

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1016 Session of
1993

INTRODUCED BY SCANLON, BELAN, AFFLERBACH, STAPLETON, O'PAKE,
JONES, MUSTO, FATTAH, LINCOLN, SCHWARTZ, REIBMAN AND RHOADES,
APRIL 27, 1993

REFERRED TO BANKING AND INSURANCE, APRIL 27, 1993

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," further providing for the
21 review of financial solvency of insurers.

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

24 Section 1. Section 612-A introductory paragraph and
25 (1)(xviii) of the act of April 9, 1929 (P.L.177, No.175), known
26 as The Administrative Code of 1929, amended July 1, 1990
27 (P.L.277, No.67), are amended and the section is amended by

1 adding a subsection and a clause to read:

2 Section 612-A. Insurance Department.--(a) The Insurance
3 Department is authorized to charge fees for the following
4 purposes and in the following amounts:

5 (1) Insurance companies, associations or
6 exchanges:

7 * * *

8 (xviii) Copy of any paper filed with
9 [department on a per/page basis... .25]
10 department on a per/page basis... 1.00

11 * * *

12 (9) Financial Solvency of Insurers:

13 (i) Every domestic and foreign insurance
14 company, association or exchange, title
15 insurance company, fraternal benefit
16 society, hospital plan corporation,
17 professional health service plan
18 corporation, health maintenance
19 organization, preferred provider
20 organization or other entity licensed
21 to transact the business of insurance
22 in Pennsylvania shall pay within sixty
23 (60) days of billing date an annual
24 financial regulation fee for analysis of
25 its financial condition..... \$.0018
26 per thousand
27 dollars of
28 total admit-
29 ted assets
30 or \$250,

whichever
amount is
greater

(b) Beginning July 1, 1993, and thereafter, all moneys collected by the Insurance Department under subsection (a)(9)(i) shall be paid into the Insurance Monitoring and Activities Augmentation Account, which is hereby established and which shall be a special restricted account within the General Fund. Moneys in the Insurance Monitoring and Activities Augmentation Account are hereby appropriated upon approval by the Governor to the Insurance Department on a continuing basis and shall be used to support the activities of the Insurance Department relating to monitoring and solvency activities related to insurers.

Section 2. This act shall take effect immediately.