THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No.   2490   Session of 2010

INTRODUCED BY JOHNSON, BRIGGS, BROWN, BUXTON, CALTAGIRONE,
    CARROLL, D. COSTA, FRANKEL, HENNESSEY, JOSEPHS, MANN,
    MICOZZIE, PAYTON, READSHAW, SANTONI, SIPTROTH AND YOUNGBLOOD,
    MAY 5, 2010

AS REPORTED FROM COMMITTEE ON INSURANCE, HOUSE OF
    REPRESENTATIVES, AS AMENDED, JUNE 22, 2010

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," in
13   insurance producer licensing, providing for life, accident
14   and health insurance.

15   The General Assembly of the Commonwealth of Pennsylvania

16   hereby enacts as follows:

17   Section 1. The act of May 17, 1921 (P.L.789, No.285), known

18   as The Insurance Department Act of 1921, is amended by adding a

19   section to read:

20   Section 604.1-A. Life, accident and health insurance.

21   (a) Scope.--This section shall apply to insurance producer

22   licensing examinations taken for life insurance or for life,

1 accident and health or sickness lines of insurance.

2   (b) Administration.--The department or a vendor selected by

3 the department shall review producer licensing examinations

4 subject to this section ~~if, during any six-month period~~   ←

5 ~~beginning on July 1, an examination exhibits an overall pass~~

6 ~~rate of less than 70% for examinees who have taken the test for~~

7 ~~the first time~~ ON AN ANNUAL BASIS, AND SHALL CONSIDER AS PART OF   ←

8 THE REVIEW DETERMINATIONS AND FINDINGS MADE UNDER THIS SECTION.

9 The department OR ITS SELECTED VENDOR shall do all of the   ←

10 following:

11   (1) ~~Collect~~ BEGINNING ON JANUARY 1, 2011, COLLECT   ←

12 demographic data from individuals who have made application

13 to take an insurance producer licensing examination subject

14 to this section. The data shall be collected on a form and in

15 a manner prescribed by the department and shall include the

16 race, gender, nation of origin and highest achieved

17 educational level of the examination applicant. THE FORM   ←

18 SHALL CONTAIN A WRITTEN STATEMENT DISPLAYED PROMINENTLY ON

19 EACH PAGE USED TO COLLECT THE DATA WHICH STATES:

20   YOU ARE NOT REQUIRED TO DISCLOSE THIS INFORMATION AND

21   WILL NOT BE PENALIZED FOR LEAVING IT BLANK. THIS

22   INFORMATION IS USED STRICTLY FOR RESEARCH AND STATISTICAL

23   PURPOSES IN ORDER TO IMPROVE THE QUALITY AND FAIRNESS OF

24   THE EXAMINATION.

25   (2) Review the data collected under paragraph (1) and

26 compare it to the outcome of each question of the producer

27 insurance licensing examinations and to the overall outcome

28 of the examinations to determine whether there was any

29 disparity in the pass rate based on demographic

30 characteristics of the examinees.

1   (3) Report to the chair and minority chair of the   ←

2   Banking and Insurance Committee of the Senate and the chair

3   and minority chair of the Insurance Committee of the House of

4   Representatives by January 15, 2011, and every six months

5   thereafter, its findings under paragraphs (1) and (2) and

6   revisions made to the producer insurance licensing

7   examination relative to these findings.

8   (3) PUBLISH ITS FINDINGS UNDER PARAGRAPH (2) ON ITS   ←

9   INTERNET WEBSITE BY SEPTEMBER 30, 2011, AND EVERY SIX MONTHS

10   THEREAFTER.

11   (C) RIGHT-TO-KNOW.--THE INDIVIDUAL DEMOGRAPHIC DATA

12   COLLECTED UNDER SUBSECTION (B)(1) SHALL NOT BE SUBJECT TO THE

13   ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-

14   KNOW LAW.

15   Section 2. This act shall take effect July 1, 2010, or   ←

16   immediately, whichever is later IMMEDIATELY.   ←