

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1959 Session of
2005INTRODUCED BY KILLION, CALTAGIRONE, HERSHEY, E. Z. TAYLOR AND
YOUNGBLOOD, SEPTEMBER 26, 2005AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
JUNE 28, 2006

AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled
2 "An act providing for and reorganizing the conduct of the
3 executive and administrative work of the Commonwealth by the
4 Executive Department thereof and the administrative
5 departments, boards, commissions, and officers thereof,
6 including the boards of trustees of State Normal Schools, or
7 Teachers Colleges; abolishing, creating, reorganizing or
8 authorizing the reorganization of certain administrative
9 departments, boards, and commissions; defining the powers and
10 duties of the Governor and other executive and administrative
11 officers, and of the several administrative departments,
12 boards, commissions, and officers; fixing the salaries of the
13 Governor, Lieutenant Governor, and certain other executive
14 and administrative officers; providing for the appointment of
15 certain administrative officers, and of all deputies and
16 other assistants and employes in certain departments, boards,
17 and commissions; and prescribing the manner in which the
18 number and compensation of the deputies and all other
19 assistants and employes of certain departments, boards and
20 commissions shall be determined," PROVIDING FOR THE ENGLISH <—
21 LANGUAGE AS THE OFFICIAL LANGUAGE OF THE COMMONWEALTH AND OF
22 OFFICIAL ACTS; further providing for fees charged by the
23 Insurance Department; ESTABLISHING THE OFFICE OF CONSUMER <—
24 ADVOCATE FOR INSURANCE AS AN INDEPENDENT OFFICE WITHIN THE
25 OFFICE OF ATTORNEY GENERAL AND PRESCRIBING ITS POWERS AND
26 DUTIES; AND ESTABLISHING THE CONSUMER ADVOCATE FOR INSURANCE
27 FUND.

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

1 ~~Section 1. Section 612 A(1)(i) of the act of April 9, 1929~~ <—
2 ~~(P.L.177, No.175), known as The Administrative Code of 1929,~~
3 ~~amended December 23, 2003 (P.L.282, No.47), is amended to read:~~

4 SECTION 1. THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN <—
5 AS THE ADMINISTRATIVE CODE OF 1929, IS AMENDED BY ADDING A
6 SECTION TO READ:

7 SECTION 531. OFFICIAL LANGUAGE.--(A) THE GENERAL ASSEMBLY
8 FINDS AND DECLARES AS FOLLOWS:

9 (1) THE PEOPLE OF THE UNITED STATES HAVE BROUGHT TO THIS
10 NATION THE CULTURAL HERITAGE OF MANY NATIONS.

11 (2) THE PEOPLE OF THE UNITED STATES, DESPITE THEIR MANY
12 DIFFERENCES, HAVE LIVED TOGETHER HARMONIOUSLY AND PRODUCTIVELY
13 AS CITIZENS OF ONE NATION.

14 (3) THE TRADITIONAL AND COMMON LANGUAGE OF THE UNITED STATES
15 AND OF THIS COMMONWEALTH IS ENGLISH.

16 (4) A KNOWLEDGE OF THE COMMON LANGUAGE IS ESSENTIAL TO FULL
17 EXERCISE OF CONSTITUTIONAL FREEDOMS, INFORMED AND KNOWLEDGEABLE
18 EMPOWERMENT AS VOTERS, CITIZEN CHECKS AGAINST GOVERNMENT ABUSES
19 AND INDIVIDUAL PROSPERITY AND INDEPENDENCE.

20 (5) THE ENGLISH LANGUAGE HAS BEEN OUR STRONGEST BOND TO ONE
21 ANOTHER AS FELLOW CITIZENS AND HAS CONTRIBUTED SUBSTANTIALLY TO
22 NATIONAL UNITY AND SOCIETAL COHESIVENESS.

23 (6) ENGLISH HAS BEEN THIS NATION'S LANGUAGE BY CUSTOM ONLY
24 AND WARRANTS SPECIAL LEGAL PROTECTION.

25 (7) GOVERNMENT HAS A FIDUCIARY RESPONSIBILITY TO THE
26 CITIZENRY TO ENSURE THAT IT OPERATES AS EFFICIENTLY AS POSSIBLE,
27 AND THE GROWTH OF MULTIPLE LANGUAGE BUREAUCRACIES AND PRINTING
28 REPRESENTS AN ABROGATION OF THIS FIDUCIARY RESPONSIBILITY.

29 (8) THE COMMONWEALTH AND ITS MUNICIPALITIES AND THE FEDERAL
30 GOVERNMENT ALSO HAVE A RESPONSIBILITY TO ENSURE THAT CITIZENS

1 HAVE OPPORTUNITIES TO LEARN ENGLISH.

2 (B) IT IS THE PURPOSE OF THIS SECTION TO PRESERVE, PROTECT
3 AND STRENGTHEN THE UNIFYING ROLE OF ENGLISH AS THE OFFICIAL
4 LANGUAGE OF THIS COMMONWEALTH.

5 (C) ENGLISH IS HEREBY RECOGNIZED AS THE OFFICIAL LANGUAGE OF
6 THE COMMONWEALTH AND SHALL ALSO BE DESIGNATED AS THE LANGUAGE OF
7 OFFICIAL ACTS OF GOVERNMENT.

8 (D) THE COMMONWEALTH AND ITS POLITICAL SUBDIVISIONS SHALL
9 MAKE NO POLICIES EXPRESSING A PREFERENCE FOR ANY LANGUAGE OTHER
10 THAN ENGLISH OR DIMINISHING OR IGNORING THE UNIFYING ROLE OF
11 ENGLISH AS DESIGNATED IN THIS SECTION, SUBJECT TO THE
12 LIMITATIONS IN SUBSECTION (F).

13 (E) ELECTED AND APPOINTED OFFICERS OF THE COMMONWEALTH AND
14 ITS POLITICAL SUBDIVISIONS SHALL TAKE ALL REASONABLE STEPS TO
15 ENSURE THAT THE ROLE OF ENGLISH AS THE OFFICIAL LANGUAGE IS
16 PRESERVED AND ENHANCED.

17 (F) THE PROVISIONS OF THIS SECTION SHALL NOT APPLY TO THE
18 FOLLOWING:

19 (1) INSTANCES WHEN FEDERAL LAW IMPOSES CONTRARY PROVISIONS.

20 (2) INSTANCES WHEN THE PUBLIC SAFETY, HEALTH OR JUSTICE
21 REQUIRES THE USE OF OTHER LANGUAGES.

22 (3) INSTRUCTION IN FOREIGN LANGUAGE COURSES.

23 (4) INSTRUCTION DESIGNED TO AID STUDENTS WITH LIMITED
24 ENGLISH PROFICIENCY IN THEIR TRANSITION AND INTEGRATION INTO THE
25 EDUCATION SYSTEM.

26 (5) THE PROMOTION OF INTERNATIONAL COMMERCE OR TOURISM.

27 (G) THIS SECTION SHALL NOT BE CONSTRUED IN ANY WAY TO
28 INFRINGE ON THE RIGHTS OF CITIZENS, WHO HAVE EVERY RIGHT TO
29 CHOOSE THEIR OWN PRIMARY LANGUAGE, IN THE USE OF LANGUAGE FOR
30 PRIVATE CONDUCT, NOR SHALL THIS ACT BE USED TO DICTATE LANGUAGE

1 POLICIES FOR THE OPERATION AND ADMINISTRATION OF ORGANIZATIONS
2 OR BUSINESSES IN THE UNREGULATED PRIVATE SECTOR.

3 (H) THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS
4 SECTION SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION
5 UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

6 "OFFICIAL ACTS OF GOVERNMENT." ANY OF THE FOLLOWING:

7 (1) ACTIONS OF THE COMMONWEALTH AND OF ITS POLITICAL
8 SUBDIVISIONS THAT CARRY THE FULL WEIGHT AND AUTHORITY OF LAW.

9 (2) OFFICIAL DOCUMENTS RECORDED AND MAINTAINED BY THE
10 COMMONWEALTH AND ITS POLITICAL SUBDIVISIONS FOR THE PUBLIC
11 DOMAIN, INCLUDING TAX RECORDS, PROFESSIONAL LICENSES, DEEDS,
12 REAL ESTATE RECORDS, PUBLICLY PROBATED WILLS AND OTHER DOCUMENTS
13 OF THE COURT SYSTEMS AND PUBLIC PROCEEDINGS OF THE GOVERNING
14 BODIES OF THE COMMONWEALTH AND ITS POLITICAL SUBDIVISIONS.

15 SECTION 2. SECTION 612-A(1)(I) OF THE ACT, AMENDED DECEMBER
16 23, 2003 (P.L.282, NO.47), IS AMENDED TO READ:

17 Section 612-A. Insurance Department.--The Insurance
18 Department is authorized to charge fees for the following
19 purposes and in the following amounts:

20 (1) Insurance companies, associations or
21 exchanges:

22 (i) Valuation of life insurance
23 policies based on a per thousand
24 dollar value of such insurance..... [\$.015]
25 \$.01
26 with a
27 minimum
28 charge of
29 \$15.00

30 * * *

~~Section 2. This act shall take effect immediately.~~

SECTION 3. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ:

ARTICLE IX-C

OFFICE OF CONSUMER ADVOCATE FOR INSURANCE

SECTION 901-C. DEFINITIONS.--AS USED IN THIS ARTICLE:

"CONSUMER" MEANS ANY PERSON WHO IS A NAMED INSURED, INSURED OR BENEFICIARY OF A POLICY OF INSURANCE OR ANY OTHER PERSON WHO MAY BE AFFECTED IN ANY WAY BY THE INSURANCE DEPARTMENT'S EXERCISE OF OR THE FAILURE TO EXERCISE ITS AUTHORITY.

"DEPARTMENT" MEANS THE INSURANCE DEPARTMENT OF THE COMMONWEALTH AND INCLUDES THE INSURANCE COMMISSIONER.

"FUND" MEANS THE CONSUMER ADVOCATE FOR INSURANCE FUND
ESTABLISHED PURSUANT TO SECTION 906-C.

"INSURER" MEANS ANY "COMPANY," "ASSOCIATION" OR "EXCHANGE" AS SUCH TERMS ARE DEFINED IN SECTION 101 OF THE ACT OF MAY 17, 1921 (P.L.682, NO.284), KNOWN AS "THE INSURANCE COMPANY LAW OF 1921" OR ANY ENTITY SUBJECT TO 40 PA.C.S. CH. 61 (RELATING TO HOSPITAL PLAN CORPORATIONS) OR 63 (RELATING TO PROFESSIONAL HEALTH SERVICES PLAN CORPORATIONS) OR ARTICLE XXIV OF "THE INSURANCE COMPANY LAW OF 1921" OR THE ACT OF DECEMBER 29, 1972 (P.L.1701, NO.364), KNOWN AS THE "HEALTH MAINTENANCE ORGANIZATION ACT."

SECTION 902-C. OFFICE OF CONSUMER ADVOCATE FOR INSURANCE.--

(A) THERE IS HEREBY ESTABLISHED AS AN INDEPENDENT OFFICE WITHIN

THE OFFICE OF ATTORNEY GENERAL AN OFFICE OF CONSUMER ADVOCATE

FOR INSURANCE APPOINTED BY THE ATTORNEY GENERAL TO REPRESENT THE

INTEREST OF CONSUMERS BEFORE THE DEPARTMENT.

(B) THE OFFICE OF CONSUMER ADVOCATE FOR INSURANCE SHALL BE
HEADED BY THE CONSUMER ADVOCATE FOR INSURANCE APPOINTED BY THE
ATTORNEY GENERAL WHO BY REASON OF TRAINING, EXPERIENCE AND
ATTAINMENT IS QUALIFIED TO REPRESENT THE INTEREST OF CONSUMERS.

1 COMPENSATION SHALL BE SET BY THE EXECUTIVE BOARD.

2 (C) NO INDIVIDUAL WHO SERVES AS A CONSUMER ADVOCATE FOR
3 INSURANCE SHALL, WHILE SERVING IN THE POSITION, ENGAGE IN ANY
4 BUSINESS, VOCATION OR OTHER EMPLOYMENT, OR HAVE OTHER INTERESTS,
5 INCONSISTENT WITH THE OFFICIAL RESPONSIBILITIES, NOR SHALL THE
6 INDIVIDUAL SEEK OR ACCEPT EMPLOYMENT NOR RENDER BENEFICIAL
7 SERVICES FOR COMPENSATION WITH ANY INSURER SUBJECT TO THE
8 AUTHORITY OF THE OFFICE DURING THE TENURE OF THE APPOINTMENT AND
9 FOR A PERIOD OF TWO YEARS IMMEDIATELY AFTER THE APPOINTMENT IS
10 SERVED OR TERMINATED.

11 (D) ANY INDIVIDUAL WHO IS APPOINTED TO THE POSITION OF
12 CONSUMER ADVOCATE FOR INSURANCE SHALL NOT SEEK ELECTION NOR
13 ACCEPT APPOINTMENT TO ANY POLITICAL OFFICE DURING THE TENURE AS
14 CONSUMER ADVOCATE FOR INSURANCE AND FOR A PERIOD OF TWO YEARS
15 AFTER THE APPOINTMENT IS SERVED OR TERMINATED.

16 SECTION 903-C. ASSISTANT CONSUMER ADVOCATES FOR INSURANCE;
17 EMPLOYES.--THE CONSUMER ADVOCATE FOR INSURANCE SHALL APPOINT
18 ATTORNEYS AS ASSISTANT CONSUMER ADVOCATES FOR INSURANCE AND
19 ADDITIONAL CLERICAL, TECHNICAL AND PROFESSIONAL STAFF AS MAY BE
20 APPROPRIATE, AND MAY CONTRACT FOR ADDITIONAL SERVICES AS SHALL
21 BE NECESSARY FOR THE PERFORMANCE OF THE DUTIES IMPOSED BY THIS
22 ARTICLE. THE COMPENSATION OF ASSISTANT CONSUMER ADVOCATES FOR
23 INSURANCE AND CLERICAL, TECHNICAL AND PROFESSIONAL STAFF SHALL
24 BE SET BY THE EXECUTIVE BOARD. NO ASSISTANT CONSUMER ADVOCATE
25 FOR INSURANCE OR OTHER STAFF EMPLOYEE SHALL, WHILE SERVING IN THE
26 POSITION, ENGAGE IN ANY BUSINESS, VOCATION OR OTHER EMPLOYMENT,
27 OR HAVE OTHER INTERESTS, INCONSISTENT WITH OFFICIAL
28 RESPONSIBILITIES.

29 SECTION 904-C. POWERS AND DUTIES OF THE CONSUMER ADVOCATE
30 FOR INSURANCE.--(A) IN ADDITION TO ANY OTHER AUTHORITY

1 CONFERRED BY THIS ARTICLE, THE CONSUMER ADVOCATE FOR INSURANCE
2 IS AUTHORIZED TO AND SHALL, IN CARRYING OUT THE RESPONSIBILITIES
3 UNDER THIS ARTICLE, REPRESENT THE INTEREST OF CONSUMERS AS A
4 PARTY, OR OTHERWISE PARTICIPATE FOR THE PURPOSE OF REPRESENTING
5 AN INTEREST OF CONSUMERS, BEFORE THE DEPARTMENT IN ANY MATTER
6 PROPERLY BEFORE THE DEPARTMENT, AND BEFORE ANY COURT OR AGENCY,
7 INITIATING PROCEEDINGS IF, IN THE JUDGMENT OF THE CONSUMER
8 ADVOCATE FOR INSURANCE, THE REPRESENTATION MAY BE NECESSARY, IN
9 CONNECTION WITH ANY MATTER INVOLVING REGULATION BY THE
10 DEPARTMENT OR THE CORRESPONDING REGULATORY AGENCY OF THE FEDERAL
11 GOVERNMENT, WHETHER ON APPEAL OR OTHERWISE INITIATED.

12 (B) THE CONSUMER ADVOCATE FOR INSURANCE MAY EXERCISE
13 DISCRETION IN DETERMINING THE INTERESTS OF CONSUMERS WHICH WILL
14 BE ADVOCATED IN ANY PARTICULAR PROCEEDING AND IN DETERMINING
15 WHETHER TO PARTICIPATE IN OR INITIATE ANY PARTICULAR PROCEEDING
16 AND, IN SO DETERMINING, SHALL CONSIDER THE PUBLIC INTEREST, THE
17 RESOURCES AVAILABLE AND THE SUBSTANTIALITY OF THE EFFECT OF THE
18 PROCEEDING ON THE INTEREST OF CONSUMERS. THE CONSUMER ADVOCATE
19 FOR INSURANCE MAY REFRAIN FROM INTERVENING WHEN, IN THE JUDGMENT
20 OF THE CONSUMER ADVOCATE FOR INSURANCE, INTERVENTION IS NOT
21 NECESSARY TO REPRESENT ADEQUATELY THE INTEREST OF CONSUMERS.

22 (C) IN ADDITION TO ANY OTHER AUTHORITY CONFERRED BY THIS
23 ARTICLE, THE CONSUMER ADVOCATE FOR INSURANCE IS AUTHORIZED TO
24 REPRESENT AN INTEREST OF CONSUMERS WHICH IS PRESENTED FOR
25 CONSIDERATION, UPON PETITION IN WRITING, BY A SUBSTANTIAL NUMBER
26 OF PERSONS WHO ARE CONSUMERS OF AN INSURER SUBJECT TO REGULATION
27 BY THE DEPARTMENT. THE CONSUMER ADVOCATE FOR INSURANCE SHALL
28 NOTIFY THE PRINCIPAL SPONSORS OF THE PETITION WITHIN A
29 REASONABLE TIME AFTER RECEIPT OF THE PETITION OF THE ACTION
30 TAKEN OR INTENDED TO BE TAKEN WITH RESPECT TO THE INTEREST OF

1 CONSUMERS PRESENTED IN THAT PETITION. IF THE CONSUMER ADVOCATE
2 FOR INSURANCE DECLINES OR IS UNABLE TO REPRESENT THE INTEREST,
3 WRITTEN NOTIFICATION AND THE REASONS FOR THE ACTION SHALL BE
4 GIVEN TO THE SPONSORS.

5 (D) ANY ACTION BROUGHT BY THE CONSUMER ADVOCATE FOR
6 INSURANCE BEFORE A COURT OR AN AGENCY OF THIS COMMONWEALTH SHALL
7 BE BROUGHT IN THE NAME OF THE CONSUMER ADVOCATE FOR INSURANCE:
8 PROVIDED, THAT THE CONSUMER ADVOCATE FOR INSURANCE MAY NAME A
9 CONSUMER OR GROUP OF CONSUMERS IN WHOSE NAME THE ACTION MAY BE
10 BROUGHT OR MAY JOIN WITH A CONSUMER OR GROUP OF CONSUMERS IN
11 BRINGING THE ACTION.

12 (E) AT A TIME AS THE CONSUMER ADVOCATE FOR INSURANCE
13 DETERMINES, IN ACCORDANCE WITH APPLICABLE TIME LIMITATIONS, TO
14 INITIATE, INTERVENE OR OTHERWISE PARTICIPATE IN ANY DEPARTMENT,
15 AGENCY OR COURT PROCEEDING, THE CONSUMER ADVOCATE FOR INSURANCE
16 SHALL ISSUE PUBLICLY A WRITTEN STATEMENT, A COPY OF WHICH SHALL
17 BE FILED IN THE PROCEEDING IN ADDITION TO ANY REQUIRED ENTRY OF
18 APPEARANCE, STATING CONCISELY THE SPECIFIC INTEREST OF CONSUMERS
19 TO BE PROTECTED.

20 (F) THE CONSUMER ADVOCATE FOR INSURANCE SHALL BE SERVED WITH
21 COPIES OF ALL FILINGS, CORRESPONDENCE OR OTHER DOCUMENTS FILED
22 BY INSURERS WITH THE DEPARTMENT UNLESS THE CONSUMER ADVOCATE FOR
23 INSURANCE INFORMS THE INSURER THAT SPECIFIC TYPES OF CLASSES OF
24 DOCUMENTS NEED NOT BE SO SERVED. THE DEPARTMENT SHALL NOT ACCEPT
25 A DOCUMENT AS TIMELY FILED IF THE DOCUMENT IS ALSO REQUIRED TO
26 BE SERVED ON THE CONSUMER ADVOCATE FOR INSURANCE AND THE INSURER
27 HAS NOT INDICATED THAT SERVICE HAS OR IS BEING MADE ON THE
28 CONSUMER ADVOCATE FOR INSURANCE. INSURERS SHALL PROVIDE ANY
29 OTHER NONPRIVILEGED INFORMATION OR DATA REQUESTED BY THE
30 CONSUMER ADVOCATE FOR INSURANCE TO THE EXTENT THAT THE REQUEST

1 IS REASONABLY RELATED TO THE PERFORMANCE OF THE DUTIES OF THE
2 CONSUMER ADVOCATE FOR INSURANCE UNDER THIS ARTICLE.

3 SECTION 905-C. DUTIES OF THE DEPARTMENT.--IN DEALING WITH
4 ANY PROPOSED ACTION WHICH MAY SUBSTANTIALLY AFFECT THE INTEREST
5 OF CONSUMERS, INCLUDING, BUT NOT LIMITED TO, A PROPOSED CHANGE
6 OF RATES AND THE ADOPTION OF RULES, REGULATIONS, GUIDELINES,
7 ORDERS, STANDARDS OR FINAL POLICY DECISIONS, THE DEPARTMENT
8 SHALL:

9 (1) NOTIFY THE CONSUMER ADVOCATE FOR INSURANCE AND PROVIDE,
10 FREE OF CHARGE, COPIES OF ALL RELATED DOCUMENTS WHEN NOTICE OF
11 THE PROPOSED ACTION IS GIVEN TO THE PUBLIC OR AT A TIME FIXED BY
12 AGREEMENT BETWEEN THE CONSUMER ADVOCATE FOR INSURANCE AND THE
13 DEPARTMENT IN A MANNER TO ASSURE THE CONSUMER ADVOCATE FOR
14 INSURANCE REASONABLE NOTICE AND ADEQUATE TIME TO DETERMINE
15 WHETHER TO INTERVENE IN THE MATTER.

16 (2) CONSISTENT WITH ITS OTHER STATUTORY RESPONSIBILITIES,
17 TAKE ACTION WITH DUE CONSIDERATION TO THE INTEREST OF CONSUMERS.

18 SECTION 906-C. CONSUMER ADVOCATE FOR INSURANCE FUND.--(A)
19 THERE IS HEREBY ESTABLISHED A SEPARATE FUND IN THE STATE
20 TREASURY TO BE KNOWN AS THE CONSUMER ADVOCATE FOR INSURANCE
21 FUND. THIS FUND SHALL BE ADMINISTERED BY THE STATE TREASURER.

22 (B) ALL MONEYS DEPOSITED INTO THE FUND SHALL BE HELD IN
23 TRUST AND SHALL NOT BE CONSIDERED GENERAL REVENUE OF THE
24 COMMONWEALTH BUT SHALL BE USED ONLY TO EFFECTUATE THE PURPOSES
25 OF THIS ARTICLE. THE FUND SHALL BE SUBJECT TO AUDIT BY THE
26 AUDITOR GENERAL.

27 (C) PRIOR TO THE FIRST DAY OF APRIL FOLLOWING THE EFFECTIVE
28 DATE OF THIS ARTICLE AND PRIOR TO THE FIRST DAY OF APRIL OF EACH
29 YEAR THEREAFTER SO LONG AS THIS ARTICLE SHALL REMAIN IN EFFECT,
30 EACH INSURER WHO WRITES COVERAGES FOR FIRE AND CASUALTY,

1 ACCIDENT AND HEALTH, CREDIT ACCIDENT AND HEALTH UNDER
2 LIFE/ANNUITY/ACCIDENT, HEALTH AND LIFE INCLUDING ANNUITIES IN
3 THIS COMMONWEALTH, AS A CONDITION OF ITS AUTHORIZATION TO
4 TRANSACT BUSINESS IN THIS COMMONWEALTH, SHALL PAY INTO THE FUND
5 IN TRUST AN AMOUNT EQUAL TO THE PRODUCT OBTAINED BY MULTIPLYING
6 FIVE MILLION DOLLARS (\$5,000,000) BY A FRACTION, THE NUMERATOR
7 OF WHICH IS THE DIRECT PREMIUM COLLECTED FOR ALL COVERAGES BY
8 THAT INSURER IN THIS COMMONWEALTH DURING THE PRECEDING CALENDAR
9 YEAR AND THE DENOMINATOR OF WHICH IS THE DIRECT PREMIUM WRITTEN
10 ON SUCH COVERAGES IN THIS COMMONWEALTH BY ALL INSURERS IN THE
11 SAME PERIOD. ANY INSURER WHO FAILS TO PAY THE REQUIRED
12 ASSESSMENT UNDER THIS SECTION SHALL BE PROHIBITED FROM WRITING
13 ANY INSURANCE WITHIN THIS COMMONWEALTH.

14 (D) IN SUCCEEDING YEARS THE GENERAL ASSEMBLY MAY VARY THE
15 BASE AMOUNT OF FIVE MILLION DOLLARS (\$5,000,000) BASED UPON THE
16 ACTUAL FUNDING EXPERIENCE AND REQUIREMENTS OF THE OFFICE OF
17 CONSUMER ADVOCATE FOR INSURANCE.

18 (E) ASSESSMENTS MADE UNDER THIS SECTION SHALL NOT BE
19 CONSIDERED BURDENS AND PROHIBITIONS UNDER SECTION 212 OF THE ACT
20 OF MAY 17, 1921 (P.L.789, NO.285), KNOWN AS "THE INSURANCE
21 DEPARTMENT ACT OF 1921."

22 (F) IN THE EVENT THAT THE TRUST FUND IS DISSOLVED OR THE
23 OFFICE OF CONSUMER ADVOCATE FOR INSURANCE IS TERMINATED BY
24 OPERATION OF LAW, ANY BALANCE REMAINING IN THE FUND, AFTER
25 DEDUCTING ADMINISTRATIVE COSTS FOR LIQUIDATION, SHALL BE
26 RETURNED TO INSURERS IN PROPORTION TO THEIR FINANCIAL
27 CONTRIBUTIONS TO THE FUND IN THE PRECEDING CALENDAR YEAR.

28 SECTION 907-C. REPORTS.--THE CONSUMER ADVOCATE FOR INSURANCE
29 SHALL ANNUALLY TRANSMIT TO THE GOVERNOR AND TO THE GENERAL
30 ASSEMBLY, AND SHALL MAKE AVAILABLE TO THE PUBLIC, AN ANNUAL

1 REPORT ON THE CONDUCT OF THE OFFICE OF CONSUMER ADVOCATE FOR
2 INSURANCE. THE CONSUMER ADVOCATE FOR INSURANCE SHALL MAKE
3 RECOMMENDATIONS AS MAY, FROM TIME TO TIME, BE NECESSARY OR
4 DESIRABLE TO PROTECT THE INTEREST OF CONSUMERS.

5 SECTION 908-C. SAVINGS PROVISION; CONSTRUCTION.--(A)
6 NOTHING CONTAINED IN THIS ARTICLE SHALL IN ANY WAY LIMIT THE
7 RIGHT OF ANY CONSUMER TO BRING A PROCEEDING BEFORE EITHER THE
8 DEPARTMENT OR A COURT.

9 (B) NOTHING CONTAINED IN THIS ARTICLE SHALL BE CONSTRUED TO
10 IMPAIR THE STATUTORY AUTHORITY OR RESPONSIBILITY OF THE
11 DEPARTMENT TO REGULATE INSURERS IN THE PUBLIC INTEREST.

12 SECTION 4. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

13 (1) THE ADDITION OF SECTION 906-C OF THE ACT SHALL TAKE
14 EFFECT IN 90 DAYS.

15 (2) THE AMENDMENT OF SECTION 612-A(1)(I) OF THE ACT
16 SHALL TAKE EFFECT IMMEDIATELY.

17 (3) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

18 (4) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT JULY 1,
19 2006, OR IMMEDIATELY, WHICHEVER IS LATER.