

COUNCIL OF THE DISTRICT OF COLUMBIA


NOTICE

D. C. LAW 3-52

"District of Columbia Insurance Act Amendments of 1979"

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 3-53, on first and second readings, November 20, 1979 and December 4, 1979 respectively. Following the signature of the Mayor on December 21, 1979, this legislation was assigned Act No. 3-142, published in the January 4, 1980, edition of the D.C. Register, (Vol. 27 page 26) and transmitted to Congress on January 8, 1980 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and, therefore, cites this enactment as D.C. Law 3-52 effective February 23, 1980.

  
ARRINGTON DIXON  
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

January 8, 9, 10, 11, 14, 15, 16, 17, 22, 23, 24, 25, 28, 29  
30, 31  
February 1, 4, 5, 6, 7, 8, 11, 12, 13, 14, 19, 20, 21, 22

D.C. LAW 3-52

EFFECTIVE  
DATE FEB 23 1980

*Enacted*

AN ACT

D.C. ACT 3-142

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

DEC 21 1979

To revise group term life insurance amount limitations, to revise certain insurance fees and charges, and for other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the "District of Columbia Insurance Act Amendments of 1979".

Sec. 2. Section 2 of Chapter II of the Life Insurance Act, approved June 19, 1934 (48 Stat. 1130; D.C. Code, sec. 35-402) is amended to read as follows:

"All charges and fees provided for in this section shall be collected by the superintendent and made payable to the District of Columbia.

"For filing charter or articles of incorporation or association, or deed of settlement or copy thereof, required by law, \$150; for each company certificate of authority \$100; for license of each general agent, \$50; for license of each agent or solicitor, \$10; for license of each broker, \$50. All licenses for brokers, insurance companies, their

agents or solicitors, who may apply for permission to do business in the District of Columbia, shall date from the first of the month in which application is made and expire on the 30th day of April following. There shall be no proration of any charge or fee provided for in this section."

Sec. 3. Section 10 of Chapter V of the Life Insurance Act, approved June 19, 1934 (48 Stat. 1164; D.C. Code, sec. 35-710) is amended as follows:

(a) by striking out the last sentence in subsection (1)(d);

(b) by striking out "\$10,000" in subsection (2)(d) and inserting in lieu thereof "\$25,000";

(c) by adding in subsection (2)(d) immediately after "whichever is less", a comma and the following: "or \$75,000 for mortgage transactions, whichever is less";

(d) by striking out the last sentence in subsection (3)(d);

(e) by amending subsection (4)(b) to read as follows:

"(b) The premium for the policy shall be paid by the trustees wholly from funds contributed by the employer or employers of the insured persons, or by the union or unions, or by both, or partly from such funds and partly from funds contributed by the insured

persons. A policy on which part of the premium is to be derived from funds contributed by the insured persons specifically for their insurance may be placed in force only if at least 75 per centum of the then eligible persons, excluding any as to whom evidence of insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured persons specifically for their insurance must insure all eligible persons, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.";

(f) by amending subsection (4)(c) to read as follows:

"(c) The policy must cover at date of issue at least one hundred persons; and it must cover an average of not less than three persons per employer unit unless the policy is issued to the trustees of a fund established by employers who have assumed obligations through a collective bargaining agreement and are participating in the fund either pursuant to those obligations with regard to one or more classes of their employees who are encompassed in the collective bargaining agreement or as a method of providing insurance benefits for other classes of their employees.

or unless the policy is issued to the trustees of a fund established by one or more labor unions.";

(q) by striking out the last sentence in subsection

(4)(d);

(h) by amending subsection (6)(d) to read as follows:

"(d) The amounts of insurance on employees insured under the policy shall be based upon some plan precluding individual selection either by the employees or by the association.";

(i) by amending the first paragraph of subsection (7) to read as follows:

"(7) Any policy issued pursuant to this section, except a policy issued to a creditor pursuant to subsection (2), or a policy issued to a credit union pursuant to subsection (8), may be extended to insure the dependents of insured persons, or any class or classes thereof, subject to the following requirements:";

(j) by striking out "spouses and children" and "family members" in subsection (7)(a) and inserting in lieu thereof "dependents" in each such place;

(k) by striking out "spouse or child" in subsection (7)(b) and inserting in lieu thereof "dependent";

(1) by adding at the end of subsection (7) the following new paragraph:

"(e) For the purposes of this subsection, the term 'dependents' means the spouse and unmarried children of the insured person. The term 'children' includes any child who is under 21 years of age and any child who is 21 years of age or older and who is a student within the meaning of section 151(e)(4)) of the Internal Revenue Code of 1954 (26 U.S.C. 151(e)(4)) and receives his or her primary support from the insured person or insured person's spouse. The term 'children' includes natural children, stepchildren, adopted children, foster children, and any other children under the custody and care of the insured person."; and

(m) by striking out the last sentence in subsection (9)(d).

Sec. 4. Section 14 of Chapter II of the Fire and Casualty Act, approved October 9, 1940 (87 Stat. 304; D.C. Code, sec. 35-1317), is amended by striking out "subsection" each place it occurs therein and inserting in lieu thereof "section" at each such place.

Sec. 5. Section 33 of Chapter II of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1079; D.C. Code, sec. 35-1337) is amended as follows: (a) by striking

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out " and payment of the fees for such licenses shall be prorated accordingly"; and (b) by adding the following new sentence at the end thereof: "There shall be no proration of any fees for such licenses."

Sec. 6. Section 41 of Chapter II of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1081; D.C. Code, sec. 35-1345) is amended to read as follows:

"Annual fees to be paid through the superintendent to the District of Columbia for licenses issued under this chapter shall be as follows:

"(a) For policy-writing agent or for firms, partnerships, or corporations licensed as such, \$50, without regard to the number of companies represented: PROVIDED, That in the case of firms, partnerships, and corporations, and additional fee of \$10 shall be charged for each person in excess of two who is named in such license as required under section 32 of this Act (D.C. Code, sec. 35-1336).

"(b) For soliciting agent, \$10 for each company represented by such soliciting agent, or for each company represented by any policy-writing agent through which such soliciting agent solicits: PROVIDED, That no soliciting agent shall be required to pay for soliciting agents' licenses a sum in excess of \$20 for any one licensing year.

"(c) For salaried company employee authorized to sign policies and to solicit insurance, \$50, without regard to the number of companies represented by such salaried company employee.

"(d) For salaried company employee authorized to solicit but not authorized to sign policies, \$10 for each company represented by said employee: PROVIDED, That the aggregation of such fees shall not exceed \$20 for any one license year.

"(e) For nonresident or resident brokers, \$50, except that the fee shall be \$10 in case the applicant for a resident broker's license is subject also to the fee prescribed under paragraphs (a) or (c) hereof.

"(f) For licenses to procure lines in unauthorized companies, \$30.

"(g) Under the license issued to any policy-writing agent or salaried company employee, or in the name of any firm, partnership, or corporation as provided under section 32 of this Act (D.C. Code, sec. 35-1336), and for which license a fee has been paid in accordance with paragraphs (a) or (c) hereof, there may be added names of persons who are employed in or who actively function through the District office of the policy-writing agent, salaried company employee, or firm, partnership, or corporation, and



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who have company authority to sign but not to solicit policies. For such persons there shall be charged a fee of \$2 per year for each company whose policies such person is authorized to sign.

“(h) Broker’s licenses may be issued in the names of individuals, firms, partnerships, or corporations. In the case of firms, partnerships, or corporations, the authority to solicit shall extend only to the individuals who are designated in the license and in the application therefor as having authority to solicit, and there shall be charged for each such individual in excess of two an additional fee of \$10.

“(i) Licenses to procure lines in unauthorized companies shall be issued in the names of individuals only.”

Sec. 7. Section 1 of title II of the District of Columbia Revenue Act of 1937, approved August 17, 1937 (50 Stat. 675; D.C. Code, sec. 47-1801), is amended to read as follows:

“On and after the first day of September 1937, every domestic, foreign, or alien company organized as a stock, mutual, reciprocal, Lloyd’s fraternal, or any other type of insurance company or association, before issuing contracts of insurance against loss of life or health, or by fire,

marine, accident, casualty, fidelity and surety title guaranty, or other hazard not contrary to public policy, shall obtain from the superintendent an annual license or certificate of authority, upon payment of a fee of \$100 per year or fraction thereof to the District of Columbia and collected by the superintendent. All licenses for insurance companies who may apply for permission to do business in the District of Columbia shall date from the first of the month in which application is made, and expire on the 30th day of April following."

Sec. 8. Section 4 of title II of the District of Columbia Revenue Act of 1937, approved August 17, 1937 (50 Stat. 675; D.C. Code, sec. 47-1804), is amended to read as follows:

"Each of such companies shall file an annual statement, in the form prescribed by the superintendent, before March 1 of each year, of its operations for the year ending December 31 immediately preceding. Such statement shall be verified by oath of the president and secretary or in their absence by two other principal officers. The fee for filing said statement shall be \$50 and payment therefor shall be collected by the superintendent and made payable to the District of Columbia."

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Sec. 9. The Holding Company System Regulatory Act, approved August 24, 1974 (88 Stat. 752; D.C. Code, sec. 35-1901) is amended as follows:

(a) section 2(c) of such Act (D.C. Code, sec. 35-1901(c)) is amended by adding a comma immediately after "representing";

(b) section 3(e) of such Act (D.C. Code, sec. 35-1902(e)) is amended by striking out "sec. 35-1521" and inserting in lieu thereof "sec. 35-1321";

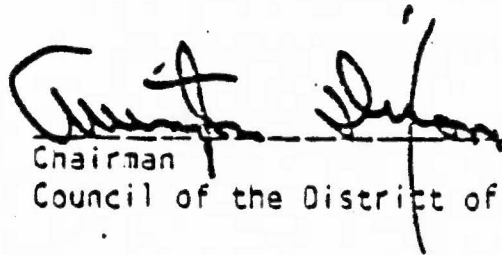
(c) section 10(a) of such Act (D.C. Code, sec. 35-1909(a)) is amended (1) by striking out "such insurer of such director" and inserting in lieu thereof "such insurer or such director", and (2) by striking out "failure" and inserting in lieu thereof "nature"; and

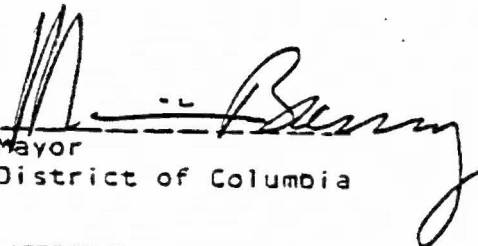
(d) section 10(b) of such Act (D.C. Code, sec. 35-1909(b)) is amended by striking out "section 4 of any rule" and inserting in lieu thereof "section 4 or any rule".

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Sec. 10. This act shall take effect as provided for acts of the Council of the District of Columbia in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act.

  
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Chairman  
Council of the District of Columbia

  
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Mayor  
District of Columbia

APPROVED: December 21, 1979

# COUNCIL OF THE DISTRICT OF COLUMBIA

## RECORD OF OFFICIAL COUNCIL ACTION

DOCKET NO: Bill 3-53

ACTION: To Adopt (1st Reading) 11-20-70

VOICE VOTE: Unanimous

Absent: Hardy

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAF	N.Y.	AB.	COUNCIL MEMBER	AYE	NAF	N.Y.	AB.	COUNCIL MEMBER	AYE	NAF	N.Y.	AB.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
HARVTS					ROTARK									

CERTIFICATION OF RECORD

*John D. Reynolds*  
Secretary to the Council

ACTION: To Adopt (2nd Reading) 12-1-70

VOICE VOTE: Unanimous

Absent: Spaulding and Clarke

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAF	N.Y.	AB.	COUNCIL MEMBER	AYE	NAF	N.Y.	AB.	COUNCIL MEMBER	AYE	NAF	N.Y.	AB.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
HARVTS					ROTARK									

CERTIFICATION OF RECORD

*John D. Reynolds*  
Secretary to the Council

ACTION: \_\_\_\_\_

VOICE VOTE: \_\_\_\_\_

Absent: \_\_\_\_\_

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAF	N.Y.	AB.	COUNCIL MEMBER	AYE	NAF	N.Y.	AB.	COUNCIL MEMBER	AYE	NAF	N.Y.	AB.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
HARVTS					ROTARK									

CERTIFICATION OF RECORD