

and maintain unearned premium reserves under the foregoing provisions on the policies issued on and after the effective date of this act. The company may accumulate such reserves progressively over a five-year period, commencing the effective date of this act, by establishing and maintaining during the year one thousand nine hundred fifty-six and each succeeding calendar year, at least twenty per cent of the unearned premium reserves, until the full statutory unearned premium reserves have been established. Thereafter, the company shall maintain the full unearned premium reserves on all policies on which cash premiums are payable in advance. A domestic mutual insurance company other than a mutual life company which is incorporated subsequent to the effective date of this act shall at all times establish and maintain the full unearned premium reserves on all policies.

*Beginning on the effective date of this amending act of 1959, the provisions relating to unearned premium reserves shall apply with respect to policies issued on and after that date to those mutual insurance companies which were heretofore exempt from such provisions by reason of the amount of their gross premium income. Such companies may accumulate such reserves progressively over a five year period, by establishing and maintaining, during the year 1959 and each succeeding calendar year, at least twenty per cent of the unearned premium reserves until the full statutory unearned premium reserves have been established.*

*The provisions of this amending act shall not be construed to extend or lengthen the time within which any other mutual insurance company is required to accumulate the full statutory unearned premium reserves.*

Section 2. This act shall take effect immediately.

Act effective  
immediately.

APPROVED—The 17th day of July, A. D. 1959.

DAVID L. LAWRENCE

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No. 163

AN ACT

Amending the act of May 17, 1921 (P. L. 682), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties;

and repealing existing laws," prohibiting companies, associations or exchanges in which the major financial interest is held by certain governments or their political subdivisions, their instrumentalities or agencies from doing business.

The Insurance Company Law of 1921.

Act of May 17, 1921, P. L. 682, amended by adding a new section 300.

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

Section 1. The act of May 17, 1921 (P. L. 682), known as "The Insurance Company Law of 1921," is amended by adding, after the article heading of article III., a new section to read:

*Section 300. Government Owned Companies.—(a) No domestic, foreign or alien insurance company, association or exchange, in which the major financial interest is held, directly or indirectly, by another state of the United States or by a foreign government or by any political subdivision, instrumentality or agency of either, shall be admitted and authorized to do business.*

*(b) No certificate of authority to transact any kind of insurance business in this Commonwealth shall be issued, renewed or continued in effect for any such insurance company, association or exchange.*

*(c) The provisions of this section shall not apply to any insurance company, association or exchange which was so owned, controlled or constituted prior to January 1, 1958, and was authorized to do business in this Commonwealth and was issued a certificate of authority to do so prior to January 1, 1958.*

APPROVED—The 17th day of July, A. D. 1959.

DAVID L. LAWRENCE

No. 164

AN ACT

Authorizing the Department of Property and Supplies, with the approval of the Governor, to sell and convey 1.2362 acres of land, more or less, situate in Smithfield Township, Huntingdon County.

Real property.

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

Department of Property and Supplies, with approval of Governor, authorized to sell certain tracts of land in Smithfield Township, Huntingdon County.

Section 1. The Department of Property and Supplies, with the approval of the Governor, is hereby authorized on behalf of the Commonwealth of Pennsylvania to sell and convey at public sale the following described three tracts of land together with all improvements thereon presently under the jurisdiction of the Pennsylvania Department of Highways and situate in Smithfield Township, Huntingdon County, Commonwealth of Pennsylvania, said tracts being bounded and described as follows: