

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2595 Session of
1980

INTRODUCED BY PICCOLA, JUNE 2, 1980

REFERRED TO COMMITTEE ON INSURANCE, JUNE 2, 1980

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 appeals of individual
12 classifications to the Insurance Department.

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

15 Section 1. The second paragraph of section 654, act of May
16 17, 1921 (P.L.682, No.284), known as "The Insurance Company Law
17 of 1921," amended July 2, 1953 (P.L.342, No.79), is amended and
18 a new third paragraph is added to read:

19 Section 654. Classification of Risks; Underwriting Rules;
20 Premium Rates; and Schedule and Merit Rating Plans.--* * *

21 The system of classification of risks, underwriting rules,
22 premium rates and schedule or merit rating plans for insurance

1 of employers and employes under such acts, shall be filed with,
2 and shall be subject to review by the Insurance Commissioner,
3 and the Insurance Commissioner shall by order modify, amend or
4 approve the same. Any person, corporate or otherwise, aggrieved
5 by such order, classification, rule, rate or schedule issued by
6 the Insurance Commissioner may obtain a review thereof before
7 the Insurance Commissioner.

8 The assignment by an approved rating bureau of any individual
9 risk to a particular classification in accordance with the
10 system of classification of risks and underwriting rules
11 approved by the Insurance Commission may be appealed by any
12 person, corporate or otherwise, aggrieved by such assignment
13 before the assigning bureau in accordance with procedures of the
14 bureau approved by the Insurance Commissioner and, if still
15 aggrieved by such reviewed assignment, such person may obtain a
16 further review thereof by filing an appeal with the Insurance
17 Commissioner within thirty (30) days of the mailing date of the
18 final decision of the bureau. The Insurance Commissioner shall
19 hold a hearing upon not less than ten (10) days written notice
20 to the applicant and to the rating bureau which made such
21 classification, and shall issue an order modifying, amending or
22 approving the placement of the individual risk within the
23 particular classification as the result of that hearing. Any
24 order made by the Insurance Commissioner in accordance with this
25 paragraph shall be appealable to the Commonwealth Court in
26 accordance with Title 42 of the Pennsylvania Consolidated
27 Statutes (relating to judiciary and judicial procedure).

28 * * *

29 Section 2. This act shall take effect in 30 days.