A and in
12 accordance with rules adopted by the commissioner. Section
13 17A.18A shall be inapplicable to a summary order issued under
14 this subsection. If a hearing is not requested within thirty
15 calendar days from the date of issuance of the summary order,
16 the summary order shall become final by operation of law. A
17 summary order shall remain effective from the date of issuance
18 until the date the order becomes final by operation of law,
19 or is modified or overturned by a presiding officer or court
20 following a request for hearing.

21 (c) A person violating a summary order issued under this
22 subsection shall be deemed in contempt of the summary order.
23 The commissioner may petition the district court to enforce the
24 order as certified by the commissioner. The district court
25 shall find the person in contempt of the order if the court
26 finds, after conducting a hearing, that the person is not
27 in compliance with the order. The court may assess a civil
28 penalty against the person and may issue further orders as the
29 court deems appropriate.

30 c. In addition to any other penalty under this section,
31 if the commissioner finds that a violation of this chapter
32 was directed, encouraged, condoned, ignored, or ratified by
33 the employer of the appraiser or umpire, the commissioner
34 shall assess a penalty to the employer. Penalties under this
35 paragraph may be retained by the commissioner under the fund

1 described in section 505.7, subsection 9.

2 2. a. A person acting as an appraiser or an umpire without
3 proper licensure, or an appraiser or an umpire who willfully
4 violates any provision of this chapter or an order issued
5 under this chapter, is guilty of a class "D" felony. If the
6 violation results in a loss of more than ten thousand dollars,
7 the appraiser or an umpire is guilty of a class "C" felony.

8 b. The commissioner may refer such evidence as is available
9 concerning a violation of this chapter, or of any rule adopted
10 or order issued under this chapter, or of the failure of a
11 person to comply with the licensing requirements of this
12 chapter, to the attorney general or the proper district
13 attorney who may institute the appropriate criminal proceedings
14 under this chapter.

15 c. This chapter shall not limit the power of the state to
16 punish any person for any conduct that constitutes a crime
17 under any other statute.

18 Sec. 77. NEW SECTION. 522F.22 Reinstatement or reissuance
19 of a license after disciplinary matters — forfeiture in lieu of
20 compliance.

21 1. a. A person licensed under this chapter as an appraiser
22 or umpire whose license has been revoked or suspended by order,
23 or who forfeited a license in connection with a disciplinary
24 matter, may apply to the commissioner for reinstatement
25 or reissuance in accordance with the terms of the order
26 of revocation or suspension, or the order accepting the
27 forfeiture, and submit to a criminal history check under
28 section 522B.5A.

29 b. (1) Proceedings for reinstatement or reissuance
30 shall be initiated by the applicant who shall file with the
31 commissioner an application for reinstatement or reissuance
32 after disciplinary action.

33 (2) An appraiser shall not be eligible for reinstatement or
34 reissuance until the appraiser satisfies the requirements under
35 section 522F.3 and pays any required fees. An appraiser may be

1 required to submit a new or renewal appraiser application under
2 section 522F.5.

3 (3) An umpire shall not be eligible for reinstatement or
4 reissuance until the umpire satisfies the requirements under
5 section 522F.8 and pays any required fees. An umpire may be
6 required to submit a new or renewal umpire application under
7 section 522F.10.

8 *c.* An application for reinstatement or reissuance shall
9 allege facts which, if established, are sufficient to enable
10 the commissioner to determine that the basis of revocation,
11 suspension, or forfeiture of the applicant's license no longer
12 exists, and must disclose if the applicant has engaged in
13 any conduct listed as a cause for licensing action that was
14 not included in the order for suspension, revocation, or
15 forfeiture.

16 *d.* An application for reinstatement or reissuance shall
17 allege facts which, if established, are sufficient to enable
18 the commissioner to determine that it is in the public
19 interest for the application to be granted. The commissioner
20 may determine that it is not in the public interest if the
21 applicant has engaged in any conduct listed as a cause for
22 licensing action that was not included in the order for
23 suspension, revocation, or forfeiture, or if the applicant does
24 not have the character and fitness to be a licensed appraiser
25 or umpire in this state.

26 *e.* The burden of proof to establish facts identified in
27 paragraphs "*c*" and "*d*" shall be on the applicant.

28 *f.* A person licensed as an appraiser or an umpire may
29 request reinstatement of a suspended license prior to the end
30 of the suspension term.

31 *g.* Unless otherwise provided by law, if an order of
32 revocation or suspension did not establish terms upon which
33 reinstatement or reissuance may occur, or if the license
34 was forfeited, an initial application for reinstatement or
35 reissuance shall not be made until at least one year from the

1 date of the order of the suspension, revocation, or acceptance
2 of the forfeiture of a license.

3 2. All proceedings upon the application for reinstatement
4 or reissuance, including preliminary and ancillary matters,
5 shall be held in accordance with chapter 17A. The application
6 shall be docketed in the original case in which the original
7 license was suspended, revoked, or forfeited, if the case
8 exists.

9 3. An order of reinstatement or reissuance shall be based
10 on a written decision which incorporates findings of fact
11 and conclusions of law. An order granting an application
12 for reinstatement or reissuance may impose such terms and
13 conditions as the commissioner or the commissioner's designee
14 deems appropriate, which may include one or more penalties
15 provided under this chapter. The order shall be a public
16 record and may be disseminated in compliance with chapter 22.

17 4. If an appraiser's or umpire's ordered suspension period
18 ends prior to the appraiser's or umpire's license expiration
19 date and the appraiser or umpire applies for reinstatement
20 prior to the license expiration date and meets all applicable
21 requirements, the division shall reinstate the license as soon
22 as practicable but no earlier than the end of the suspension
23 period if the division, after a complete review, determines the
24 license should be reinstated.

25 5. If an appraiser's or umpire's license is suspended beyond
26 the appraiser's or umpire's license expiration date, whether
27 due to an ordered suspension time period or failure to apply
28 for reinstatement prior to expiration, the appraiser or umpire
29 must apply for reissuance.

30 6. A submission of voluntary forfeiture of a license
31 shall be made in writing to the commissioner. Forfeiture of
32 a license is effective upon the date of submission unless a
33 contested case proceeding is pending on the date of submission.
34 If a contested case proceeding is pending, the forfeiture shall
35 become effective upon conditions as required by order of the

1 commissioner. A forfeiture made during the pendency of a
2 contested case proceeding shall be considered a disciplinary
3 action and shall be published in the same manner as is
4 applicable to any other form of disciplinary order.

5 7. The commissioner shall not be prohibited from denying
6 an application for reinstatement or reissuance, or bringing
7 an additional immediate action, if an appraiser or umpire
8 has engaged in an additional violation of chapter 507B or
9 this chapter or otherwise failed to meet all applicable
10 requirements.

11 8. This section shall not apply to reinstatement of an
12 expired license or issuance of a new license that is not in
13 connection with a disciplinary matter.

14 Sec. 78. NEW SECTION. 522F.23 **Suspension for failure to**
15 **pay child support or state debt.**

16 1. The commissioner shall deny an appraiser's or umpire's
17 application for license issuance, renewal, reinstatement,
18 or reissuance; suspend a current license; or revoke a
19 currently suspended license upon receipt of a certificate of
20 noncompliance from the child support recovery unit pursuant to
21 chapter 252J, or upon receipt of a certificate of noncompliance
22 from the centralized collection unit of the department of
23 revenue pursuant to chapter 272D.

24 2. Upon receipt of a certificate of noncompliance
25 under subsection 1, the commissioner shall issue a notice
26 to the appraiser or umpire that the division will, unless
27 the certificate of noncompliance is withdrawn, deny the
28 appraiser's or umpire's application for license issuance,
29 renewal, reinstatement, or reissuance, suspend the appraiser's
30 or umpire's current license, or revoke the appraiser's or
31 umpire's currently suspended license, thirty calendar days
32 after the date the notice is mailed. Notice shall be sent to
33 the appraiser's or umpire's last known address by restricted
34 certified mail, return receipt requested, or in accordance with
35 the division's rules for service. The notice shall contain all

1 of the following:

2 *a.* A statement that the commissioner intends to deny the
3 appraiser's or umpire's application for license issuance,
4 renewal, reinstatement, or reissuance; suspend the appraiser's
5 or umpire's current license; or revoke the appraiser's or
6 umpire's currently suspended license in thirty calendar days
7 unless the certificate of noncompliance is withdrawn.

8 *b.* A statement that the appraiser or umpire must contact the
9 agency that issued the certificate of noncompliance to request
10 a withdrawal.

11 *c.* A statement that the appraiser or umpire does not have a
12 right to a hearing before the division, but that the appraiser
13 or umpire may file an application for a hearing in district
14 court pursuant to section 252J.9 or 272D.9, as applicable, and
15 that the filing of an application by the appraiser or umpire
16 will stay the proceedings of the division.

17 *d.* A copy of the certificate of noncompliance.

18 3. An appraiser or umpire shall keep the commissioner
19 informed of all actions taken by the district court or
20 the issuing agency in connection with a certificate of
21 noncompliance. An appraiser or umpire shall provide to
22 the commissioner, within seven calendar days of filing or
23 issuance, a copy of all applications filed with the district
24 court pursuant to an application or hearing, all court orders
25 entered in such action, and all withdrawals of a certificate
26 of noncompliance.

27 4. If an applicant, appraiser, or umpire timely files an
28 application for hearing in district court and the division
29 is notified of the filing, the commissioner's denial,
30 suspension, or revocation proceedings shall be stayed until
31 the division is notified by the district court, the issuing
32 agency, the licensee, or the applicant of the resolution of
33 the application. Upon receipt of a court order lifting the
34 stay or otherwise directing the commissioner to proceed, the
35 commissioner shall continue with the intended action described

1 in the notice.

2 5. If the commissioner does not receive a withdrawal of
3 the certificate of noncompliance from the issuing agency,
4 or a notice from a clerk of court, the issuing agency, the
5 appraiser, the umpire, or the applicant that an application for
6 hearing has been filed within thirty calendar days after the
7 notice is issued, the commissioner shall deny the applicant's,
8 appraiser's, or umpire's application for license issuance,
9 renewal, reinstatement, or reissuance; suspend a current
10 license; or revoke a currently suspended license.

11 6. Upon receipt of a withdrawal of a certificate of
12 noncompliance from the issuing agency, suspension or revocation
13 proceedings shall halt and the named appraiser or umpire
14 shall be notified that the proceedings have halted. If the
15 appraiser's or umpire's license has already been suspended, the
16 appraiser or umpire must apply for reinstatement in accordance
17 with section 522F.22, and the license shall be reinstated
18 if the appraiser or umpire is otherwise in compliance with
19 this chapter. If the appraiser's or umpire's application for
20 licensure was stayed, application processing shall resume.
21 All fees required for license renewal, reinstatement, or
22 reissuance must be paid by an appraiser or umpire, and all
23 continuing education requirements shall be satisfied, before
24 the appraiser's or umpire's license is renewed or reinstated
25 after a license suspension or revocation under this chapter.

26 7. The commissioner shall notify an appraiser or umpire
27 in writing through regular first class mail, or such other
28 means as the commissioner deems appropriate under the
29 circumstances, within ten calendar days of the effective date
30 of the suspension or revocation of the appraiser's or umpire's
31 license, and shall also notify the appraiser or umpire when the
32 appraiser's or umpire's license is reinstated following the
33 commissioner's receipt of a withdrawal of the certificate of
34 noncompliance.

35 8. Notwithstanding any provision of law to the contrary, the

1 division may share information with the child support recovery
2 unit or the centralized collection unit of the department of
3 revenue for the sole purpose of identifying appraisers or
4 umpires subject to enforcement under chapter 252J or 272D.

5 Sec. 79. NEW SECTION. 522F.24 Severability.

6 If any provision of this chapter or the application thereof
7 to any person or circumstance is held invalid, the invalidity
8 does not affect other provisions or applications of this
9 chapter which can be given effect without the invalid provision
10 or application, and to this end the provisions of this chapter
11 are severable.

12 Sec. 80. CODE EDITOR DIRECTIVE. The Code editor shall
13 divide chapter 522F into subchapters and shall designate
14 sections 522F.1 through 522F.2, as enacted in this division
15 of this Act, as subchapter I entitled "General Provisions",
16 sections 522F.3 through 522F.7, as enacted in this division
17 of this Act, as subchapter II entitled "Appraisers", sections
18 522F.8 through 522F.13, as enacted in this division of this
19 Act, as subchapter III entitled "Umpires", sections 522F.14
20 through 522F.16, as enacted in this division of this Act, as
21 subchapter IV entitled "Appraisals", sections 522F.17 through
22 522F.18, as enacted in this division of this Act, as subchapter
23 V entitled "Duties of Licensees", and sections 522F.19 through
24 522F.23, as enacted in this division of this Act, as subchapter
25 VI entitled "Hearings and Penalties".

26 DIVISION VII

27 IOWA ECONOMIC EMERGENCY FUND — PROCLAMATION OF DISASTER
28 EMERGENCY

29 Sec. 81. Section 8.55, subsection 3, paragraph a, Code 2025,
30 is amended to read as follows:

31 a. Except as provided in paragraphs "b", "c", and "d",
32 and "f", the moneys in the Iowa economic emergency fund shall
33 only be used pursuant to an appropriation made by the general
34 assembly. An appropriation shall only be made for the fiscal
35 year in which the appropriation is made. The moneys shall

1 only be appropriated by the general assembly for emergency
2 expenditures.

3 Sec. 82. Section 8.55, subsection 3, Code 2025, is amended
4 by adding the following new paragraph:

5 NEW PARAGRAPH. *f.* (1) It is the intent of the general
6 assembly for this paragraph to enable the executive branch to
7 react to disasters impacting this state, including the ability
8 to protect citizens, safeguard property, ensure safety, and
9 provide for economic stability during disaster emergencies.

10 (2) For the fiscal year beginning July 1, 2025, and each
11 fiscal year thereafter, there is appropriated from the Iowa
12 economic emergency fund to the department of management ten
13 percent of the maximum balance of the Iowa economic emergency
14 fund as calculated for the immediately preceding fiscal
15 year, to be used for disaster response, disaster recovery
16 activities, or disaster aid to citizens. For purposes of this
17 subparagraph, "*disaster response, disaster recovery activities,*
18 *or disaster aid to citizens*" includes any of the following:

19 (a) Disaster aid provided to businesses engaged in disaster
20 recovery as described in chapter 15, subchapter II, part 13,
21 and housing businesses engaged in disaster recovery housing
22 projects as defined in section 15.354, subsection 6.

23 (b) Disaster recovery housing assistance provided under
24 chapter 16, subchapter VII, part 6.

25 (c) Support for programs under chapter 29C, including
26 support for the director of the department of homeland security
27 and emergency management in executing the director's powers and
28 duties under section 29C.8.

29 (d) Support for any other program through which disaster
30 response, recovery activities, or aid is effected, provided the
31 program is not inconsistent with the intent set forth in this
32 paragraph.

33 (3) The department of management's disbursements of
34 moneys appropriated to the department under this paragraph are
35 contingent upon all of the following:

1 (a) The issuance of a proclamation of disaster emergency by
2 the governor under section 29C.6, which proclamation covers the
3 disaster for which the moneys will be used.

4 (b) The disbursement occurs at the direction of the
5 governor, with the approval of the executive council, pursuant
6 to section 29C.6, subsection 18.

7 (4) Subject to the approval of the governor, the
8 department of management may provide for an interdepartmental
9 transfer of moneys appropriated in this paragraph to another
10 department or establishment for the purposes specified in
11 this paragraph, subject to the notification and reporting
12 requirements set forth in section 8.39, subsections 4 and 5,
13 but notwithstanding the other limitations and requirements of
14 section 8.39. Disbursements by the department of management
15 under this paragraph to another department or establishment
16 shall not be counted in calculating the aggregate amount of
17 intradepartmental and interdepartmental transfers under section
18 8.39, subsection 3.

19 (5) Moneys appropriated in this paragraph shall not
20 supplant other appropriated moneys.

21 (6) (a) Notwithstanding section 8.33, moneys disbursed by
22 the department of management under this paragraph to another
23 department or establishment shall not revert but shall remain
24 available for expenditure for the purposes designated until the
25 close of the succeeding fiscal year, at which time the moneys
26 shall revert to the Iowa economic emergency fund.

27 (b) Moneys not disbursed as described in subparagraph
28 division (a) shall revert to the Iowa economic emergency fund
29 at the close of the fiscal year for which the moneys were
30 appropriated, as required under section 8.33.

31 Sec. 83. Section 29C.6, Code 2025, is amended by adding the
32 following new subsection:

33 NEW SUBSECTION. 18. Direct the disbursement of moneys by
34 the department of management under section 8.55, subsection 3,
35 paragraph "f", with the approval of the executive council.

DIVISION VIII

IOWA ECONOMIC EMERGENCY FUND — APPROPRIATIONS

1
2
3 Sec. 84. NUISANCE PROPERTY REMEDIATION ASSISTANCE FUND —
4 FY 2024-2025. There is appropriated from the Iowa economic
5 emergency fund created in section 8.55 to the economic
6 development authority for the fiscal year beginning July 1,
7 2024, and ending June 30, 2025, the following amount, or so
8 much thereof as is necessary, to be used for the purposes
9 designated:

10 For deposit in the nuisance property remediation assistance
11 fund established in section 15.338:

12 \$ 2,000,000

13 Notwithstanding section 8.33, moneys appropriated in this
14 section that remain unencumbered or unobligated at the close of
15 the fiscal year shall not revert but shall remain available for
16 expenditure for the purposes designated until the close of the
17 succeeding fiscal year.

18 Sec. 85. DISASTER RECOVERY HOUSING ASSISTANCE FUND —
19 FY 2024-2025. There is appropriated from the Iowa economic
20 emergency fund created in section 8.55 to the Iowa finance
21 authority for the fiscal year beginning July 1, 2024, and
22 ending June 30, 2025, the following amount, or so much thereof
23 as is necessary, to be used for the purposes designated:

24 For deposit in the disaster recovery housing assistance fund
25 created in section 16.57B:

26 \$ 11,600,000

27 Notwithstanding section 8.33, moneys appropriated in this
28 section that remain unencumbered or unobligated at the close of
29 the fiscal year shall not revert but shall remain available for
30 expenditure for the purposes designated until the close of the
31 succeeding fiscal year.

32 Sec. 86. EFFECTIVE DATE. This division of this Act, being
33 deemed of immediate importance, takes effect upon enactment.