

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1369 Session of
1993

INTRODUCED BY PERZEL, BARLEY AND HALUSKA, APRIL 21, 1993

REFERRED TO COMMITTEE ON INSURANCE, APRIL 21, 1993

AN ACT

1 Amending the act of June 11, 1947 (P.L.538, No.246), "entitled
2 "An act relating to the regulation of rates for insurance
3 which may be written by stock or mutual casualty insurance
4 companies, associations or exchanges, including fidelity,
5 surety and guaranty bonds and all other forms of motor
6 vehicle insurance, and title insurance; to rating and
7 advisory organizations; conferring on the Insurance
8 Commissioner the power and duty of supervising and regulating
9 persons, associations, companies and corporations, and of
10 enforcing the provisions of this act; prescribing and
11 regulating the practice and procedure before the
12 commissioner, and procedure for review by the courts; giving
13 the Court of Common Pleas of Dauphin County exclusive
14 jurisdiction over certain proceedings; prescribing penalties
15 and providing for enforcement thereof, and repealing
16 inconsistent acts," further providing for making of rates.

17 The General Assembly of the Commonwealth of Pennsylvania
18 hereby enacts as follows:

19 Section 1. Section 3(c) of the act of June 11, 1947
20 (P.L.538, No.246), known as The Casualty and Surety Rate
21 Regulatory Act, amended April 14, 1986 (P.L.80, No.27), is
22 amended to read:

23 Section 3. Making of Rates.--All rates shall be made in
24 accordance with the following provisions:

1 * * *

2 (c) Risks may be grouped by classifications for the
3 establishment of rates and minimum premiums. Classification
4 rates may be modified to produce rates for individual risks in
5 accordance with rating plans which establish standards for
6 measuring variations in hazards or expense provisions, or both.
7 Such standards may measure any differences among risks that can
8 be demonstrated to have a probable effect upon losses or
9 expenses. The exposure units for calculation of private
10 passenger automobile insurance premiums at the appropriate
11 classification rate shall be the mile by audited odometer
12 readings for driving coverages and the year for nondriving
13 coverage. The per mile rate for driving coverages will be based
14 on fifteen thousand (15,000) miles per year.

15 * * *

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