

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2262 Session of  
2005

INTRODUCED BY MUSTIO, MICOZZIE, DeLUCA, ARMSTRONG, BALDWIN,  
BARRAR, BELARDI, BELFANTI, BUNT, CALTAGIRONE, CAPPELLI,  
CORRIGAN, CRAHALLA, CREIGHTON, DALEY, DALLY, DeWEESE,  
FAIRCHILD, GEORGE, GINGRICH, GODSHALL, GOOD, GOODMAN, GRELL,  
GRUCELA, HASAY, FRANKEL, HARRIS, HERMAN, HERSHEY, HICKERNELL,  
M. KELLER, W. KELLER, KILLION, KOTIK, LEDERER, MANDERINO,  
MARKOSEK, McILHATTAN, MILLARD, R. MILLER, NAILOR, PAYNE,  
PETRARCA, PICKETT, PISTELLA, RAPP, BOYD, McGEEHAN, FABRIZIO,  
READSHAW, REED, ROSS, SATHER, SCAVELLO, SOLOBAY, SONNEY,  
STABACK, STERN, R. STEVENSON, T. STEVENSON, SURRA,  
E. Z. TAYLOR, J. TAYLOR, THOMAS, TIGUE, VEON, WILT,  
YOUNGBLOOD, YUDICHAK, ZUG AND S. MILLER, NOVEMBER 22, 2005

REFERRED TO COMMITTEE ON INSURANCE, NOVEMBER 22, 2005

AN ACT

1 Amending the act of May 17, 1921 (P.L.789, No.285), entitled, as  
2 amended, "An act relating to insurance; establishing an  
3 insurance department; and amending, revising, and  
4 consolidating the law relating to the licensing,  
5 qualification, regulation, examination, suspension, and  
6 dissolution of insurance companies, Lloyds associations,  
7 reciprocal and inter-insurance exchanges, and certain  
8 societies and orders, the examination and regulation of fire  
9 insurance rating bureaus, and the licensing and regulation of  
10 insurance agents and brokers; the service of legal process  
11 upon foreign insurance companies, associations or exchanges;  
12 providing penalties, and repealing existing laws," providing  
13 for licensees deployed to a military zone of combat.

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

16 Section 1. Section 608-A of the act of May 17, 1921  
17 (P.L.789, No.285), known as The Insurance Department Act of  
18 1921, added December 6, 2002 (P.L.1183, No.147), is amended to

1 read:

2 Section 608-A. License renewals.

3 (a) General rule.--A licensee may request renewal of the  
4 license. The licensee shall remit to the department a completed  
5 renewal form, the required fee and verification that the  
6 licensee has completed the continuing education required by this  
7 act. A resident licensee that has not previously submitted  
8 fingerprints to the department shall also submit the licensee's  
9 fingerprints and the fee in order to permit the department to  
10 receive national criminal history records information from the  
11 Federal Bureau of Investigation Criminal Justice Information  
12 Services Division. Upon receipt and review, the department shall  
13 renew the license unless it determines that the licensee is not  
14 in compliance with this act.

15 (b) Continuing education.--A licensee shall successfully  
16 complete 24 credit hours of approved continuing education for  
17 each two-year license period as a condition for license renewal  
18 unless modified by the department by regulation. A licensee may  
19 carry forward excess continuing education credit hours up to a  
20 maximum of 24 credit hours from one licensing period to the next  
21 licensing period.

22 (c) Continuing education exemptions.--The following  
23 licensees shall be exempt from the requirements of continuing  
24 education:

25 (1) A licensee who was licensed as an agent or broker  
26 for a line of authority prior to January 1, 1971, and who has  
27 been continuously licensed as an agent, broker or producer  
28 for the line of authority since that time.

29 (2) A licensee which is a business entity.

30 (3) A licensee who has only a limited line of authority.

1 (4) A licensee who has a line of authority limited to  
2 restricted fraternal.

3 (5) A licensee who has a line of authority limited to  
4 limited line credit insurance if the insurer provided a  
5 course of instruction to each individual whose duties will  
6 include selling, soliciting or negotiating the insurance.

7 (6) A nonresident licensee who has satisfied the  
8 continuing education requirements of the licensee's home  
9 state if that state recognizes the satisfaction of its  
10 continuing education requirements by a resident licensee  
11 satisfying the requirements of this act. If the licensee's  
12 home state has continuing education requirements and the  
13 nonresident licensee fails to satisfy the home state's  
14 continuing education requirements, the licensee shall be  
15 subject to continuing education requirements of this act.

16 (7) A licensee's line of authority is restricted to  
17 domestic mutual fire insurance and the licensee's appointment  
18 is with an insurer writing only coverage other than insurance  
19 upon automobiles as authorized by section 202(b)(1) through  
20 (3) of the act of May 17, 1921 (P.L.682, No.284), known as  
21 The Insurance Company Law of 1921.

22 (d) Lapses.--A licensee who allows his or her license to  
23 lapse by failing to timely renew the license, pay the fee  
24 required by this act or complete the continuing education  
25 required by this act may within one year of the license renewal  
26 date request the department to reinstate the license. Persons  
27 requesting reinstatement of a lapsed license shall submit a  
28 completed renewal form, the fee required by this act and  
29 verification that the person has completed all continuing  
30 education required by subsection (b) for the previously licensed

1 and lapsed periods. The department shall reinstate the license  
2 retroactively, with the reinstatement effective on the date the  
3 license lapsed, if the department receives a request for  
4 reinstatement together with a completed renewal application,  
5 payment of the lapsed license fee and proof of continuing  
6 education compliance within 60 days after the license lapsed.  
7 The department shall reinstate the license prospectively, with  
8 reinstatement effective on the date that the license is  
9 reinstated, if the department receives a request for  
10 reinstatement of a lapsed license more than 60 days after the  
11 license lapsed. If a person applies for reinstatement more than  
12 one year after the lapse date, the person shall reapply for the  
13 license under this act.

14 (e) Extenuating circumstances.--A licensee who is unable to  
15 timely comply with the requirements of subsection (a) as a  
16 result of military service or other extenuating circumstance may  
17 request the department to waive the requirements of having to  
18 complete continuing education for the period in which the  
19 license had lapsed and payment of the lapsed license fee. The  
20 request shall include sufficient detail and supporting  
21 documentation to determine the necessity of the waiver. If the  
22 department determines that there is good cause for  
23 noncompliance, the department shall grant the waiver and permit  
24 the licensee to request renewal of the license in accordance  
25 with this act.

26 (e.1) Licensees deployed to a military zone of combat.--If a  
27 licensee fails to timely comply with the requirements of  
28 subsection (a) because the licensee is a member of the  
29 Pennsylvania National Guard or a Pennsylvania resident who is a  
30 member of the reserve component of the United States Armed

1 Forces and has been called to active duty and deployed to a zone  
2 of combat as determined by the United States Secretary of  
3 Defense for a period of time during which a licensee's license  
4 lapses, the department shall waive:

5 (1) The requirements of having to complete continuing  
6 education for the period in which the license has lapsed.

7 (2) The requirements of having to complete continuing  
8 education for the two-year licensing cycle preceding the  
9 lapse of the license.

10 (3) The one-year restriction regarding the renewal of a  
11 lapsed license as prescribed in subsection (d), if the  
12 deployment of the licensee results in a lapse of more than  
13 one year.

14 (4) The payment of the lapsed license fee.

15 The department shall allow a licensee to request renewal of  
16 the license in accordance with this act. The department shall  
17 require the licensee to submit documentation providing proof of  
18 the deployment of the licensee in order to administer the  
19 provisions of this subsection.

20 (f) Renewal fees.--The following nonrefundable fees shall  
21 accompany an application for renewal of an insurance producer  
22 license unless modified by the department by regulation:

23 (1) Resident renewal fee - \$55.

24 (2) Nonresident renewal fee - \$110.

25 (3) Lapsed license renewal fee - \$165.

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