

No. 2011-28

AN ACT

SB 1096

Amending the act of May 17, 1921 (P.L.682, No.284), 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," further providing for purpose, for definitions, for acting for or aiding nonadmitted insurers, for requirements for eligible surplus lines insurers, for surplus lines licensee's duty to notify insured, for exempt risks, for surplus lines advisory organizations, for licensing of surplus lines licensee, for surplus lines licensees may accept business from insurance producer, for surplus lines tax, for tax on independently procured insurance and for suspension, revocation or nonrenewal of surplus lines licensee's license.

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

Section 1. Section 1601 of the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, added December 18, 1992 (P.L.1519, No.178), is amended to read:

Section 1601. Purpose and scope.—(a) The purpose of this article is to protect the public interest by:

(1) Protecting persons seeking insurance in this Commonwealth.

(2) Permitting surplus lines insurance to be placed with reputable and financially sound nonadmitted insurers and exported from this Commonwealth pursuant to this article.

(3) Establishing a system of regulation which will permit orderly access to surplus lines insurance in this Commonwealth and encouraging insurers to make new and innovative types of insurance available to consumers in this Commonwealth.

(4) Protecting revenues of this Commonwealth.

(b) (1) The provisions of this article, insofar as they relate to the placement of surplus lines insurance and independently procured insurance, shall apply when this Commonwealth is the home state of the insured.

(2) The provisions of this article, insofar as they relate to the imposition of surplus lines and independently procured premium tax and penalties for policies placed after June 30, 2011, shall apply when this Commonwealth is the home state of the insured.

(3) The provisions of this article, insofar as they relate to the collection, reporting and remittance of surplus lines insurance and independently procured insurance premium tax for policies placed after June 30, 2011, shall apply when this Commonwealth is the home state of the insured.

Section 2. Sections 1602, 1603(c)(6), 1605(a) and 1608 of the act, amended March 22, 2010 (P.L.147, No.14), are amended to read:

Section 1602. Definitions.—As used in this article the following words and phrases shall have the meanings given to them in this section:

"Admitted insurer." An insurer licensed to do an insurance business in this Commonwealth.

"Affiliate." With respect to an insured, any entity that controls, is controlled by or is under common control with the insured.

"Affiliated group." Any group of entities that are all affiliated.

"Business entity." A corporation, a partnership, a limited liability company, a limited liability partnership, a business trust or any other entity doing business other than as a natural person.

"Capital." The term, as used in the financial requirements of section 1605, means funds paid for stock or other evidence of ownership.

"Commissioner." The Insurance Commissioner of the Commonwealth.

"Control." An entity has control over another entity if:

(1) the entity directly or indirectly or acting through one or more other persons owns, controls or has the power to vote twenty-five per centum (25%) or more of any class of voting securities of the other entity; or

(2) the entity controls in any manner the election of a majority of the directors or trustees of the other entity.

"Department." The Insurance Department of the Commonwealth.

"Eligible surplus lines insurer." A nonadmitted insurer with which a surplus lines licensee may place surplus lines insurance under section 1604.

"Export." To place surplus lines insurance with either a nonadmitted insurer or an eligible surplus lines insurer in accordance with this article.

"Home state."

(1) Except as provided under paragraph (2), with respect to an insured:

(i) the state in which an insured maintains its principal place of business or, in the case of an individual, the individual's principal residence; or

(ii) if one hundred per centum (100%) of the insured risk is located out of the state referred to under subparagraph (i), the state to which the greatest percentage of the insured's taxable premium for that insurance contract is allocated.

(2) If more than one insured from an affiliated group are named insureds on a single nonadmitted insurance contract, the term means the home state, as determined under paragraph (1), of the member of the affiliated group that has the largest percentage of premium attributed to it under the insurance contract.

(3) This definition shall not apply to section 1615(g).

"Independently procured insurance." Any insurance [which a resident of this Commonwealth directly negotiates with and purchases, continues or renews from a nonadmitted insurer without securing the services of an insurance producer or surplus lines licensee] *directly procured by an insured from a nonadmitted insurer.*

"Insurance producer." A person that is licensed to sell, solicit or negotiate contracts of insurance with admitted insurers.

"Kind of insurance." One of the types of insurance required to be reported in the annual statement which must be filed with the department by admitted insurers.

"Nonadmitted insurer." An insurer not authorized and not licensed to do an insurance business in this Commonwealth. The term includes insurance exchanges as authorized under the laws of various states. ***The term does not include a risk retention group.***

"Person." A natural person or business entity.

"Purchasing group." An entity formed to purchase liability insurance under the Risk Retention Amendments of 1986 (Public Law 99-563, 100 Stat. 3170).

"Risk retention group." An insurer organized to do business under the Risk Retention Amendments of 1986 (Public Law 99-563, 100 Stat. 3170).

"State." Any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands and American Samoa.

"Surplus." The term, as used in the financial requirements of section 1605, means funds over and above liabilities and capital of the company for the protection of its policyholders.

"Surplus lines insurance." Any insurance [of risks resident, located or to be performed in this Commonwealth,] permitted to be placed through a surplus lines licensee with a nonadmitted insurer eligible to accept such insurance, other than reinsurance, wet marine and transportation insurance, independently procured insurance, life insurance and annuities and coverage obtained from risk retention groups under the Risk Retention Amendments of 1986 (Public Law 99-563, 100 Stat. 3170).

"Surplus lines licensee." A person licensed as a surplus lines producer under section 1615 to place surplus lines insurance with nonadmitted insurers eligible to accept such insurance.

"Type of insurance." Coverage afforded under the particular policy that is being placed.

"Wet marine and transportation insurance." Any of the following:

(1) Insurance upon vessels, crafts or hulls and of interests therein or with relation thereto.

(2) Insurance of marine builder's risks, marine war risks and contracts of marine protection and indemnity insurance.

(3) Insurance of freights and disbursements pertaining to a subject of insurance coming within this definition.

(4) Insurance of personal property and interest therein, in the course of exportation from or importation into any country, or in the course of transportation coastwise or on inland waters, including transportation by land, water or air from point of origin to final destination, in connection with any and all risks or perils of navigation, transit or transportation, and while being prepared for and while awaiting shipment, and during any delays, transshipment or reshipment. Insurance of personal property and interests therein shall not be considered wet marine and transportation insurance if:

(i) the property has been transported solely by land;

(ii) the property has reached its final destination as specified in the bill of lading or other shipping document; or

(iii) the insured no longer has an insurable interest in the property.

(5) Any insurance associated with transportation of property listed under this definition.

"Writing producer." The insurance producer which brings about or negotiates contracts of insurance directly on behalf of the consumer seeking insurance.

Section 1603. Acting for or Aiding Nonadmitted Insurers.—* * *

(c) This section does not apply to any of the following:

* * *

(6) Transactions subsequent to issuance of a policy [not covering domestic risks at time of issuance and lawfully solicited, written or delivered outside of this Commonwealth] *in which this Commonwealth becomes the home state.*

* * *

Section 1605. Requirements for Eligible Surplus Lines Insurers.—(a) No surplus lines licensee shall place any coverage with a nonadmitted insurer unless, at the time of placement, such nonadmitted insurer[:

(1) Is of good repute and financial integrity.

(2) Qualifies under any of the following subparagraphs:

(i) Has policyholder surplus equal to or greater than two times the minimum capital and surplus required to be fully licensed in this Commonwealth. Two (2) years from the effective date of this article is granted to allow those nonadmitted insurers which are eligible surplus lines insurers on the effective date of this article to achieve this capital and surplus requirement. If an alien insurer, as defined by the act of December 10, 1974 (P.L.804, No.266), referred to as the Alien Insurer Domestication Law, it shall maintain in the United States an irrevocable trust fund in either a national bank or a member of the Federal Reserve System, in an amount not less than that currently required by the National Association of Insurance Commissioners' International Insurers Department or its successor for the protection of all of its policyholders in the United States, and such trust fund consists of cash, securities, letters of credit or investments of substantially the same character and quality as those which are eligible investments for admitted insurers authorized to write like kinds of insurance in this Commonwealth. Such trust fund will be in addition to the capital and surplus required in this subparagraph and shall have an expiration date which at no time shall be less than five (5) years.

(ii) Is any Lloyd's or other similar group of insurers which includes unincorporated individual insurers that maintains a trust fund of not less than fifty million (\$50,000,000) dollars as security to the full amount thereof for all policyholders and creditors in the United States of each member of the group. Such trust funds shall likewise comply with the terms and conditions established in subparagraph (i) for alien insurers.

(iii) Is an insurance exchange created by the laws of individual states that maintains capital and surplus or the substantial equivalent thereof of not less than fifteen million (\$15,000,000) dollars in the aggregate. For insurance exchanges which maintain funds for the protection of all insurance exchange policyholders, each individual syndicate shall

maintain minimum capital and surplus or the substantial equivalent thereof of not less than one million five hundred thousand (\$1,500,000) dollars. In the event the insurance exchange does not maintain funds for the protection of all insurance exchange policyholders, each individual syndicate shall meet the minimum capital and surplus requirements of subparagraph (i).

(3) Has provided to the department a copy of its current annual financial statement certified by such insurer, such statement to be provided no more than thirty (30) days after the date required for filing an annual financial statement in its domiciliary jurisdiction and which is either:

(i) certified by the regulatory authority in the domicile of the insurer; or

(ii) certified by an accounting or auditing firm licensed in the jurisdiction of the insurer's domicile.

In the case of an insurance exchange, the statement may be an aggregate statement of all underwriting syndicates operating during the period reported.] *qualifies under one of the following:*

(1) (i) *is authorized to write the type of insurance in its domiciliary jurisdiction; and*

(ii) *has capital and surplus or its equivalent under the laws of its domiciliary jurisdiction which is greater than or equal to fifteen million (\$15,000,000) dollars. The requirement of this subparagraph may be satisfied by an insurer's possessing less than the minimum capital and surplus upon an affirmative finding of acceptability by the commissioner. The finding shall be based upon such factors as quality of management, capital and surplus of any parent company, company underwriting profit and investment income trends, market availability and company record and reputation within the industry. In no event shall the commissioner make an affirmative finding of acceptability when the nonadmitted insurer's capital and surplus is less than four million five hundred thousand (\$4,500,000) dollars.*

(2) *If domiciled outside the United States, is listed on the Quarterly Listing of Alien Insurers maintained by the International Insurers Department of the National Association of Insurance Commissioners.*

* * *

Section 1608. Surplus Lines Licensee's Duty to Notify Insured.—At the time of presenting a quotation to the insured, the surplus lines licensee shall present to the insured or to the writing producer written notice that the insurance or a portion thereof involves placement with nonadmitted insurers. The surplus lines licensee shall, either directly or through the writing producer, give notice to the insured that:

(1) the insurer with which the licensee places the insurance is not licensed by the [Pennsylvania Insurance Department] *department* and is subject to its limited regulation; and

(2) in the event of the insolvency of an eligible surplus lines insurer, losses will not be paid by the Pennsylvania Property and Casualty Insurance Guaranty Association.

Section 3. Section 1610(a) of the act, added December 18, 1992 (P.L.1519, No.178), is amended and the section is amended by adding subsections to read:

Section 1610. Exempt Risks.—(a) The diligent search requirements of section 1604(2), the reporting requirements of section 1609(a) and the twenty-five per centum (25%) limitation of section 1606 are not applicable to placements of insurance with nonadmitted insurers for risks of an insured which meets at least three of the following requirements:

(1) The insured employs a full-time risk manager or contracts for services from a qualified risk management service.

(2) The insured has gross sales in excess of one hundred million (\$100,000,000) dollars.

(3) The insured regularly employs in excess of two hundred fifty (250) full-time employees.

(4) The insured has assets in excess of one hundred million (\$100,000,000) dollars.

(5) The insured has insurance premiums for property and casualty insurance, excluding employee benefits, in excess of two hundred fifty thousand (\$250,000) dollars.

(6) The insured is seeking insurance for risks resident, located or to be performed in one or more states other than this Commonwealth and the portion of the total risk ascribable to states other than this Commonwealth exceeds fifty per centum (50%).]

(a.1) *The diligent search requirements of section 1604(2), the reporting requirements of section 1609(a) and the twenty-five per centum (25%) limitation of section 1606 shall not apply to placements of insurance with nonadmitted insurers for an exempt commercial purchaser if:*

(1) *the surplus lines licensee procuring or placing the surplus lines insurance has disclosed to the exempt commercial purchaser that the insurance may be available from the admitted market that may provide greater protection with more regulatory oversight; and*

(2) *the exempt commercial purchaser has subsequently requested in writing the surplus lines licensee to procure or place the insurance from a nonadmitted insurer.*

* * *

(c) *The following words and phrases when used in this section shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:*

"Exempt commercial purchaser." Any person purchasing commercial insurance that, at the time of placement, meets the following requirements:

(1) *The person employs or retains a qualified risk manager to negotiate insurance coverage.*

(2) *The person has paid aggregate nationwide commercial property and casualty insurance premiums in excess of one hundred thousand (\$100,000) dollars in the immediately preceding twelve (12) months.*

(3) (i) *The person meets at least one of the following criteria:*

(A) *The person possesses a net worth in excess of twenty million (\$20,000,000) dollars, as adjusted under subparagraph (ii).*

(B) The person generates annual revenues in excess of fifty million (\$50,000,000) dollars, as adjusted under subparagraph (ii).

(C) The person employs more than five hundred (500) full-time or full-time equivalent employees per individual insured or is a member of an affiliated group employing more than one thousand (1,000) employees in the aggregate.

(D) The person is a not-for-profit organization or public entity generating annual budgeted expenditures of at least thirty million (\$30,000,000) dollars, as adjusted under subparagraph (ii).

(E) The person is a municipality with a population in excess of fifty thousand (50,000) persons.

(ii) Beginning January 1, 2015, and every five (5) years thereafter, the amounts under clauses (A), (B) and (D) shall be adjusted to reflect the percentage change for the five-year (5) period in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor and Industry.

"Qualified risk manager." With respect to a policyholder of commercial insurance, a person who meets all of the following requirements:

(1) The person is an employee of or third-party consultant retained by the commercial policyholder.

(2) The person provides skilled services in loss prevention, loss reduction or risk and insurance coverage analysis and purchase of insurance.

(3) The person:

(i) (A) has a bachelor's degree or higher from an accredited college or university in risk management, business administration, finance, economics or any other field determined by the commissioner to demonstrate minimum competence in risk management; and

(B) (I) has three (3) years of experience in risk financing, claims administration, loss prevention, risk and insurance analysis or purchasing commercial lines of insurance; or

(II) has:

(a) a designation as a Chartered Property and Casualty Underwriter issued by the American Institute for Chartered Property and Casualty Underwriter and Insurance Institute of America;

(b) a designation as an Associate in Risk Management issued by the American Institute for Chartered Property and Casualty Underwriter and Insurance Institute of America;

(c) a designation as Certified Risk Manager issued by the National Alliance for Insurance Education & Research;

(d) a designation as a RIMS Fellow issued by the Global Risk Management Institute; or

(e) any other designation, certification or license determined by the commissioner to demonstrate minimum competency in risk management;

(ii) (A) has at least seven (7) years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage analysis or purchasing commercial lines of insurance; and

(B) has any one of the designations specified under clauses (a), (b), (c), (d) and (e);

(iii) has at least ten (10) years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage analysis or purchasing commercial lines of insurance; or

(iv) has a graduate degree from an accredited college or university in risk management, business administration, finance, economics or any other field determined by the commissioner to demonstrate minimum competence in risk management.

Section 4. Section 1611(f) of the act, amended March 22, 2010 (P.L.147, No.14), is amended to read:

Section 1611. Surplus Lines Advisory Organizations.—* * *

(f) The advisory organization may submit reports and make recommendations to the department regarding the financial condition of any eligible surplus lines insurer. These reports and recommendations shall not be considered to be public information or subject to any Federal or [State] state freedom of information law. There shall be no liability on the part of nor shall any cause of action of any nature be sustained against eligible surplus lines insurers, the advisory organization or its members, agents, employes, officers or directors or the department or authorized representatives of the department for statements and any reports or recommendations made by them in good faith under this section.

* * *

Section 5. Section 1615(a) of the act, amended March 22, 2010 (P.L.147, No.14), is amended and the section is amended by adding subsections to read:

Section 1615. Licensing of Surplus Lines Licensee.—(a) [No] *For insureds whose home state is this Commonwealth, no* insurance producer licensed by the department shall transact surplus lines insurance with any nonadmitted insurer unless the insurance producer possesses a valid surplus lines producer's license issued by the department.

* * *

(c.2) The commissioner may participate with the National Association of Insurance Commissioners or its affiliates in a centralized insurance producer registry for the purpose of submitting or obtaining information on insurance producers, surplus lines producers and other licensees, including licensing history, lines of authority and regulatory actions.

* * *

(g) As used in subsection (c.1), the term "home state" for an insurance producer or surplus lines producer shall be as defined as in section 601-A of the act of May 17, 1921 (P.L.789, No.285), known as "The Insurance Department Act of 1921."

Section 6. Sections 1616, 1621, 1622 and 1623 of the act, amended March 22, 2010 (P.L.147, No.14), are amended to read:

Section 1616. Surplus Lines Licensees May Accept Business from Insurance [Producer] *Producers.*—A surplus lines licensee may originate surplus lines insurance or accept such insurance from an insurance producer duly licensed as to the kind or kinds of insurance involved, and the surplus lines licensee may compensate the insurance producer.

Section 1621. Surplus Lines Tax.—(a) (1) There is hereby levied a tax of three per centum (3%) on all premiums charged for insurance which is placed with either an eligible surplus lines insurer, other than a risk retention group, or other nonadmitted insurer in accordance with this article, such taxes to be based on the gross premiums charged less any return premiums. This tax shall be in addition to the full amount of the gross premium charged by the insurer for the insurance. The tax on any unearned portion of the premium shall be returned to the insured.

(b) Neither the surplus lines licensee nor the writing producer shall pay directly or indirectly such tax or any portion thereof, either as an inducement to the insured to purchase the insurance or for any other reason.

(c) The surplus lines licensee shall collect from the insured or the writing producer the amount of the tax at the time of delivery of the initial policy, cover note or other evidence of insurance or at such time thereafter as is reasonably consistent with normal credit terms customary in the business. Each surplus lines licensee shall, on or before January 31 of each year, file with the Department of Revenue a report of all transactions involving the placement of insurance with either an eligible surplus lines insurer or other nonadmitted insurers during the previous calendar year. The report shall set forth the name of the insured, identification of the insurer, the type of insurance, gross premiums charged less any return premiums allowed and the tax due as provided in this section. The remittance for the taxes due shall accompany this report. Such report shall be made on forms prescribed and furnished by the Department of Revenue. A copy of the report shall be filed with the department by the surplus lines licensee. A surplus lines licensee that is a business entity licensee which files the annual premium tax return with the Department of Revenue shall include in its return the premium taxes generated during the year subject to reporting by all licensees associated with said business entity during the reporting period.

(d) (2) In the event that a placement of insurance involves subjects of insurance resident, located or to be performed in one or more states other than this Commonwealth, then the premium taxes provided for in this section shall be levied:

(i) *For policies placed before July 1, 2011*, only on that portion of the premium reasonably ascribable to that portion of the risk situated in this Commonwealth.

(ii) *For policies placed after June 30, 2011, upon the gross premium charged less any return premiums where this Commonwealth is the home state of the insured.*

(d.1) (1) *Each surplus lines licensee shall, on or before January 31 of each year, file a report of all premiums transacted from the placement of insurance with either an eligible surplus lines insurer or other nonadmitted insurers during the previous calendar year. The report shall be filed as prescribed by the Department of Revenue with any payment. A full copy of the report shall be filed with the department by the surplus lines licensee.*

(2) *The report described under this subsection shall set forth the name of the insured, the home state of the insured, if required by the department, identification of the insurer, the type of insurance, gross premiums charged less any return premiums allowed, the tax due as provided in this section and any other information as required by the Department of Revenue. A surplus lines licensee that is a business entity licensee which files the annual premium tax return with the Department of Revenue shall include in its return the premium taxes generated during the year subject to reporting by all licensees associated with said business entity during the reporting period. The report shall be made on forms prescribed by the Department of Revenue.*

(3) *The remittance for the taxes due shall accompany the report described under this subsection. Neither the surplus lines licensee nor the writing producer shall pay directly or indirectly the tax or any portion of the tax, either as an inducement to the insured to purchase the insurance or for any other reason. The surplus lines licensee shall collect from the insured or the writing producer the amount of the tax at the time of delivery of the initial policy, cover note or other evidence of insurance or at the time thereafter as is reasonably consistent with normal credit terms customary in the business.*

(4) *A penalty shall be imposed for failure to file the report required under this subsection on or before the due date in accordance with the rules of section 403(d) of the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971."*

(e) With respect to insurance placed with or issued by a risk retention group which is an eligible surplus lines insurer, there is hereby levied a tax of two per centum (2%) on all premiums charged for risks resident, located or to be performed in this Commonwealth. The risk retention group shall be responsible for the payment of the taxes levied in this article in accordance with procedures set forth in Article XV.

(f) The [settlement and resettlement] *assessment* of taxes imposed by this article, including the granting of extensions of time to file reports and the rights of the taxpayers to present and prosecute a petition for [resettlement] *assessment*, a petition for review or an appeal to court or to file a petition for refund and the imposition of interest and penalties, shall be governed by the provisions of the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971," as approved in the case of [capital stock and franchise taxes] *corporate net income tax*.

Section 1622. Tax on Independently Procured Insurance.—(a) (1) The tax provided by section 1621(a) is imposed upon an insured *whose home state is this Commonwealth* who independently procures insurance [on a subject of insurance resident, located or to be performed in this Commonwealth] from a nonadmitted insurer or continues or renews such independently procured insurance. [The insured shall, within thirty (30) days after the date when such insurance was independently procured, continued or renewed, report such transaction on forms prescribed by the Department of Revenue. This report shall set forth the information required of surplus lines licensees as required in section 1621(c). The tax of three per centum (3%) shall be paid on the date the report is due as

provided in this section. If the independently procured insurance covers risks resident, located or to be performed in one or more states other than this Commonwealth, the premium taxes shall be prorated in accordance with provisions in section 1621(d). A copy of such report shall be filed with the department by the insured.]

(2) If the independently procured insurance covers risks resident, located or to be performed in one or more states other than this Commonwealth, the premium taxes shall be payable as computed in accordance with section 1621(a).

(b) The insured shall, within thirty (30) days after the last day of the month in which the insurance was independently procured, continued or renewed, report the transaction on the forms and in the manner prescribed by the Department of Revenue. The report shall set forth the information required of surplus lines licensees as required in any report described under section 1621. The tax of three per centum (3%) shall be paid on the date the report is due as provided under this section. The insured shall file a copy of the report with the department upon its request.

(c) A penalty shall be imposed for failure to file the report required under this section on or before the due date in accordance with the rules of section 403(d) of the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971."

Section 1623. Suspension, Revocation or Nonrenewal of Surplus Lines Licensee's License.—The department may suspend, revoke or refuse to renew the license of a surplus lines licensee after notice and a hearing, as provided under the applicable provision of the laws of this Commonwealth, upon any one or more of the following grounds:

(3) Closing of the surplus lines licensee's office for a period of more than thirty (30) business days, unless permission is granted by the department.

(4) Failure to make and file required reports.

(5) Failure to *collect or* transmit required tax on surplus lines premiums.

(7) Failure to remit premiums due insurers or return premiums due insureds in the normal course of business and within reasonable time limits.

(8) Violation of any provision of this [article] act.

(9) For any other cause for which an insurance producer's license could be denied, revoked or suspended or refused upon renewal.

Section 7. This act shall take effect immediately.

APPROVED—The 30th day of June, A.D. 2011

TOM CORBETT