

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2838 Session of
1990

INTRODUCED BY CHADWICK, McVERRY, JACKSON, G. SNYDER, GODSHALL,
COY, NOYE, D. W. SNYDER, TRELLO, SEMMEL, MERRY, LEH,
TANGRETTI, CARLSON, STABACK, HESS, D. F. CLARK, B. SMITH,
BRANDT, MELIO, COLE, JOHNSON, BUSH, MORRIS, RUDY AND
MICHLOVIC, JULY 1, 1990

REFERRED TO COMMITTEE ON INSURANCE, JULY 1, 1990

AN ACT

1 Amending the act of July 22, 1974 (P.L.589, No.205), entitled
2 "An act relating to unfair insurance practices; prohibiting
3 unfair methods of competition and unfair or deceptive acts
4 and practices; and prescribing remedies and penalties,"
5 providing for cancellations of certain insurance policies.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. The act of July 22, 1974 (P.L.589, No.205), known
9 as the Unfair Insurance Practices Act, is amended by adding a
10 section to read:

11 Section 4.1. Certain Required Memberships.--Notwithstanding
12 any provision of this act to the contrary, it shall not be an
13 unfair method of competition or an unfair or deceptive act or
14 practice to cancel, terminate or fail to renew a policy of a
15 named insured who fails to maintain membership in an
16 organization in which membership in such organization is a
17 condition precedent to acquiring or maintaining coverage under
18 that policy.

1 Section 2. This act shall take effect in 60 days.