

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 187 Session of
1991

INTRODUCED BY HOLL, JANUARY 29, 1991

REFERRED TO BANKING AND INSURANCE, JANUARY 29, 1991

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 reimbursement of expenses incurred by certain lenders in
14 obtaining insurance.

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

17 Section 1. The act of May 17, 1921 (P.L.789, No.285), known
18 as The Insurance Department Act of one thousand nine hundred and
19 twenty-one, is amended by adding a section to read:

20 Section 636.1. Receipt of Expense Reimbursements.--When an
21 insured person or party is a lender who has obtained a policy of
22 insurance to protect the interests of the lender and/or its
23 borrower in collateral securing a loan to the borrower, the

1 lender may be reimbursed for administrative expenses incurred in
2 connection with the policy of insurance in accordance with
3 regulations promulgated by the Insurance Commissioner. The
4 Insurance Commissioner shall promulgate the regulations within
5 ninety (90) days of the effective date of this section.

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