

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 630

Session of
1977

INTRODUCED BY HANKINS, NOSZKA, MELLOW, SMITH, COPPERSMITH,
ARLENE AND HESS, MARCH 29, 1977

REFERRED TO INSURANCE, MARCH 29, 1977

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," changing
13 certain provisions relating to the impairment of capital and
14 reserves.

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

17 Section 1. Section 321, act of May 17, 1921 (P.L.789,
18 No.285), known as "The Insurance Department Act of one thousand
19 nine hundred and twenty-one," is amended to read:

20 Section 321. Notice of Impairment of Funds.--Having charged
21 as a liability the reinsurance and loss reserves as above
22 defined for insurance companies and exchanges of this
23 Commonwealth other than life insurance companies, and adding
24 thereto all other debts and claims against the company or

1 exchange, the commissioner shall, in case he finds the capital
2 or reserve of the company or exchange impaired [twenty per
3 centum], give notice to the company or exchange to make good the
4 capital or reserve within [sixty] thirty days.

5 Section 2. This act shall take effect immediately.