

No. 137

AN ACT

HB 648

Amending the act of May 17, 1921 (P.L.789, No.285), entitled, as amended, "An act relating to insurance; establishing an insurance department; and amending, revising, and consolidating the law relating to the licensing, qualification, regulation, examination, suspension, and dissolution of insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and certain societies and orders, the examination and regulation of fire insurance rating bureaus, and the licensing and regulation of insurance agents and brokers; the service of legal process upon foreign insurance companies, associations or exchanges; providing penalties, and repealing existing laws," authorizing the Insurance Commissioner or a duly designated deputy to institute prosecution under certain penalty sections.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 604, act of May 17, 1921 (P.L.789, No.284), known as "The Insurance Department Act of one thousand nine hundred and twenty-one," amended December 30, 1974 (P.L.1049, No.343), is amended to read:

Section 604. **Penalty for Acting as Agent Without License.**—Any individual, copartnership, or corporation transacting business within this Commonwealth as the agent of an insurance company, association, or exchange, without a license as required by this act, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding one thousand dollars. ***Prosecution for any violation under this section may be instituted by the Insurance Commissioner or a duly designated deputy.***

Section 2. Section 623 of the act, amended June 5, 1947 (P.L.439, No.200), is amended to read:

Section 623. **Penalties for Acting as Broker Without a License, and Transacting Business with an Unlicensed Broker.**—Any person, copartnership, or corporation transacting business as an insurance broker, within this Commonwealth, or soliciting insurance or transmitting for a partnership, copartnership, association, or corporation, other than himself or itself, an application for a policy of insurance, or offering or assuming to act in the negotiation of such insurance, or in any manner aiding in transacting an insurance business, or negotiating for or placing risks, or delivering policies or collecting premiums for policies which are effective in this State, without a license as broker, or in the case of title insurance without being admitted to practice as an attorney-at-law or being licensed as a real estate broker or real estate agent, unless he or she or it be acting as a licensed agent and then only for the companies he, she or it is duly licensed by this

Commonwealth to represent, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall pay a fine not exceeding one thousand dollars. Any company, association, or exchange, or the agent of any company, association, or exchange, accepting applications or orders for insurance or securing any insurance business through anyone acting without a license, as aforesaid, shall be guilty of a misdemeanor, and, upon conviction thereof, shall pay a fine not exceeding one thousand dollars. ***Prosecution for any violation under this section may be instituted by the Insurance Commissioner or a duly designated deputy.***

Section 3. Section 654 of the act, added December 22, 1965 (P.L.1172, No.463), is amended to read:

Section 654. Penal Provision.—Any individual, copartnership, or corporation acting as a manager or exclusive general agent of a domestic insurance company without a license, as required by this act, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding one thousand dollars for each day of operation without a license.

Any domestic insurance company which fails to file the certification required by section 650 hereof shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding one thousand dollars for each day of non-compliance.

Prosecution for any violation under this section may be instituted by the Insurance Commissioner or a duly designated deputy.

Section 4. This act shall take effect immediately.

APPROVED—The 3rd day of December, A. D. 1975.

MILTON J. SHAPP