

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1255 Session of
1978

INTRODUCED BY HANKINS, ARLENE, MOORE, STAPLETON AND CORMAN,
JANUARY 3, 1978

REFERRED TO INSURANCE, JANUARY 3, 1978

AN ACT

1 Amending the act of September 2, 1961 (P.L.1232, No.540),
2 entitled "An act providing for the regulation of credit life
3 insurance and credit accident and health insurance;
4 conferring powers and imposing duties on the Insurance
5 Commissioner and prescribing penalties," excluding insurance
6 in connection with agricultural or horticultural loans from
7 provisions of this act.

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

10 Section 1. Clause (2) of subsection (a) of section 2, act of
11 September 2, 1961 (P.L.1232, No.540), known as the "Model Act
12 for the Regulation of Credit Life Insurance and Credit Accident
13 and Health Insurance," amended December 10, 1974 (P.L.847,
14 No.284), is amended to read:

15 Section 2. Scope of Act; Short Title; Definitions.--(a)

16 * * *

17 (2) All life insurance and all accident and health insurance
18 in connection with loans or other credit transactions shall be
19 subject to the provisions of this act, except such insurance in
20 connection with a loan or other credit transaction of more than

1 twenty years duration; and except such insurance in connection
2 with a first real estate mortgage, provided however, that such
3 insurance in connection with a first real estate mortgage on a
4 new or used mobile home or dwelling trailer shall be subject to
5 the provisions of this act regardless of the duration of the
6 underlying loan or other credit transaction; nor shall insurance
7 be subject to the provisions of this act where the issuance of
8 such insurance is an isolated transaction on the part of the
9 insurer not related to an agreement or a plan for insuring
10 debtors of the creditor, nor shall such insurance in connection
11 with an agricultural or horticultural loan commitment be subject
12 to the provisions of this act.

13 * * *

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