



SENATE OF PENNSYLVANIA BILL SUMMARY

House Bill 1403 Printer's No. 1986

Prime Sponsor: Quinn
Committee: Banking and Insurance

SYNOPSIS:

Amends Title 40 (Insurance) to add a new chapter providing for unclaimed life insurance benefits

SUMMARY:

Requires insurers to compare its in-force life insurance policies, contracts and retained asset accounts against the Social Security Death Master File on a semiannual basis to identify potential matches for its insureds.

Within the 90 days of a match the insurer shall in good faith attempt to confirm the death of the insured and locate potential beneficiaries.

An insurer may not charge an insurer for costs associated with performing the search or verification.

If a beneficiary cannot be found, the benefits shall escheat to the commonwealth. The insurer shall notify the State Treasurer that the beneficiary has not submitted a claim or the insurer has not found a beneficiary after performing the search required by this act.

Upon a determination by hearing that an insurer has violated this chapter, the Insurance Commissioner may issue an order requiring the insurer to cease and desist from engaging in the violation or suspend, revoke or refuse to issue the certification of qualification or license of the offending insurer. The Commissioner may also pursue a civil penalty of not more than \$5,000 for each violation.

Effective Date: 360 days

BILL HISTORY:

Amended in the House Insurance Committee to make a technical change to the definition of "policy."
The bill passed the House unanimously July 22, 2015.

Prepared by: Logue 9/26/2016