THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1858

Session of 1984

INTRODUCED BY MANDERINO, PETRARCA, J. L. WRIGHT, KUKOVICH, WARGO, OLASZ, DeWEESE, BALDWIN, TIGUE, SEVENTY, MARKOSEK, HUTCHINSON, VAN HORNE, GEIST, MRKONIC, COSLETT, STEVENS, LUCYK, MISCEVICH, DALEY, F. E. TAYLOR, KASUNIC, JAROLIN, STEIGHNER, STUBAN, STEWART, WOZNIAK, BELARDI, CAWLEY, LIVENGOOD, MICHLOVIC, McCALL AND SWEET, JANUARY 25, 1984

AS REPORTED FROM COMMITTEE ON MINES AND ENERGY MANAGEMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, FEBRUARY 8, 1984

AN ACT

- Amending the act of August 23, 1961 (P.L.1068, No.484), entitled, as reenacted and amended, "An act to provide for 3 the creation and administration of a Coal and Clay Mine Subsidence Insurance Fund within the Department of 5 Environmental Resources for the insurance of compensation for damages to subscribers thereto; declaring false oaths by the 7 subscribers to be misdemeanors; providing penalties for the violation thereof; and making an appropriation, "providing 9 for applications for additional insurance; providing for automatic increases for inflation; and providing insurance 10 availability for structures under construction. 11 12 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 13
- 14 Section 1. The act of August 23, 1961 (P.L.1068, No.484),
- 15 entitled, as reenacted and amended, "An act to provide for the
- 16 creation and administration of a Coal and Clay Mine Subsidence
- 17 Insurance Fund within the Department of Environmental Resources
- 18 for the insurance of compensation for damages to subscribers
- 19 thereto; declaring false oaths by the subscribers to be
- 20 misdemeanors; providing penalties for the violation thereof; and

- 1 making an appropriation, "reenacted and amended November 27,
- 2 1972 (P.L.1243, No.278), is amended by adding sections to read:
- 3 <u>Section 7.1. Application for an Increase in Insurance.--</u>
- 4 Additions in the amount of insurance, up to the allowable
- 5 limits, may be made at any time by the subscriber by submitting
- 6 a written statement to that effect to the board or to any of its
- 7 agents. Upon receipt of the subscriber's written statement by
- 8 the board or any of its agents, the new amount of insurance
- 9 <u>shall be effective immediately, but the additional coverage will</u>
- 10 be null and void if the applicant fails to remit the premium
- 11 payment within twenty days from the day the bill for additional
- 12 premium is postmarked.
- 13 (1) Such additional insurance may be subjected to later
- 14 reductions, and premiums adjusted accordingly, if the board
- 15 <u>determines that the added insurance raises the total amount of</u>
- 16 insurance in excess of the current market value of the
- 17 structure.
- 18 (2) The additional insurance shall be void if, upon
- 19 reinspection of the structure, the board determines that mine
- 20 <u>subsidence damage occurred prior to the request of the</u>
- 21 <u>subscriber for additional insurance.</u>
- 22 Section 7.2. Automatic Inflation Protection Increase. -- The
- 23 board shall make available to all subscribers an annual
- 24 <u>inflation protection option ON THE ANNIVERSARY DATE OF EACH</u>
- 25 POLICY to uniformly increase subscribers' coverage, and shall
- 26 <u>allow thirty days for subscribers to elect this option. IN ANY</u>

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- 27 CASE, THE OPTION SHALL NOT BE MADE AVAILABLE MORE THAN ONCE
- 28 ANNUALLY. An inflation protection increase shall not be subject
- 29 to a reinspection of the structure.
- 30 Section 12.1. Insurance for Structures under Construction.--

- The board shall make available mine subsidence insurance to 1
- 2 <u>owners of structures under construction</u>. Such insurance shall
- 3 have a term of no more than eighteen months, or until the
- 4 structure is eighty percent complete, whichever is first.
- 5 Section 2. This act shall take effect immediately.