

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 950

Session of
1977

INTRODUCED BY MESSRS. KOWALYSHYN, SCHMITT, ENGLEHART,
MRS. GILLETTE, MESSRS. PIEVSKY, STAPLETON, MRS. WISE, MESSRS.
GIAMMARCO, FREIND, DeMEDIO, ITKIN, GARZIA, PRATT, MEBUS,
HOPKINS, NOYE, GAMBLE, WAGNER, REED, W. D. HUTCHINSON,
STAIRS, MACKOWSKI, COHEN AND ZORD, APRIL 25, 1977

AS REPORTED FROM COMMITTEE ON INSURANCE, HOUSE OF
REPRESENTATIVES, AS AMENDED, MAY 23, 1977

AN ACT

1 To create an Insurance Law Revision Commission AND providing for <—
2 review and revision of the Pennsylvania insurance laws. and <—
3 ~~making an appropriation.~~

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

6 Section 1. Legislative finding; revision of the insurance laws.

7 The General Assembly finds that the insurance laws now in
8 force in the Commonwealth are, in many respects, in need of
9 review and consolidation into a well-organized body of law. A
10 comprehensive study of the present laws with a view toward
11 revision is necessary for adequate protection of the public
12 welfare. ~~with special attention to the protection of the~~ <—
13 ~~interest of the insurance consumer.~~ Such study would provide for
14 updating the insurance laws, placing them in a logical order for
15 easier use by all affected, and codifying them as part of the
16 Pennsylvania Consolidated Statutes.

1 Section 2. Insurance Law Revision Commission.

2 The Insurance Law Revision Commission is hereby created to
3 study the present insurance laws and make recommendations to the
4 General Assembly for their revision and codification. The
5 commission shall consist of:

6 (1) Three Senators and three Representatives, at least
7 one of whom shall be from each political party in each house,
8 appointed by the President pro tempore of the Senate and the
9 Speaker of the House of Representatives respectively.

10 (2) The Attorney General or his designee.

11 (3) The Insurance Commissioner or his designee.

12 (4) ~~Four~~ SIX public members appointed by the Governor, <—
13 to ~~include one insurance industry representative.~~ <—

14 ~~(5) The Chairman of the Joint State Government~~
15 ~~Commission or his designee.~~

16 ~~(6) The President of the Pennsylvania Bar Association or~~
17 ~~his designee.~~ INCLUDE AT LEAST TWO INSURANCE INDUSTRY <—
18 REPRESENTATIVES AND AT LEAST TWO CONSUMER REPRESENTATIVES.

19 (5) AN ACTUARY WHO IS A MEMBER OF THE FELLOWS OF THE
20 SOCIETY OF ACTUARIES.

21 Section 3. Compensation.

22 The members of the commission shall serve without pay except
23 for necessary and reasonable expenses incurred in attending to
24 their duties.

25 Section 4. Advisory committee.

26 An advisory committee representing the insurance industry
27 doing business in the State and insurance consumers shall be
28 appointed by the Insurance Commissioner to advise and assist the
29 commission and to provide such expert assistance to the
30 commission staff as may be needed.

1 Section 5. Terms.

2 Commission members appointed under section 2 (1), (2), (3)
3 and ~~(6)~~ (5) shall retain membership while they hold their <—
4 qualifying status, and until their successors are appointed and
5 qualified. Members appointed under section 2(4) shall serve at
6 the pleasure of the Governor. The Governor shall make his
7 appointments within 60 days of any vacancy. ~~The member~~ <—
8 ~~designated under section 2(5) shall retain his membership until~~
9 ~~he or she ceases to be the Chairman of the Joint State~~
10 ~~Government Commission.~~ Vacancies shall be filled as are original
11 appointments.

12 Section 6. Reports.

13 The commission shall report its expenditures, findings,
14 conclusions and recommendations to the General Assembly every
15 six months and at the completion of the study. The report will
16 include recommendations for legislative revision and
17 recodification of the insurance laws and for appropriations for
18 the insurance department as necessary to adequately implement
19 the recommended legislative revision.

20 Section 7. Staff.

21 The commission shall be authorized to establish and maintain
22 a staff as necessary to discharge the duties of the commission
23 and may fix their compensation. The staff shall include a full-
24 time director who by virtue of his training and experience
25 possesses technical competence in insurance and legislative
26 reform and other personnel as found necessary by the staff
27 director, with the consent of the commission.

28 ~~Section 8. Appropriation.~~ <—

29 ~~The sum of \$10,000 per month for each month of fiscal year~~
30 ~~1977-1978 remaining after the commission is fully constituted,~~

1 ~~or as much thereof as may be necessary, is hereby specifically~~
2 ~~appropriated to the commission to carry out the purpose of this~~
3 ~~act.~~

4 Section 9 8. Effective date.

<—

5 This act shall take effect immediately.