
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 675

Session of
1979

INTRODUCED BY MURPHY, CHESS, DAWIDA, SEVENTY AND MICHLOVIC,
MARCH 13, 1979

REFERRED TO COMMITTEE ON INSURANCE, MARCH 13, 1979

AN ACT

1 Amending the act of July 19, 1974 (P.L.489, No.176), entitled
2 "An act providing for a compensation system for persons
3 injured in motor vehicle accidents; requiring insurance for
4 all motor vehicles required to be registered in Pennsylvania;
5 defining compensable damage in motor vehicle accident cases;
6 establishing an assigned claims plan; providing for
7 arbitration; imposing powers and duties on courts, the
8 Department of Transportation and the Insurance Commissioner;
9 prohibiting certain discrimination; and providing penalties,"
10 further providing for tort liability, providing for certain
11 premium reductions and clarifying certain language.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Subsection (a) of section 301, act of July 19,
15 1974 (P.L.489, No.176), known as the "Pennsylvania No-fault
16 Motor Vehicle Insurance Act," is amended to read:

17 § 301. Tort liability.

18 (a) Partial abolition.--Tort liability is abolished with
19 respect to any injury that takes place in this State in
20 accordance with the provisions of this act if such injury arises
21 out of the maintenance or use of a motor vehicle, except that:

22 (1) An owner of a motor vehicle involved in an accident

1 remains liable if, at the time of the accident, the vehicle
2 was not a secured vehicle.

3 (2) A person in the business of designing,
4 manufacturing, repairing, servicing, or otherwise maintaining
5 motor vehicles remains liable for injury arising out of a
6 defect in such motor vehicle which is caused or not corrected
7 by an act or omission in the course of such business, other
8 than a defect in a motor vehicle which is operated by such
9 business.

10 (3) An individual remains liable for intentionally
11 injuring himself or another individual.

12 (4) A person remains liable for loss which is not
13 compensated because of any limitation in accordance with
14 section 202 (a), (b), (c) or (d) of this act. A person is not
15 liable for loss which is not compensated because of
16 limitations in accordance with subsection (e) of section 202
17 of this act.

18 (5) A person remains liable for damages for non-economic
19 detriment [if the accident] with respect to a victim whose
20 injury results in:

21 (A) death or serious and permanent injury; or

22 (B) expenditures for reasonable value of reasonable
23 and necessary medical and dental services, including
24 prosthetic devices and necessary ambulance, hospital and
25 professional nursing expenses incurred in the diagnosis,
26 care and recovery of the victim, exclusive of diagnostic
27 x-ray costs and rehabilitation costs in excess of one
28 hundred dollars (\$100) [is] in excess of [seven hundred
29 fifty dollars (\$750).] ten thousand dollars (\$10,000).

30 For purposes of this subclause, the reasonable value of

1 hospital room and board shall be the amount determined by
2 the Department of Health to be the average daily rate
3 charged for a semi-private hospital room and board
4 computed from such charges by all hospitals in the
5 Commonwealth; or

6 (C) medically determinable physical or mental
7 impairment which prevents the victim from performing all
8 or substantially all of the material acts and duties
9 which constitute his usual and customary daily activities
10 and which continues for more than sixty consecutive days;
11 or

12 (D) [injury which in whole or in part consists of]
13 cosmetic disfigurement which is permanent, irreparable
14 and severe.

15 (6) A person remains liable for injury arising out of a
16 motorcycle accident to the extent that such injury is not
17 covered by basic loss benefits payable under this act, as
18 described in section 103.

19 * * *

20 Section 2. Section 504 of the act is amended by adding a
21 subsection to read:

22 § 504. Policy requirements and premium changes.

23 * * *

24 (b.1) Mandated premium reduction.--The premiums charged by
25 any insurer for bodily injury liability insurance during the
26 twelve-month period following the effective date of the increase
27 in the monetary threshold to ten thousand dollars (\$10,000) as
28 provided in section 301(a)(5)(B) shall be reduced fifteen
29 percent (15%).

30 * * *

1 Section 3. This act shall take effect in 60 days and shall
2 apply to all accidents occurring thereafter and to all policies
3 issued, written or renewed thereafter.