

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 392 Session of  
2001

INTRODUCED BY CLARK, M. BAKER, BARD, BARRAR, BEBKO-JONES,  
BELFANTI, BUXTON, CALTAGIRONE, CAPPELLI, CIVERA, COSTA,  
DeLUCA, DeWEESE, EACHUS, FAIRCHILD, FEESE, FICHTER, FLICK,  
FREEMAN, GEIST, GEORGE, GRUCELA, HALUSKA, HARHAI, HENNESSEY,  
HERMAN, HERSHEY, HESS, HORSEY, JADLOWIEC, KAISER, KENNEY,  
KIRKLAND, LEH, LYNCH, MAITLAND, MAJOR, MANDERINO, MANN,  
McCALL, MELIO, R. MILLER, S. MILLER, MUNDY, PIPPY, RAYMOND,  
READSHAW, ROHRER, RUBLEY, SAMUELSON, SANTONI, SATHER,  
SCHULER, SCRIMENTI, SHANER, B. SMITH, SOLOBAY, STABACK,  
STEELMAN, STEIL, STERN, T. STEVENSON, SURRA, E. Z. TAYLOR,  
J. TAYLOR, TIGUE, TRAVAGLIO, TRELLO, TRICH, TULLI, WALKO,  
WANSACZ, WILT, WOJNAROSKI AND YUDICHAK, JANUARY 31, 2001

REFERRED TO COMMITTEE ON INSURANCE, JANUARY 31, 2001

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated  
2 Statutes, further providing for required financial  
3 responsibility.

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

6 Section 1. Section 1786(e) of Title 75 of the Pennsylvania  
7 Consolidated Statutes is amended and the section is amended by  
8 adding a subsection to read:

9 § 1786. Required financial responsibility.

10 \* \* \*

11 (e) Obligations upon termination of financial  
12 responsibility.--

13 (1) An owner of a motor vehicle who ceases to maintain

1 financial responsibility on a registered vehicle shall not  
2 operate or permit operation of the vehicle in this  
3 Commonwealth until proof of the required financial  
4 responsibility has been provided to the Department of  
5 Transportation.

6 [(2) An insurer who has issued a contract of motor  
7 vehicle liability insurance, or any approved self-insurance  
8 entity, shall notify the department in a timely manner and in  
9 a method prescribed by the department's regulations.]

10 (3) An insurer who has issued a contract of motor  
11 vehicle liability insurance and knows or has reason to  
12 believe that the contract is only for the purpose of  
13 providing proof of financial responsibility shall notify the  
14 department if the insurance has been canceled or terminated  
15 by the insured or by the insurer. The insurer shall notify  
16 the department not later than ten days following the  
17 effective date of the cancellation or termination.

18 (4) A person who, after maintaining financial  
19 responsibility on the vehicle of another person, ceases to  
20 maintain such financial responsibility shall immediately  
21 notify the vehicle's owner who shall not operate, or permit  
22 operation of, the vehicle in this Commonwealth.

23 (5) In the case of a person who leases any motor vehicle  
24 from a person engaged in the business of leasing motor  
25 vehicles, the lessee shall sign a statement indicating that  
26 the required financial responsibility has been provided  
27 through the lessor or through the lessee's motor vehicle  
28 liability insurance policy coverage. The lessee shall submit  
29 the statement to the lessor.

30 (e.1) Insurer's obligation on issuance of new contract.--An

1 insurer who issues a contract of motor vehicle liability  
2 insurance, or any approved self-insurance entity, shall notify  
3 the department within ten days of the date of the contract. The  
4 department may prescribe the manner of notification by  
5 regulation.

6 \* \* \*

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