

No. 1977-31

AN ACT

HB 534

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," providing for the licensing as insurance agents of certain nonresidents of this Commonwealth.

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

Section 1. Section 608, act of May 17, 1921 (P.L.789, No.285), known as "The Insurance Department Act of one thousand nine hundred and twenty-one," added July 31, 1968 (P.L.1029, No.310), is amended to read:

Section 608. Nonresident Agents.—(a) The Insurance Commissioner may issue a license as **[life]** agent to a person not resident of this Commonwealth, upon compliance with the applicable provisions of this act, if the state or the Province of Canada of such person's residence will accord the same privilege to a resident of this Commonwealth.

(b) The Insurance Commissioner may enter into reciprocal agreements with the appropriate official of any such other state or province waiving the written examination of any applicant resident in such other state or province, if:

(1) A written examination is required of applicants for **[a life] an** insurance agent's license in such other state or province;

(2) The appropriate official of the other state or province certifies that the applicant holds a currently valid license as **[a life] an** insurance agent in such other state or province and either passed such a written examination or was the holder of **[a life] an** insurance agent's license prior to the time a written examination was required;

(3) That in such other state or province a resident of this Commonwealth is privileged to procure **[a life] an** insurance agent's license upon the foregoing conditions and without discrimination as to fees otherwise in favor of the residents of such other state or province.

(c) No such applicant or licensee shall have a place of business in the Commonwealth, nor be an officer, director, stockholder, or partner in any corporation or partnership doing business in the Commonwealth as a life insurance agency.

(d) If the laws of another state or the Province of Canada require the sharing of commissions with resident agents of that state or province on applications for **[life] insurance**, or **life insurance including disability**

insurance,] written by nonresident agents, then the same provisions shall apply when resident agents of that state or province, licensed as nonresident agents of Pennsylvania, write applications for insurance on residents of the Commonwealth.

Section 2. This act shall take effect in 60 days.

APPROVED—The 14th day of July, A. D. 1977.

MILTON J. SHAPP