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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE BILL

## No. 1714 Session of

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INTRODUCED BY MR. KOWALYSHYN, MRS. GILLETTE, MESSRS. ZEARFOSS,  
GATSKI, GIAMMARCO, SCHMITT, MADIGAN, YOHN AND MRS. HARPER,  
OCTOBER 3, 1977

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SENATOR HANKINS, INSURANCE, IN SENATE, AS AMENDED,  
SEPTEMBER 12, 1978

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AN ACT

1 Amending the act of May 11, 1949 (P.L.1210, No.367), entitled  
2 "An act relating to group life insurance; describing  
3 permitted policies and restrictions thereon, the premium  
4 basis thereof and rights thereunder; limiting the amount of  
5 such insurance; prescribing standard policy provisions; and  
6 requiring notice of conversion privileges," further providing  
7 for the amount for which a creditor may insure a debtor.

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

10 Section 1. Clause (4) of section 3, act of May 11, 1949  
11 (P.L.1210, No.367), entitled "An act relating to group life  
12 insurance; describing permitted policies and restrictions  
13 thereon, the premium basis thereof and rights thereunder;  
14 limiting the amount of such insurance; prescribing standard  
15 policy provisions; and requiring notice of conversion  
16 privileges," amended March 23, 1970 (P.L.206, No.83), is amended  
17 to read:

18 Section 3. Policies Issued to Creditors.--A policy issued to  
19 a creditor to insure debtors of the creditor shall be subject to

1 the following requirements:

2 \* \* \*

3 (4) The amount of insurance on the life of any debtor shall

4 at no time exceed the amount owed by him which is repayable in

5 instalments to the creditor†, or [thirty thousand dollars <—

6 (\$30,000)] SIXTY THOUSAND DOLLARS (\$60,000) whichever is less†. <—

7 \* \* \*

8 Section 2. This act shall take effect immediately.