

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 996

Session of
1977

INTRODUCED BY MESSRS. LAUGHLIN, PETRARCA, WILT, GARZIA,
ZITTERMAN, REED, GRAY, KOLTER, BRUNNER, MILANOVICH, COHEN,
SWEET, STAPLETON, O'KEEFE, ZELLER AND BROWN, APRIL 27, 1977

AS REPORTED FROM COMMITTEE ON INSURANCE, AS AMENDED, HOUSE OF
REPRESENTATIVES, DECEMBER 7, 1977

AN ACT

1 Amending the act of June 5, 1968 (P.L.140, No.78), entitled "An
2 act regulating the writing, cancellation of or refusal to
3 renew policies of automobile insurance; and imposing powers
4 and duties on the Insurance Commissioner therefor,"
5 ~~prohibiting insurance companies from securing and using~~ <—
6 ~~certain information relating to violations of the Vehicle~~
7 ~~Code for purposes of risk categorization or premium charges.~~
8 FURTHER PROVIDING FOR LIMITATIONS ON THE CANCELLATION AND <—
9 FAILURE TO WRITE OR RENEW CERTAIN POLICIES.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. ~~The~~ SECTION 3, act of June 5, 1968 (P.L.140, <—
13 No.78), entitled "An act regulating the writing, cancellation of
14 or refusal to renew policies of automobile insurance; and
15 imposing powers and duties on the Insurance Commissioner
16 therefor," is amended ~~by adding a section~~ to read: <—

17 ~~Section 2.1. (a) It shall be unlawful for any insurer~~ <—
18 ~~writing automobile insurance in this Commonwealth to use any~~
19 ~~conviction of violating the motor vehicle or tractor laws of~~
20 ~~this Commonwealth which do not result in suspension or~~

~~revocation of an insured's operating privilege for the purpose of determining the risk category or premium to be charged to an insured. Suspensions resulting from failure to attend or successfully complete either driver improvement school or an examination shall not be considered to have resulted from a conviction of the motor vehicle or tractor laws for purposes of this section.~~

~~(b) Each application for automobile insurance, whether for new or renewal purposes, which requires information on the applicant's driving record in relation to violations of 75 Pennsylvania Consolidated Statutes (relating to vehicles), shall only require the applicant to set forth those violations which resulted in a suspension of or a revocation of the applicant's operating privileges.~~

~~(c) It shall be unlawful for any automobile insurer to secure or attempt to secure any other information relating to violations of 75 Pennsylvania Consolidated Statutes (relating to vehicles) in which do not result in a suspension or revocation of the insured's operating privileges any manner except as set forth in this section.~~

SECTION 3. (A) NO INSURER SHALL CANCEL OR REFUSE TO WRITE OR RENEW A POLICY OF AUTOMOBILE INSURANCE SOLELY BECAUSE OF THE AGE, RESIDENCE, RACE, COLOR, CREED, NATIONAL ORIGIN, ANCESTRY OR LAWFUL OCCUPATION (INCLUDING THE MILITARY SERVICE) OF ANYONE WHO IS OR SEEKS TO BECOME INSURED OR SOLELY BECAUSE ANOTHER INSURER HAS REFUSED TO WRITE A POLICY, OR HAS CANCELLED OR HAS REFUSED TO RENEW AN EXISTING POLICY IN WHICH THAT PERSON WAS THE NAMED INSURED.

(B) NO INSURER SHALL CANCEL OR REFUSE TO WRITE OR RENEW A POLICY OF AUTOMOBILE INSURANCE FOR TWO OR FEWER MOVING

1 VIOLATIONS DURING A TWENTY-FOUR MONTH PERIOD WHEN THE OPERATOR'S
2 RECORD INDICATES THAT THE NAMED INSURED PRESENTLY BEARS FIVE
3 POINTS OR FEWER: PROVIDED, THAT THIS PROVISION SHALL NOT APPLY
4 UNDER THE FOLLOWING CONDITIONS:

5 (1) ALL FIVE POINTS WERE INCURRED FROM ONE VIOLATION.

6 (2) THE DRIVER'S LICENSE OR MOTOR VEHICLE REGISTRATION OF
7 THE NAMED INSURED HAS BEEN SUSPENDED OR REVOKED AS A RESULT OF
8 THE VIOLATION OR VIOLATIONS.

9 (C) THE APPLICABILITY OF SUBSECTION (B) TO ONE WHO EITHER IS
10 A RESIDENT IN THE SAME HOUSEHOLD OR WHO CUSTOMARILY OPERATES AN
11 AUTOMOBILE INSURED UNDER THE POLICY SHALL BE PROPER REASON FOR
12 THE INSURER THEREAFTER EXCLUDING SUCH INDIVIDUAL FROM COVERAGE
13 UNDER THE POLICY, BUT NOT FOR CANCELLING THE POLICY.

14 (D) AS USED IN SUBSECTION (B) "POINTS" SHALL MEAN POINTS AS
15 SET FORTH IN 75 PA.C.S. 1501 ET SEQ. (RELATING TO LICENSING OF
16 DRIVERS).

17 (e) The Insurance Department shall adopt appropriate rules
18 and regulations to implement and enforce the provisions of this
19 section.

20 (f) Any individual or insurer who violates the provisions of
21 ~~subsections (a), (b), (c) and (d)~~ SUBSECTION (A) OR (B) shall be <—
22 guilty of a misdemeanor of the second degree and be sentenced to
23 pay a fine of five thousand dollars (\$5,000).

24 Section 2. This act shall take effect immediately.