



HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 2232	House Committee:	PASSED 1/28/26 (22-0)
Committee:	Commerce	House Floor:	
Floor Manager:	Rep. David Young	Senate Floor:	
Date:	March 2, 2026	Governor:	
Staff:	Natalie Ginty (281-7479)		

Financial Exploitation

- This bill comes from the Department of Insurance and Financial Services to allow for delaying disbursement of funds by insurers when financial exploitation is suspected. The bill includes notifications to permissible third parties and the insurance commissioner, timelines for delay, and requires insurers to train employees on financial exploitation.
- DIFS says that they are seeing a rising number of victims liquidating their life insurance policies or annuities and sending that money to scammers, and in some cases, losing their entire life savings.

Section by Section Analysis

Sections 1 and 2 (Iowa Code 502.806)

Adds an additional layer of extension of disbursement of funds to 55 days after the date of which the broker-dealer or investment adviser first delayed disbursement of the funds based on a reasonable belief of financial exploitation.

Section 3 (Iowa Code 507E.8)

Expands the law enforcement authority of DIFS to include sections 4-9 of this bill.

Section 4 (Iowa Code 508.101) – New Section

Defines “disbursement”, “eligible adult”, “financial exploitation”, “permissible third party”, and “qualified individual”.

Section 5 (Iowa Code 508.102) – New Section

Allows an insurer to notify the insurance commissioner when they make a determination that financial exploitation may have occurred, been attempted or is being attempted. Provides immunity from administrative or civil liability for providing such a disclosure to IID.

Section 6 (Iowa Code 508.103) – New Section

Allows an insurer to notify a permissible third party when they make a determination that financial exploitation may have occurred, been attempted or is being attempted, unless the permissible third party is the suspected exploiter. Provides immunity from administrative or civil liability for providing such a disclosure to the permissible third party.

Section 7 (Iowa Code 508.104) – New Section

Allows an insurer to delay a disbursement or transaction if the insurer reasonably believes, after an internal review, that the disbursement will result in or contribute to financial exploitation. The insurer must immediately, but in no event more than 7 business days after the delay, provide written notification of the reason for delay. Within those 7 days, the insurer must also notify the insurance commissioner.

Any delay will expire if there is a final determination that no financial exploitation occurred, 15 business days unless extended, 25 business days unless extended, or 55 business days after delay. Allows the insurance commissioner to petition the court to terminate, extend or modify the delay of the disbursement and may order any other protective relief deemed necessary.

Allows IID to write rules. Provides the insurer administrative and civil liability for delaying disbursement under this section.

Section 8 (Iowa Code 508.105) – New Section

Requires insurers to provide training to supervisors and employees on identifying suspected exploitation, notification requirements, and privacy/confidentiality by June 30, 2027. Training of new employees must occur within one year of their hire. Allows IID to write rules.

Section 9 (Iowa Code 508.106) – New Section

Requires insurers to provide records of suspected financial exploitation to IID and law enforcement.

Section 10 – Code Editor Directive

Titles these sections in code as “Financial Exploitation of Eligible Adults”.