

SUPREME COURT OF IOWA

33 Carpenters Construction, Inc. v. The Cincinnati Insurance Company

33 Carpenters Construction · No. No. 17-1979 · Decided February 14, 2020

SUMMARY

The Iowa Supreme Court affirmed summary judgment against 33 Carpenters Construction, holding that its assignment of a homeowner’s insurance claim was void and unenforceable because the contractor acted as an unlicensed public adjuster. The court also rejected the argument that only the Iowa Insurance Commissioner could enforce the public-adjuster licensing requirements. The court of appeals decision and district court judgment were affirmed.

CASE DETAILS

COURT	Supreme Court of Iowa
WRITING FOR THE COURT	Per Curiam
JURISDICTION	Iowa
DECIDED	February 14, 2020
DOCKET	No. 17-1979
DISPOSITION	affirmed
PROCEDURAL POSTURE	33 Carpenters appealed the Iowa District Court for Scott County's grant of summary judgment for Cincinnati in a breach-of-contract action concerning an assignment of homeowners' insurance benefits. The Iowa Supreme Court reviewed the Iowa Court of Appeals' decision affirming the district court judgment.
STANDARD OF REVIEW	Summary judgment is reviewed for correction of errors at law; the court determines whether a genuine issue of material fact exists and whether the moving party is entitled to judgment as a matter of law.
PRECEDENTIAL VALUE	Published Iowa Supreme Court opinion; precedential
PARTIES	33 Carpenters Construction, Inc. v. The Cincinnati Insurance Company

TOPICS

- insurance coverage
- assignment and delegation
- construction law
- summary judgment
- administrative law

PRACTICE AREAS

insurance

construction law

contracts

civil procedure

administrative law

QUESTIONS PRESENTED

1. Whether Whigham's assignment of insurance claims and benefits to 33 Carpenters was void and unenforceable because 33 Carpenters acted as an unlicensed public adjuster.
2. Whether the Iowa Insurance Commissioner had exclusive authority to enforce the public-adjuster licensing requirements, thereby precluding the courts from deciding the validity of the assignment.

HOLDINGS

1. An assignment of an insurance claim entered into by a residential contractor acting as an unlicensed public adjuster is void and unenforceable under Iowa Code section 103A.71(5). Whigham's assignment to 33 Carpenters was therefore void and unenforceable.
2. The Iowa Insurance Commissioner does not have sole authority to enforce the licensing requirements for public adjusters; courts may apply the relevant statutes to resolve a judicial dispute concerning the validity and enforceability of an assignment.

KEY QUOTATIONS

“For the reasons set forth in that opinion, we hold that Whigham’s assignment to 33 Carpenters is void and unenforceable under section 103A.71(5), and we reject the argument that the Iowa Insurance Commissioner has sole authority to enforce the licensing requirements for public adjusters.” (5)

FACTUAL BACKGROUND

A hailstorm and windstorm damaged Gregg Whigham's residence, which was insured by Cincinnati. Whigham agreed that 33 Carpenters would repair the damage in exchange for the insurance proceeds and later assigned to 33 Carpenters claims and benefits arising from the storm-damage claim. 33 Carpenters disputed Cincinnati's repair estimate and sought payment for additional siding and gutter work, while Cincinnati maintained that 33 Carpenters was acting as an unlicensed public adjuster.

PROCEDURAL HISTORY

After 33 Carpenters sued Cincinnati under an expedited civil-action procedure, Cincinnati asserted that the assignment was invalid because 33 Carpenters was acting as an unlicensed public adjuster. The district court granted Cincinnati summary judgment, concluding that the assignment violated Iowa's public-adjuster licensing requirements. The court of appeals affirmed, and the Iowa Supreme Court granted further review and affirmed both decisions.

DISPOSITION

affirmed

CASES CITED

- 33 Carpenters Construction, Inc. v. State Farm Life & Casualty Co., ___ N.W.2d ___, ___ (Iowa 2020)

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