

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 237 Session of 2009

INTRODUCED BY CORMAN, BROWNE, STACK, EARLL, RAFFERTY, BAKER, FERLO, GORDNER, O'PAKE, WILLIAMS, WAUGH AND M. WHITE, FEBRUARY 19, 2009

SENATOR D. WHITE, BANKING AND INSURANCE, AS AMENDED, MARCH 10, 2009

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," FURTHER PROVIDING FOR ANNUAL AND ←
12 OTHER REPORTS; AND providing for suitability of annuity
13 transactions.

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

16 ~~Section 1. The act of May 17, 1921 (P.L.682, No.284), known ←~~
17 ~~as The Insurance Company Law of 1921, is amended by adding an~~
18 ~~article to read:~~

19 SECTION 1. SECTION 320 OF THE ACT OF MAY 17, 1921 (P.L.682, ←
20 NO.284), KNOWN AS THE INSURANCE COMPANY LAW OF 1921, AMENDED
21 DECEMBER 18, 1992 (P.L.1519, NO.178) AND FEBRUARY 17, 1994
22 (P.L.92, NO.9), IS AMENDED TO READ:

1 SECTION 320. ANNUAL AND OTHER REPORTS; PENALTIES.-- (A) (1)  
2 EVERY STOCK AND MUTUAL INSURANCE COMPANY, ASSOCIATION, AND  
3 EXCHANGE, DOING BUSINESS IN THIS COMMONWEALTH, SHALL ANNUALLY,  
4 ON OR BEFORE THE FIRST DAY OF MARCH, FILE IN THE OFFICE OF THE  
5 INSURANCE COMMISSIONER AND WITH THE NATIONAL ASSOCIATION OF  
6 INSURANCE COMMISSIONERS A STATEMENT WHICH SHALL EXHIBIT ITS  
7 FINANCIAL CONDITION ON THE THIRTY-FIRST DAY OF DECEMBER OF THE  
8 PREVIOUS YEAR, AND ITS BUSINESS OF THAT YEAR AND SHALL, WITHIN  
9 THIRTY DAYS AFTER REQUESTED BY THE INSURANCE COMMISSIONER, FILE  
10 WITH THE INSURANCE COMMISSIONER AND WITH THE NATIONAL  
11 ASSOCIATION OF INSURANCE COMMISSIONERS SUCH ADDITIONAL STATEMENT  
12 OR STATEMENTS CONCERNING ITS AFFAIRS AND FINANCIAL CONDITION AS  
13 THE INSURANCE COMMISSIONER MAY, IN HIS DISCRETION, REQUIRE. THE  
14 INSURANCE COMMISSIONER SHALL REQUIRE EACH INSURANCE COMPANY  
15 ASSOCIATION AND EXCHANGE TO REPORT ITS FINANCIAL CONDITION ON  
16 THE STATEMENT CONVENTION BLANKS, IN SUCH FORM AS ADOPTED BY THE  
17 NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS AND SHALL, UPON  
18 WRITTEN REQUEST, FURNISH SUCH BLANKS FOR THEIR CONVENIENCE; AND  
19 MAY MAKE SUCH CHANGES, FROM TIME TO TIME, IN THE FORM OF THE  
20 SAME AS SHALL SEEM BEST ADAPTED TO ELICIT FROM THEM A TRUE  
21 EXHIBIT OF THEIR FINANCIAL CONDITION.

22 (2) UNLESS OTHERWISE PROVIDED BY LAW, REGULATION OR ORDER OF  
23 THE INSURANCE COMMISSIONER, EACH INSURANCE COMPANY, ASSOCIATION  
24 AND EXCHANGE SHALL ADHERE TO THE ANNUAL OR QUARTERLY STATEMENT  
25 INSTRUCTIONS AND THE ACCOUNTING PRACTICES AND PROCEDURES MANUALS  
26 PRESCRIBED BY THE NATIONAL ASSOCIATION OF INSURANCE  
27 COMMISSIONERS. THE INSURANCE COMMISSIONER MAY REQUIRE EACH  
28 INSURANCE COMPANY, ASSOCIATION AND EXCHANGE TO FILE IN THE  
29 OFFICE OF THE INSURANCE COMMISSIONER AND WITH THE NATIONAL  
30 ASSOCIATION OF INSURANCE COMMISSIONERS FINANCIAL STATEMENTS ON

1 DISKETTES OR OTHER ELECTRONIC INFORMATION STORAGE DEVICES  
2 ACCEPTABLE TO THE INSURANCE COMMISSIONER.

3 (B) INSURANCE COMPANIES OF FOREIGN GOVERNMENTS, DOING  
4 BUSINESS IN THIS COMMONWEALTH, SHALL BE REQUIRED TO RETURN ONLY  
5 THE BUSINESS DONE IN THE UNITED STATES, AND THE ASSETS HELD BY  
6 AND FOR THEM WITHIN THE UNITED STATES FOR THE PROTECTION OF  
7 POLICYHOLDERS THEREIN.

8 (C) IN THE ABSENCE OF ACTUAL MALICE, MEMBERS OF THE NATIONAL  
9 ASSOCIATION OF INSURANCE COMMISSIONERS, THEIR DULY AUTHORIZED  
10 COMMITTEES, SUBCOMMITTEES AND TASK FORCES, THEIR DELEGATES AND  
11 EMPLOYEES AND ALL OTHERS CHARGED WITH THE RESPONSIBILITY OF  
12 COLLECTING, REVIEWING, ANALYZING AND DISSEMINATING THE  
13 INFORMATION DEVELOPED FROM THE FILING OF THE ANNUAL STATEMENT  
14 CONVENTION BLANKS SHALL BE ACTING AS AGENTS OF THE INSURANCE  
15 COMMISSIONER UNDER THE AUTHORITY OF THIS ACT AND SHALL NOT BE  
16 SUBJECT TO CIVIL LIABILITY FOR LIBEL, SLANDER OR ANY OTHER CAUSE  
17 OF ACTION BY VIRTUE OF THEIR COLLECTION, REVIEW AND ANALYSIS OR  
18 DISSEMINATION OF THE DATA AND INFORMATION COLLECTED FROM THE  
19 FILINGS REQUIRED HEREUNDER.

20 (D) [ALL FINANCIAL ANALYSIS RATIOS AND EXAMINATION SYNOPSES  
21 CONCERNING INSURANCE COMPANIES THAT ARE SUBMITTED TO THE  
22 INSURANCE DEPARTMENT BY THE NATIONAL ASSOCIATION OF INSURANCE  
23 COMMISSIONERS' INSURANCE REGULATORY INFORMATION SYSTEM ARE  
24 CONFIDENTIAL AND MAY NOT BE DISCLOSED BY THE INSURANCE  
25 DEPARTMENT. WORK PRODUCTS DEVELOPED BY INSURANCE DEPARTMENT  
26 STAFF IN CONDUCTING FINANCIAL ANALYSES OF FINANCIAL STATEMENTS  
27 FILED PURSUANT TO THIS SECTION ARE CONFIDENTIAL AND SHALL NOT BE  
28 DISCLOSED BY THE INSURANCE DEPARTMENT.]

29 (1) THE FOLLOWING DOCUMENTS, MATERIALS OR INFORMATION SHALL  
30 BE CONFIDENTIAL BY LAW AND PRIVILEGED AND SHALL NOT BE SUBJECT

1 TO SUBPOENA, DISCOVERY, THE ACT OF FEBRUARY 14, 2008 (P.L.6, NO.  
2 3), KNOWN AS THE "RIGHT-TO-KNOW LAW," OR ADMISSIBLE IN EVIDENCE  
3 IN ANY PRIVATE CIVIL ACTION:

4 (I) ALL DOCUMENTS, MATERIALS OR OTHER INFORMATION PREPARED  
5 OR PROVIDED BY AN INSURANCE COMPANY, ASSOCIATION OR EXCHANGE  
6 SOLELY IN SUPPORT OF THE STATEMENT OF ACTUARIAL OPINION FILED  
7 UNDER THIS SECTION, INCLUDING ACTUARIAL REPORTS, WORK PAPERS OR  
8 ACTUARIAL OPINION SUMMARIES AND ANY OTHER MATERIAL SOLELY  
9 PREPARED BY THE INSURANCE COMPANY, ASSOCIATION OR EXCHANGE FOR  
10 THE PURPOSE OF PROVIDING IT TO THE INSURANCE DEPARTMENT IN  
11 CONNECTION WITH ACTUARIAL REPORTS, WORK PAPERS OR ACTUARIAL  
12 OPINION SUMMARIES.

13 (II) ALL FINANCIAL ANALYSIS RATIOS, ANALYST TEAM REPORTS AND  
14 OTHER FINANCIAL ANALYTICAL RESULTS CONCERNING INSURANCE  
15 COMPANIES, ASSOCIATIONS AND EXCHANGES THAT ARE PROVIDED TO THE  
16 INSURANCE DEPARTMENT BY THE NATIONAL ASSOCIATION OF INSURANCE  
17 COMMISSIONERS.

18 (III) ALL ADDITIONAL WORK PRODUCTS, DOCUMENTS, MATERIALS OR  
19 INFORMATION PRODUCED BY, OBTAINED BY OR PROVIDED TO THE  
20 INSURANCE DEPARTMENT IN THE COURSE OF CONDUCTING FINANCIAL  
21 ANALYSES OF FINANCIAL STATEMENTS FILED UNDER THIS SECTION.

22 (2) THE PROTECTIONS ESTABLISHED UNDER PARAGRAPH (1) (I) AND  
23 (III) SHALL ALSO APPLY TO THE MATERIALS, DRAFTS OR COPIES  
24 THEREOF WHEN IN POSSESSION OF THE INSURANCE COMPANY, ASSOCIATION  
25 OR EXCHANGE IF THE MATERIALS OR DRAFTS WERE PREPARED SOLELY FOR  
26 THE PURPOSE OF SUBMITTING THE MATERIALS TO THE INSURANCE  
27 DEPARTMENT. ANY DOCUMENTS, MATERIALS OR INFORMATION THAT ARE  
28 PROVIDED TO THE INSURANCE DEPARTMENT UNDER PARAGRAPH (1) (I) OR  
29 (III) AND THAT WOULD OTHERWISE BE AVAILABLE FROM ORIGINAL  
30 SOURCES SHALL NOT BE CONSTRUED AS IMMUNE FROM DISCOVERY FROM THE

1 ORIGINAL SOURCE AND USE IN ANY PRIVATE CIVIL ACTION MERELY  
2 BECAUSE THEY WERE PROVIDED TO THE INSURANCE DEPARTMENT.

3 (3) NEITHER THE INSURANCE COMMISSIONER NOR ANY INDIVIDUAL OR  
4 PERSON WHO RECEIVES DOCUMENTS, MATERIALS OR INFORMATION WHILE  
5 ACTING UNDER THE AUTHORITY OF THE INSURANCE COMMISSIONER SHALL  
6 BE PERMITTED OR REQUIRED TO TESTIFY IN ANY PRIVATE CIVIL ACTION  
7 CONCERNING ANY CONFIDENTIAL DOCUMENTS, MATERIALS OR INFORMATION  
8 COVERED UNDER THIS SECTION.

9 (4) NO WAIVER OF ANY APPLICABLE PRIVILEGE OR CLAIM OF  
10 CONFIDENTIALITY IN THE DOCUMENTS, MATERIALS OR INFORMATION SHALL  
11 OCCUR AS A RESULT OF DISCLOSURE TO THE INSURANCE COMMISSIONER OR  
12 AS A RESULT OF THE INSURANCE COMMISSIONER SHARING INFORMATION IN  
13 CONFORMANCE WITH SECTIONS 201-A AND 202-A OF THE ACT OF MAY 17,  
14 1921 (P.L. 789, NO. 285), KNOWN AS "THE INSURANCE DEPARTMENT ACT  
15 OF 1921."

16 (5) THE INSURANCE COMMISSIONER MAY USE THE DOCUMENTS,  
17 MATERIALS OR OTHER INFORMATION OBTAINED OR CREATED UNDER THIS  
18 SECTION IN FURTHERANCE OF ANY REGULATORY OR LEGAL ACTION BROUGHT  
19 AS PART OF THE INSURANCE COMMISSIONER'S OFFICIAL DUTIES.

20 (E) (1) ANY COMPANY, ASSOCIATION, OR EXCHANGE, WHICH  
21 NEGLECTS TO MAKE AND FILE ITS ANNUAL STATEMENT, OR OTHER  
22 STATEMENTS THAT MAY BE REQUIRED, IN THE FORM OR WITHIN THE TIME  
23 HEREIN PROVIDED SHALL FORFEIT A SUM NOT TO EXCEED TWO HUNDRED  
24 DOLLARS (\$200) FOR EACH DAY DURING WHICH SUCH NEGLECT CONTINUES,  
25 AND, UPON NOTICE BY THE COMMISSIONER, ITS AUTHORITY TO DO NEW  
26 BUSINESS SHALL CEASE WHILE SUCH DEFAULT CONTINUES.

27 (2) FOR WILFULLY MAKING A FALSE ANNUAL OR OTHER STATEMENT  
28 REQUIRED BY LAW, AN INSURANCE COMPANY, ASSOCIATION OR EXCHANGE,  
29 AND THE PERSONS MAKING OATH TO OR SUBSCRIBING THE SAME, SHALL  
30 SEVERALLY BE PUNISHED BY A FINE OF NOT LESS THAN ONE THOUSAND

1 DOLLARS (\$1,000) NOR MORE THAN TEN THOUSAND DOLLARS (\$10,000). A  
2 PERSON WHO WILFULLY MAKES OATH TO SUCH FALSE STATEMENT SHALL BE  
3 GUILTY OF PERJURY.

4 (3) THE INSURANCE COMMISSIONER MAY SUSPEND, REVOKE OR REFUSE  
5 TO RENEW THE CERTIFICATE OF AUTHORITY OF ANY INSURER FAILING TO  
6 FILE ITS ANNUAL STATEMENT WHEN DUE.

7 SECTION 2. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ:

8 ARTICLE IV-B

9 SUITABILITY OF ANNUITY TRANSACTIONS

10 Section 401-B. Definitions.

11 The following words and phrases when used in this article  
12 shall have the meanings given to them in this section unless the  
13 context clearly indicates otherwise:

14 "Annuity." A fixed annuity or variable annuity that is  
15 individually solicited, whether the product is classified as an  
16 individual or group annuity.

17 "Commissioner." The Insurance Commissioner of the  
18 Commonwealth.

19 "General agent." An insurance producer that provides  
20 supervision on behalf of an insurer to an insurer's sales force  
21 in a particular geographic region or territory.

22 "Independent agency." A producer entity that does not  
23 exclusively represent one insurance company.

24 "Insurance producer." A person who sells, solicits or  
25 negotiates contracts of insurance as defined in section 601-A of  
26 the act of May 17, 1921 (P.L.789, No.285), known as The  
27 Insurance Department Act of 1921.

28 "Insurer." A life insurance company licensed or required to  
29 be licensed under section 202 or a fraternal benefit society as  
30 defined in section 2403.

1 "Recommendation." Advice provided by an insurance producer,  
2 or an insurer where no producer is involved, to an individual  
3 consumer that results in a purchase or exchange of an annuity in  
4 accordance with that advice.

5 Section 402-B. Applicability and scope.

6 (a) General rule.--This article shall apply to any  
7 recommendation to purchase or exchange an annuity made to a  
8 consumer by an insurance producer, or an insurer where no  
9 producer is involved, that results in the purchase or exchange  
10 recommended.

11 (b) Exclusions.--Unless otherwise specifically included,  
12 this article shall not apply to recommendations involving the  
13 following:

14 (1) Direct response solicitations where there is no  
15 recommendation based on information collected from the  
16 consumer pursuant to this article.

17 (2) Annuity contracts used to fund:

18 (i) An employee pension or welfare benefit plan that  
19 is covered by the Employee Retirement Income Security Act  
20 of 1974 (Public Law 93-406, 88 Stat. 829).

21 (ii) A plan described by sections 401(a) or (k),  
22 403(b), 408(k) or (p) of the Internal Revenue Code of  
23 1986 (Public Law 99-514, 26 U.S.C. §§ 401(a) or (k),  
24 403(b), 408(k) or (p)), when the plan, for purposes of  
25 the Employee Retirement Income Security Act of 1974, is  
26 established or maintained by an employer.

27 (iii) A governmental or church plan defined in  
28 section 414 of the Internal Revenue Code of 1986 or a  
29 deferred compensation plan of a State or local government  
30 or tax exempt organization under section 457 of the

1 Internal Revenue Code of 1986.

2 (iv) A nonqualified deferred compensation  
3 arrangement established or maintained by an employer or  
4 plan sponsor.

5 (v) Settlements of or assumptions of liabilities  
6 associated with personal injury litigation or any dispute  
7 or claim resolution process.

8 (vi) Formal prepaid funeral contracts.

9 Section 403-B. Duties of insurers and insurance producers.

10 (a) General duties.--In making a recommendation to a  
11 consumer for the purchase of an annuity or the exchange of an  
12 annuity that results in another insurance transaction or series  
13 of insurance transactions, the insurance producer, or the  
14 insurer where no insurance producer is involved, shall have  
15 reasonable grounds for believing that the recommendation is  
16 suitable for the consumer on the basis of the facts disclosed by  
17 the consumer as to the consumer's investments and other  
18 insurance products and as to the consumer's financial situation  
19 and needs.

20 (b) Consumer information.--Prior to the execution of a  
21 purchase or exchange of an annuity resulting from a  
22 recommendation, an insurance producer, or an insurer where no  
23 insurance producer is involved, shall make reasonable efforts to  
24 obtain information concerning all of the following:

25 (1) The consumer's financial status.

26 (2) The consumer's tax status.

27 (3) The consumer's investment objectives.

28 (4) Other information used or considered to be  
29 reasonable by the insurance producer, or the insurer where no  
30 insurance producer is involved, in making recommendations to



1 the consumer.

2 (c) Obligation limits.--

3 (1) Neither an insurance producer nor an insurer where  
4 no insurance producer is involved shall have any obligation  
5 to a consumer under subsection (a) related to any  
6 recommendation that is reasonable under all the circumstances  
7 actually known to the insurer or insurance producer at the  
8 time of the recommendation when a consumer:

9 (i) Refuses to provide relevant information  
10 requested by the insurer or insurance producer.

11 (ii) Decides to enter into an insurance transaction  
12 that is not based on a recommendation of the insurer or  
13 insurance producer.

14 (iii) Fails to provide complete or accurate  
15 information.

16 (d) Supervision of recommendations.--

17 (1) An insurer shall assure that a system to supervise  
18 recommendations that is reasonably designed to achieve  
19 compliance with this article is established and maintained by  
20 complying with paragraphs (3) and (4), or shall establish and  
21 maintain such a system that includes at least the following:

22 (i) Maintaining written procedures.

23 (ii) Conducting periodic reviews of its records that  
24 are reasonably designed to assist in detecting and  
25 preventing violations of this article.

26 (2) A general agent or independent agency shall adopt a  
27 system established by an insurer to supervise recommendations  
28 of its insurance producers that is reasonably designed to  
29 achieve compliance with this article, or shall establish and  
30 maintain a system that is reasonably designed to achieve

1 compliance with this article. The system must include at  
2 least the following:

3 (i) Maintaining written procedures.

4 (ii) Conducting periodic reviews of records that are  
5 reasonably designed to assist in detecting and preventing  
6 violations of this article.

7 (3) An insurer may contract with a third party,  
8 including a general agent or independent agency, to establish  
9 and maintain a system of supervision as required by paragraph  
10 (1) with respect to insurance producers under contract with  
11 or employed by the third party.

12 (4) An insurer shall make reasonable inquiry to assure  
13 that the third party contracting under paragraph (3) is  
14 performing the functions required under paragraph (1) and  
15 shall take such action as is reasonable under the  
16 circumstances to enforce the contractual obligation to  
17 perform the functions. An insurer may comply with its  
18 obligation to make reasonable inquiry by doing both of the  
19 following:

20 (i) The insurer annually obtains, electronically or  
21 otherwise, a certification from a third party senior  
22 manager who has responsibility for the delegated  
23 functions that the manager has a reasonable basis to  
24 represent, and does represent, that the third party is  
25 performing the required functions.

26 (ii) The insurer, based on reasonable selection  
27 criteria, periodically selects third parties contracting  
28 under paragraph (3) for a review to determine whether the  
29 third parties are performing the required functions. The  
30 insurer shall perform procedures to conduct the review

1 that are reasonable under the circumstances.

2 (5) An insurer that contracts with a third party under  
3 paragraph (3) and that complies with the requirements to  
4 supervise under paragraph (4) shall have fulfilled its  
5 responsibilities under paragraph (1).

6 (6) An insurer, general agent or independent agency is  
7 not required to do either of the following:

8 (i) Review or provide for review of all insurance  
9 producer-solicited transactions.

10 (ii) Include in its system of supervision an  
11 insurance producer's recommendations to consumers of  
12 products other than the annuities offered by the insurer,  
13 general agent or independent agency.

14 (7) A general agent or independent agency contracting  
15 with an insurer pursuant to paragraph (3) shall promptly,  
16 when requested by the insurer pursuant to paragraph (4), give  
17 a certification as described in paragraph (4) or give a clear  
18 statement that it is unable to meet the certification  
19 criteria.

20 (8) No person may provide a certification under  
21 paragraph (4) (i) unless both the following conditions are  
22 met:

23 (i) The person is a senior manager with  
24 responsibility for the delegated functions.

25 (ii) The person has a reasonable basis for making  
26 the certification.

27 (e) Compliance with other rules.--Compliance with the  
28 Financial Industry Regulatory Authority Conduct Rules pertaining  
29 to suitability shall satisfy the requirements under this section  
30 for the recommendation of ~~variable~~ annuities REGISTERED UNDER



1 THE SECURITIES ACT OF 1933 (48 STAT. 74, 15 U.S.C. § 77A ET  
2 SEQ.) OR RULES AND REGULATIONS ADOPTED UNDER THE SECURITIES ACT  
3 OF 1933. Nothing in this subsection shall limit the  
4 commissioner's ability to enforce the provisions of this  
5 article.

6 (f) Internal audit and compliance procedures.--Nothing in  
7 this article shall exonerate an insurer from the internal audit  
8 and compliance procedure requirements under section 405-A.  
9 Section 404-B. Mitigation of responsibility.

10 (a) Corrective actions.--The commissioner may order:

11 (1) An insurer to take reasonably appropriate corrective  
12 action for any consumer harmed by the insurer's or by its  
13 insurance producer's violation of this article.

14 (2) An insurance producer to take reasonably appropriate  
15 corrective action for any consumer harmed by the insurance  
16 producer's violation of this article.

17 (3) A general agent or independent agency that employs  
18 or contracts with an insurance producer to sell or solicit  
19 the sale of annuities to consumers, to take reasonably  
20 appropriate corrective action for any consumer harmed by the  
21 insurance producer's violation of this article.

22 (b) Reduction of penalty.--Any applicable penalty permitted  
23 under section 406-B may be reduced or eliminated if corrective  
24 action for the consumer was taken promptly after a violation was  
25 discovered.

26 Section 405-B. Recordkeeping.

27 An insurer, general agent, independent agency and insurance  
28 producer shall maintain or be able to make available to the  
29 commissioner records of the information collected from the  
30 consumer and other information used in making the

1 recommendations that were the basis for insurance transactions  
2 for five years after the insurance transaction is completed by  
3 the insurer. An insurer is permitted but shall not be required  
4 to maintain documentation on behalf of an insurance producer.

5 Section 406-B. Enforcement.

6 (a) Penalties and remedies.--Upon a determination by hearing  
7 that this article has been violated, the commissioner may pursue  
8 one or more of the following courses of action:

9 (1) Issue an order requiring the person in violation to  
10 cease and desist from engaging in the violation.

11 (2) Suspend or revoke or refuse to issue or renew the  
12 certificate or license of the person in violation.

13 (3) Impose a civil penalty of not more than \$5,000 for  
14 each violation.

15 (4) Impose any other penalty or remedy deemed  
16 appropriate by the commissioner, including restitution.

17 (b) Other remedies.--The enforcement remedies imposed under  
18 this section are in addition to any other remedies or penalties  
19 that may be imposed by any other applicable statute, including  
20 the act of July 22, 1974 (P.L.589, No.205), known as the Unfair  
21 Insurance Practices Act. Violations of this article are deemed  
22 and defined by the commissioner to be an unfair method of  
23 competition and an unfair or deceptive act or practice pursuant  
24 to the Unfair Insurance Practices Act.

25 Section 407-B. Private cause of action.

26 Nothing in this article shall be construed to create or imply  
27 a private cause of action for a violation of this article.

28 ~~Section 2. This act shall take effect in 180 days.~~ ←

29 SECTION 3. THIS ACT SHALL TAKE EFFECT AS FOLLOWS: ←

30 (1) THE AMENDMENT OF SECTION 320 OF THE ACT SHALL TAKE

1 EFFECT IMMEDIATELY.

2 (2) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

3 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 180  
4 DAYS.