

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 152 Session of 2017

INTRODUCED BY M. QUINN, DeLUCA, PICKETT, BARRAR, BIZZARRO, CALTAGIRONE, DAVIDSON, DAVIS, DOWLING, DRISCOLL, FLYNN, GAINEY, HELM, LONGIETTI, MURT, O'NEILL, PASHINSKI, READSHAW, WARD, WATSON, MATZIE, D. COSTA, KORTZ, ENGLISH AND BARBIN, JANUARY 23, 2017

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, FEBRUARY 7, 2017

AN ACT

1 Amending Title 40 (Insurance) of the Pennsylvania Consolidated
2 Statutes, in general provisions, providing for life insurance
3 database.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 40 of the Pennsylvania Consolidated
7 Statutes is amended by adding a section to read:

8 § 102. Life insurance database.

9 (a) Contact information.--The following shall apply
10 regarding contact information:

11 (1) The department or its designee shall maintain an
12 electronic database of contact information for each life
13 insurer that has life insurance policies or, annuity <--
14 contracts OR RETAINED ASSET ACCOUNTS in force in this <--
15 Commonwealth.

16 (2) All life insurers, including those insurers under

1 Article XXIV of the act of May 17, 1921 (P.L.682, No.284),
2 known as The Insurance Company Law of 1921, having a life
3 insurance policy ~~or~~, annuity contract OR RETAINED ASSET <--
4 ACCOUNT in force in this Commonwealth shall provide and
5 maintain with the department or its designee a valid e-mail
6 address to which the department or its designee may send the
7 requests received under this act.

8 (b) Who may request search.--

9 (1) Subject to paragraph (2), the following may file
10 with the department or its designee a request to conduct a
11 search for life insurance policies ~~or~~, annuity contracts OR <--
12 RETAINED ASSET ACCOUNTS covering a decedent:

13 (i) A member of the decedent's family who has
14 requested and obtained a copy of the decedent's death
15 certificate.

16 (ii) ~~An executor or administrator~~ A PERSONAL <--
17 REPRESENTATIVE of the decedent's estate.

18 (2) A request to conduct a search may occur only if:

19 (i) the decedent was a resident or former resident
20 of this Commonwealth; and

21 (ii) the request is accompanied by a copy of the
22 decedent's death certificate.

23 (3) The right to file a request to conduct a search may
24 not be assigned.

25 (c) Submittal of search request.--

26 (1) The department or its designee shall transmit a
27 request to conduct a search to all life insurers having life
28 insurance policies ~~or~~, annuity contracts OR RETAINED ASSET <--
29 ACCOUNTS in force in this Commonwealth along with information
30 necessary for responding directly to the person filing the

1 request.

2 (2) The information submitted to insurers must be on a
3 standardized form or the search requests must be available to
4 the life insurers on the secure website of the department or
5 its designee.

6 (d) Good faith efforts.--

7 (1) In response to a search request under this section,
8 each insurer shall in good faith examine its books and
9 records to determine whether the decedent is covered by a
10 life insurance policy ~~or~~, annuity contract OR RETAINED ASSET <--
11 ACCOUNT. Upon a finding that coverage does exist, the insurer
12 shall directly notify the REQUESTING PERSONAL REPRESENTATIVE, <--
13 IF ANY, AND THE beneficiary or beneficiaries to whom the
14 benefits are due.

15 (2) Within 90 days of receiving the search request from
16 the department or its designee, the insurer shall complete
17 good faith efforts to confirm the death of the insured,
18 annuity contract holder or retained assets account holder
19 against other available records and information. The efforts
20 shall be documented by the insurer and determine whether
21 benefits are due in accordance with the applicable policy or
22 contract.

23 (3) WITHIN 120 DAYS OF RECEIVING THE SEARCH REQUEST FROM <--
24 THE DEPARTMENT OR ITS DESIGNEE, IF ALL THE BENEFICIARIES TO
25 WHOM THE BENEFITS ARE DUE HAVE NOT BEEN LOCATED, THE ISSUER
26 SHALL DIRECTLY NOTIFY THE REQUESTING PERSONAL REPRESENTATIVE,
27 IF ANY, TO ADVISE THE PERSONAL REPRESENTATIVE OF THE NAME OF
28 EACH BENEFICIARY WHO HAS NOT BEEN LOCATED.

29 (e) Beneficiary claim.--If, as a result of the search under
30 this section, benefits are due, the insurer shall:

1 (1) Use good faith efforts to locate each beneficiary.
2 The efforts shall be documented by the insurer.

3 (2) Provide the appropriate claims forms or instructions
4 to each beneficiary to make a claim, including instructions
5 on the need to provide an official death certificate, if
6 applicable under the policy or contract.

7 (f) General procedure.--An insurer under this section shall
8 implement procedures to account for all of the following:

9 (1) Common nicknames, initials used in lieu of a first
10 or middle name, use of a middle name, compound first and
11 middle names and interchanged first and middle names.

12 (2) Compound last names, maiden or married names and
13 hyphens, blank spaces or apostrophes in last names.

14 (3) Transposition of the month and date portions of the
15 date of birth.

16 (4) An incomplete Social Security number.

17 (g) Fees.--

18 (1) The department may charge a fee of \$10 for each
19 search request processed through the database.

20 (2) The department may develop and implement an
21 electronic payment system that may be used regarding search
22 requests.

23 (3) Beginning one year after the effective date of this
24 section, the department shall have authority to increase the
25 fee charged. The fee increase may not exceed:

26 (i) an annual cost-of-living adjustment as
27 calculated by applying the percentage increase in the
28 Consumer Price Index for All Urban Consumers (CPI-U) for
29 the Pennsylvania, New Jersey, Delaware and Maryland area
30 for the most recent 12-month period for which figures

1 have been officially reported by the United States
2 Department of Labor, Bureau of Labor Statistics; and
3 (ii) twenty percent annually.

4 (h) Rules and regulations.--The department may promulgate
5 rules and regulations necessary to implement the provisions of
6 this section.

7 (I) DEFINITIONS.--AS USED IN THIS SECTION, THE TERM <--
8 "PERSONAL REPRESENTATIVE" SHALL HAVE THE SAME MEANING AS GIVEN
9 TO THE TERM UNDER 20 PA.C.S. § 102 (RELATING TO DEFINITIONS).

10 Section 2. This act shall take effect July 1, 2017, or
11 immediately, whichever is later.