
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 953 Session of
1999

INTRODUCED BY MICOZZIE, L. I. COHEN, GANNON, CIVERA, ADOLPH,
BELARDI, DeLUCA, GEIST, KENNEY, McCALL AND STERN,
MARCH 22, 1999

REFERRED TO COMMITTEE ON INSURANCE, MARCH 22, 1999

AN ACT

1 Amending the act of December 14, 1992 (P.L.835, No.134),
2 entitled "An act providing for the establishment,
3 organization, operation and termination of fraternal benefit
4 societies; imposing additional powers and duties on the
5 Insurance Department and on the Insurance Commissioner;
6 providing penalties; and making repeals," further providing
7 for licensing of agents.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. Section 609 of the act of December 14, 1992
11 (P.L.835, No.134), known as the Fraternal Benefit Societies
12 Code, is amended to read:

13 Section 609. Licensing of agents.

14 (a) General rule.--Agents of societies shall be licensed in
15 accordance with the insurance laws regulating the licensing,
16 revocation, suspension or termination of license of resident and
17 nonresident agents.

18 (b) Exemptions from licensure.--No examination or license
19 shall be required of any regular salaried officer, employee or
20 member of a licensed society who devotes substantially all of

1 his services to activities other than the solicitation of
2 fraternal insurance contracts from the public and who receives
3 for the solicitation of such contracts no commission or other
4 compensation directly dependent upon the amount of business
5 obtained.

6 (c) Examination.--

7 (1) Any person who in the preceding calendar year has
8 solicited and procured life insurance contracts on behalf of
9 any society in an amount of insurance in excess of [\$100,000]
10 \$200,000 or, in the case of any other kind or kinds of
11 insurance which the society might write, on the persons of
12 more than 25 individuals and who has received or will receive
13 a commission or other compensation therefor shall be required
14 to take an examination. No examination shall be required of
15 any agent who was in the service of a society on January 28,
16 1978.

17 (2) At least once every five years the commissioner
18 shall review the monetary limit contained in this subsection
19 and may, in the commissioner's discretion, adjust the amount.
20 Any adjustment to the amount shall be published as a notice
21 in the Pennsylvania Bulletin.

22 (d) Limitation.--No society doing business in this
23 Commonwealth shall pay any commission or other compensation to
24 any person for any services in obtaining in this Commonwealth
25 any new contract of life, accident or health insurance, or any
26 new annuity contract, except to a licensed fraternal insurance
27 agent of that society.

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