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 AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 30, 2010

AN ACT

Amending the act of May 17, 1921 (P.L.789, No.285), entitled, as amended, "An act relating to insurance; establishing an insurance department; and amending, revising, and 3 consolidating the law relating to the licensing, qualification, regulation, examination, suspension, and 5 dissolution of insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and certain 7 societies and orders, the examination and regulation of fire 8 insurance rating bureaus, and the licensing and regulation of 9 insurance agents and brokers; the service of legal process 10 upon foreign insurance companies, associations or exchanges; 11 providing penalties, and repealing existing laws," in 12 insurance producer licensing, providing for life, accident 13 and health insurance. 14 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

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 <u>subject to this section on an annual basis</u>, and shall consider
- 5 <u>as part of the review determinations and findings made under</u>
- 6 this section. The department or its selected vendor shall do all
- 7 of the following:
- 8 (1) Beginning on January 1, 2011, collect demographic
- 9 <u>data from individuals who have made application to take an</u>
- insurance producer licensing examination subject to this
- 11 <u>section. The data shall be collected on a form and in a</u>
- 12 <u>manner prescribed by the department and shall include the</u>
- 13 <u>race, gender, nation of origin and highest achieved</u>
- 14 <u>educational level of the examination applicant. The form</u>
- 15 <u>shall contain a written statement displayed prominently on</u>
- 16 <u>each page used to collect the data which states:</u>
- 17 You are not required to disclose this information and
- 18 will not be penalized for leaving it blank. This
- 19 <u>information is used strictly for research and statistical</u>
- 20 purposes in order to improve the quality and fairness of
- the examination.
- 22 (2) Review the data collected under paragraph (1) and
- 23 compare it to the outcome of each question of the producer
- 24 <u>insurance licensing examinations and to the overall outcome</u>
- 25 of the examinations to determine whether there was any
- disparity in the pass rate based on demographic
- 27 <u>characteristics of the examinees.</u>
- 28 (3) Publish its findings under paragraph (2) on its
- 29 <u>Internet website by September 30, 2011, and every six months</u>
- 30 thereafter.

- 1 (c) Right-to-Know.--The individual demographic data
- 2 <u>collected under subsection (b) (1) shall not be subject to the</u>
- 3 act of February 14, 2008 (P.L.6, No.3), known as the Right-to-
- 4 Know Law.
- 5 Section 2. This act shall take effect immediately.