

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 742 Session of
1997

INTRODUCED BY TILGHMAN, MARCH 18, 1997

REFERRED TO BANKING AND INSURANCE, MARCH 18, 1997

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
2 act relating to insurance; amending, revising, and
3 consolidating the law providing for the incorporation of
4 insurance companies, and the regulation, supervision, and
5 protection of home and foreign insurance companies, Lloyds
6 associations, reciprocal and inter-insurance exchanges, and
7 fire insurance rating bureaus, and the regulation and
8 supervision of insurance carried by such companies,
9 associations, and exchanges, including insurance carried by
10 the State Workmen's Insurance Fund; providing penalties; and
11 repealing existing laws," providing for payment of life
12 insurance benefits.

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

15 Section 1. The act of May 17, 1921 (P.L.682, No.284), known
16 as The Insurance Company Law of 1921, is amended by adding a
17 section to read:

18 Section 411B. Payment of Benefits.--Life insurance death
19 benefits are overdue if not paid within thirty days following
20 proof of death. Overdue benefits shall bear interest at the rate
21 of twelve per centum per annum from the date of death to the
22 payment of the benefit.

1 Section 2. (a) Except as provided in subsection (b), the
2 addition of section 411B of the act shall apply to insurance
3 policies issued or renewed on or after the effective date of
4 this section.

5 (b) Unless there is a policy provision to the contrary, the
6 addition of section 411B of the act shall apply to policies in
7 existence on the effective date of the addition of this section.

8 Section 3. This act shall take effect as follows:

9 (1) Section 2 of this act shall take effect in 30 days.

10 (2) The remainder of this act shall take effect
11 immediately.