

No. 131

AN ACT

HB 1671

Amending the act of May 17, 1921 (P.L.789), 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," reducing certain age requirements and making the same conform to certain existing law.

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

Section 1. Subsection (a) of section 603, act of May 17, 1921 (P.L.789), known as "The Insurance Department Act of one thousand nine hundred and twenty-one," amended August 21, 1961 (P.L.1018), and as partially repealed by act of January 6, 1970 (P.L.434) and act of July 31, 1970 (P.L.673), is amended to read:

Section 603. Agent's Licenses.—(a) The Insurance Commissioner may issue, upon certification as aforesaid by any company, association, or exchange, authorized by law to transact business within this Commonwealth, an agent's license to any person of at least [**twenty-one**] *eighteen* years of age and to any copartnership or corporation. No license as agent shall be granted to any corporation unless by provisions of its charter it is authorized to engage in the business of insurance or real estate, and unless individual licenses are also secured for each active officer of such corporation; and no license shall be granted to a copartnership or firm unless individual licenses are also secured for each active member of such copartnership or firm. Before any such license is granted, the applicant shall first make answer, in writing and under oath, to interrogatories on forms and supplements such as the Insurance Commissioner shall prepare and submit, which answers shall be vouched for by indorsement of the company, association, or exchange interested, and to the effect that the applicant is of good business reputation, and of experience in underwriting, other than soliciting, and is worthy of a license: Provided, That any applicant who shall have held, for any period during the five years immediately preceding the application, a license to transact, as agent, any class or kind of insurance business for any company, association, or exchange, authorized to transact business within this Commonwealth, shall be entitled, upon proper application, to receive a license to transact, as agent, the same class or kind of insurance business for any other company, association, or exchange, so authorized to transact business, without the necessity of submitting to an examination. When the

Insurance Commissioner is satisfied that the applicant is worthy of license, and that he is reasonably familiar with provisions of the insurance law of this Commonwealth, he shall issue a license stating that the company, association, or exchange, represented by the agent, has complied with the requirements of law and has been authorized by the Insurance Commissioner to transact business within this Commonwealth, and that the agent has been duly appointed by the company, association, or exchange named in the license. Licenses of life insurance agents shall expire annually at midnight of March thirty-first, licenses of fire insurance agents shall expire annually at midnight of September thirtieth, and the licenses of casualty and health and accident insurance agents shall expire annually at midnight of December thirty-first, unless sooner terminated as the result of severance of business relations between the company, association, or exchange and the agent, or unless revoked by the Insurance Commissioner for cause. Licenses for casualty insurance agents issued to expire at midnight November thirtieth, one thousand nine hundred forty-nine, are hereby extended until midnight December thirty-first, one thousand nine hundred forty-nine. The department shall collect an additional fee for each such license extended at the rate of one-twelfth of the annual rate, as fixed by this act, for each additional month that the term of such licenses are extended. Any person whose license is revoked may appeal to the **[court of common pleas of Dauphin County] Commonwealth Court** within thirty days of the date of receipt, by registered mail, of a notice of the fact of such revocation. The provisions of this section shall apply to domestic mutual fire insurance companies, but no agent of a domestic mutual fire insurance company acting or authorized to act as such on the effective date of this act shall be required to take an examination for licensure.

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Section 2. Section 622 of the act, as partially repealed by act of January 6, 1970 (P.L.434) and act of July 31, 1970 (P.L.673), is amended to read:

Section 622. Brokers' Licenses.—The Insurance Commissioner may issue, to any person of at least **[twenty-one] eighteen** years of age or to any copartnership or corporation, a license to act as an insurance broker to negotiate contracts of insurance or reinsurance, other than life insurance, with any insurance company, association, or exchange, or the agents thereof, authorized by law to transact business within this Commonwealth. No license shall be issued to any corporation to act as an insurance broker unless by its charter it is authorized to engage in the business of insurance or real estate. Before any license is issued, the applicant shall make answer, in writing and under oath, to such interrogatories and on such forms and supplements as the Insurance Commissioner shall prepare and submit, which answers shall be vouched for by indorsement of at least two agents or by the officers of any insurance

company, association, or exchange, other than the officers or agents of a life insurance company, who are acquainted with the applicant, to the effect that the applicant is of good business reputation, and has experience in underwriting, other than soliciting, and is worthy of a license. When the Insurance Commissioner is satisfied that the applicant is worthy of a license, and that he is reasonably familiar with provisions of the insurance laws of this Commonwealth, he shall issue a broker's license to expire annually one year from date of issue, unless sooner revoked by the Insurance Commissioner for cause. Any person whose license is revoked may appeal to the [court of common pleas of Dauphin County] *Commonwealth Court* within thirty days of the date of receipt by registered mail of a notice of the fact of such revocation.

APPROVED—The 16th day of June, A. D. 1972.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 131.

A handwritten signature in black ink, reading "C. McLaughlin Tucker". The signature is written in a cursive, flowing style with a large initial "C" and "T".

Secretary of the Commonwealth.